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ଓଡ଼ିଶା ରାଜ୍ୟ ମୁକ୍ତ ବିଶ୍ୱବିଦ୍ୟାଳୟ  
ସମ୍ବଲପୁର  
Odisha State Open University  
Sambalpur

Diploma in Journalism & Mass Communication  
(DJMC)

# Advertising



Journalism & Mass Communication

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ଓଡ଼ିଶା ରାଜ୍ୟ ମୁକ୍ତ ବିଶ୍ୱବିଦ୍ୟାଳୟ, ସମ୍ବଲପୁର, ଓଡ଼ିଶା  
Odisha State Open University, Sambalpur, Odisha  
Established by an Act of Government of Odisha.

## **DIPLOMA IN JOURNALISM & MASS COMMUNICATION**

**DJMC-6**

### **Advertising**

Block

# **2**

## **Advertising**

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**Unit - 1**

**Definition and Principles**

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**Unit - 2**

**Theories of Advertisement**

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**Unit- 3**

**Various types of Advertisements**

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**Unit- 4**

**Account Service**

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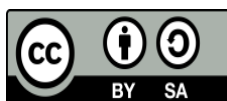
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# **UNIT – I: DEFINITION AND PRINCIPLES OF ADVERTISING**

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## **UNIT STRUCTURE**

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- 1.1 Learning Objectives
  - 1.2 Introduction
  - 1.3 History of Advertising
  - 1.4 Concept & Definition of Advertising
    - 1.4.1 Objectives of Advertising
    - 1.4.2 Characteristics of Advertising
  - 1.5 Importance of Advertising
  - 1.6 Basic Principles of Advertising
  - 1.7 Check Your Progress
- 

## **1.1 LEARNING OBJECTIVES**

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The Objective of this unit is to understand advertising and its core principles. Historical background of advertising is also discussed in this unit. After end of this unit you will be able to:

- Define Advertising as a Concept
  - Understand Principles and Functions of Advertising
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## **1.2 INTRODUCTION**

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The term ‘advertising’ is derived from the Latin word ‘advertere’, meaning ‘to turn towards’ or ‘to pay attention’. The basic function of every piece of advertising is to turn the attention of the readers or the listeners or the viewers or the onlookers towards a product or a service or an idea. Therefore, it can be said that anything that turns the attention to an article or a service or an idea might be well called as advertising.

Advertising is an informative or persuasive message carried by a non-personal medium and paid for by a sponsor whose product is in some way identified in the message. It draws attention towards company’s product, services and ideas. Traditional mass media, such as television and magazines, are most commonly used. However, the direct mailing

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of catalogues, electronic media advertisements featuring computerized ordering, and other direct-response vehicles are becoming increasingly popular. Advertisement can be telecasted on traditional mass media like television, radio, as well as print media, newspapers, and magazines. Other media like billboards in streets and cities are also used for advertising.

Advertising communicates information about a product, service or idea to its target audience through a media. It has the capacity to influence the consumer choices and preferences towards certain product and services. In the competitive business environment, advertising has acquired great importance.

Today advertising is a part of our everyday life. It is all around us. We cannot escape looking at it or listening to it. Even if we are not consciously looking at it or listening to it, the message of advertising reaches and influences us. It is often recorded somewhere at the back of our minds and is recalled when we are buying something or looking for a particular service.

From morning to night, we are using advertised goods and services. We start the morning with a cup of tea or coffee, use toothpaste and toothbrush on our teeth, at breakfast we have bread, butter, etc. our workplace is also full of machines, computers, etc which are the advertised goods. In this unit we will learn more about concept and elements of advertising.

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### 1.3 HISTORY OF ADVERTISING

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The origin of advertising is traceable to the town crier and the village drummer. They used their lungs to shout out their own or others' messages. The messages could relate to government proclamation or even to sales of goods on market days. Then there were signs on shops or drinking houses to indicate the name of the shop owner or of the shop. Even during Emperor Ashoka's reign, stones or pillars were used for making public announcements. These are some forms of advertising.

However, advertising as a discrete form is generally agreed to have begun with newspapers, in the seventeenth century, which included line or classified advertising. Simple descriptions, plus prices, of products served their purpose until the late nineteenth century, when technological advances meant that illustrations could be added to advertising, and color was also an option. Let's have a quick look about development of advertising since ancient times.

**Ancient times:** Egyptians wrote sales messages on papyrus wall posters. Political campaign ads were on the walls of Pompeii. Rudimentary commercial advertising existed in Greece, Rome, Arabia, Asia, Africa and South America.



**The Middle Ages:** Most people were unable to read, but images of clothing, shoes, horse shoes or bags of flour on signs pointed out the tailor, cobbler, blacksmith or miller.

**17th century:** As reading spread, advertising was printed on handbills. Advertisements promoting medicines and books were printed in weekly newspapers.

**19th century:** Advertising grew as the relative wealth of nations expanded. Advertising developed with the rise of mass production from the late 19th century.

In 1836 in France, the newspaper La Presse printed paid advertising on its pages. Because of the money it received for advertising, the paper was able to lower the price it charged readers for a copy. That let it extend its readership which increased its profitability.

The beginnings of an advertising agency was conceived by Volney B. Palmer in Philadelphia. In 1842, he bought quantities of space in newspapers at a discounted rate, then resold the space at higher rates to advertisers. Palmer was only a space broker – the ad copy, artwork and layout were prepared by the company that had something to advertise.

The first true advertising agency was N.W. Ayer & Son in Philadelphia in 1869. Ayer planned, created and placed complete advertising campaigns for its customers.

**20th century:** Advertising became a profession with agencies as the focal point of creative planning.

Women were responsible for purchasing for most households, so agencies recognized their insight in the creative process. That led advertising to become a business career choice for women. The first American advertisement to use a sexual sales appeal, created by J. Walter Thompson Co. for Woodbury Soap, depicted a couple with the message the skin you love to touch.

Advertising arrived on the air with radio in the 1920s and the practice of sponsoring programs became popular. With the coming of television in the 1940s, the networks sold ad time on the air to sponsors. Cable television wired the country from the 1980s and satellite TV emerged from the 1990s. They brought new advertising opportunities on the expanded number of channels. Marketing on Internet websites opened new frontiers for advertisers from the mid-1990s.

**21st century:** Advertising continues in all mass media including newspapers, magazines, radio, television, billboards, classified advertising in print and online, in-store advertising and websites.



Advertisement of Colgate in 1915

## 1.4 CONCEPT & DEFINITION OF ADVERTISING

For the common men advertising means television commercials, radio jingles and print advertisements. According the ‘concise oxford dictionary’ the verb, ‘to advertise’ means: to make generally or publicly known. Advertising is the process of making your product and service known to the marketplace. It is essentially spreading the word about what your company has to offer. While marketing is the way in which you convince potential buyers that you have the right product for them, advertising is how you communicate to them the existence of that product. In fact it is the paid, impersonal, one-way marketing of persuasive information from an identified sponsor disseminated through channels of mass communication to promote the adoption of goods, services or ideas.

Advertising is mass media content intended to persuade audiences of readers, viewers or listeners to take action on products, services and ideas. The idea is to drive consumer behavior in a particular way in regard to a product, service



David Mackenzie Ogilvy (1911 – 1999) is widely hailed as "The Father of Advertising". In 1962, Time called him "the most sought-after wizard in today's advertising industry". He founded Ogilvy & Mather.

or concept. The concept of advertising is the delivery of the most persuasive product message at the right time, in the right place, to a right person, at the lowest possible cost.

Advertisement has become an integral part in today’s marketing scenario. In earlier times, advertisement was not given as much emphasis as it is being given today. The Institute of Practitioners in Advertising defines the term as: “advertising presents the most persuasive possible selling message to the right prospects for the product or service at the lowest possible cost”. Here we have a combination of creativity, marketing research & economic media buying. Advertising may cost a lot of money but that cost is justified if it works effectively and economically.

The Advertising Standards Council of India (ASCI) code of conduct define advertisement “as a paid-for communication, addressed to the Public or a section of it, the purpose of which is to influence the opinions or behaviour of those to whom it is addressed. Any communication which in the normal course would be recognized as an advertisement by the general public would be included in this definition, even if it is carried free-of-charge for any reason”.

Some of the other definitions of advertising are:

According to Advertising Association of the UK, “Advertising is a means of communication with the users of a product or service. Advertisements are messages paid for by those who send them and are intended to inform or influence people who receive them”.

According to Kotler's definition, advertising is "any paid form of non-personal presentation and promotion of ideas, goods and services through mass media such as newspapers, magazines, television or radio by an identified sponsor"

According to William J. Stanton, "Advertising consists of all the activities involved in presenting to a group, a non-personal, oral or visual, openly sponsored message regarding disseminated information through one or more media and is paid for by an identified sponsor."

As per The American Marketing Association (AMA), "Advertising is any paid form of non-personal presentation and promotion of ideas, goods and services by an identified sponsor". Advertising is non-personal as it is not directed to any single individual. Secondly, the sponsor i.e. the manufacturer or producer is identified as his name and address is always contained in an advertisement and he also bears all the cost involved in the process.

Thirdly, the producer can also promote an idea regarding quality, design, packing and pricing, etc. of any product or service. Thus, we can say, advertising consists of all activities involved in presenting a sponsored message regarding a product, service or an idea. It is a public announcement to inform and persuade people to buy a product, a service or an idea.



### 1.4.1 OBJECTIVES OF ADVERTISING

The purpose of advertising is to sell something - a product, a service or an idea. The real objective of advertising is effective communication between goods and clients and increasing awareness. Mathews, Buzzell, Levitt and Frank have listed some specific objectives of advertising.

- To make an immediate sale.
- To build primary demand.
- To introduce a price deal.
- To build brand recognition or brand insistence.
- To help salesman by building an awareness of a product among retailers.
- To create a reputation for service, reliability or research strength.

**1.4.2 CHARACTERISTICS OF ADVERTISING**

- An effective advertisement motivates the target audience and leaves a lasting impression and facilitates them to purchase their product, service and ideas.
- Advertising is a type of non-personal or mass communication with the target audience as a large number of people are addressed at time.
- Advertising is not free of costs. Advertiser, called as sponsor, has to spend money for preparing message, buying media, and monitoring advertising efforts. It is the costliest option of market promotion.
- Advertising is aimed at achieving various objectives, which includes to increase sales, create and improve brand image, face competition, build relations with publics, or to educate people.
- Advertising message can be expressed in written, oral, audible, or visual forms. Mostly, message is expressed in a joint form, such as oral-visual, audio-visual, etc.
- Advertising involves the one-way communication. Message moves from company to customers, from sponsor to audience. Message from consumers to marketer is not possible. Marketer cannot know how far the advertisement has influenced the audience.
- An advertisement catches the attention of the readers and viewers and appeals to them to know everything about the products, services and ideas. Sentences full of humor, surprising exclamations and rhetoric are introduced to hypnotize the viewers and readers.
- There should be no ambiguity in message of advertisement. Message should be clear, visible, easy and simple to understand. Advertising is an important element of promotion mix.
- Advertising is a science because it has a body of systematic knowledge.
- Advertising is treated as a profession with its professional bodies and code of conduct for members.



## **1.5 IMPORTANCE OF ADVERTISING**

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Advertising plays a very important role in today's age of competition. Advertising is one thing which has become a necessity for everybody in today's day to day life, be it the producer, the traders, or the customer. Advertising is an important part. Lets have a look on how and where is advertising important:

### **Advertising is important for the customers**

Just imagine television or a newspaper or a radio channel without an advertisement! No, no one can any day imagine this. Advertising plays a very important role in customers life. Customers are the people who buy the product only after they are made aware of the products available in the market. If the product is not advertised, no customer will come to know what products are available and will not buy the product even if the product was for their benefit. One more thing is that advertising helps people find the best products for themselves, their kids, and their family. When they come to know about the range of products, they are able to compare the products and buy so that they get what they desire after spending their valuable money. Thus, advertising is important for the customers.

### **Advertising is important for the seller and companies producing the products**

Advertising plays very important role for the producers and the sellers of the products, because

- Advertising helps increasing sales
- Advertising helps producers or the companies to know their competitors and plan accordingly to meet up the level of competition.
- If any company wants to introduce or launch a new product in the market, advertising will make a ground for the product. Advertising helps making people aware of the new product so that the consumers come and try the product.
- Advertising helps creating goodwill for the company and gains customer loyalty after reaching a mature age.
- The demand for the product keeps on coming with the help of advertising and demand and supply become a never ending process.



### **Advertising is important for the society**

Advertising helps educating people. There are some social issues also which advertising deals with like child labour, liquor consumption, girl child killing, smoking, family planning education, etc. thus, advertising plays a very important role in society.

- i) **Direct action advertising:** Advertising that stresses and persuades immediate buying of the product is known as direct action advertising. Direct mail advertising is capable of achieving immediate action to a large extent.
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## **1.6 BASIC PRINCIPLES OF ADVERTISING**

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According to Advertising legend Bill Bernbach 10 Principles of Advertisins are:

1. Go to the essence of the product. State the product's essence in the simplest terms of its basic advantage. And state this both tangibly and memorably.
2. Where possible, make your product an actor in the scene; not just a prop. This makes for a tremendously effective method of getting your product remembered. Because the provocative element in your advertising is also the element that sells your product. This is so simply stated, so difficult to execute.
3. Art and copy must be fully integrated. They must be conceived as a unit, developed as a unit.
4. Advertising must have vitality. This exuberance is sometimes called "personality". When advertising has a personality, it is persuasively different; and it is the one because of the other. You must fight to get "bounce" in your advertising.
5. It is little less than useless to employ a so-called gimmick in advertising — unless the gimmick itself tells the product story.
6. Tell the truth. First, it's a great gimmick. Second, you go to heaven. Third, it moves merchandise because people will trust you.
7. Be relevant. A wonderfully creative execution will get the big "So what" if it isn't meaningful to their life, family, business etc. And always opt for an ad that's relevant over one that's exciting and irrelevant.
8. Be simple. Not simpleminded, but single minded. Who has the time or the desire to listen to advertising?
9. Safe ideas can kill you. If it's been done before, your competition will be ready for it. Your only chance of beating the competition is with advertising they've never seen before. Which means you've never seen it before either! Be brave.
10. Stand out. If your advertising goes unnoticed, everything has been wasted.

**"Make it simple. Make it memorable. Make it inviting to look at. Make it fun to read."**

**- Leo Burnett**

American Advertising Executive and the Founder of Leo Burnett Company



When we begin to create advertising for a product or service, the following suggestion may be considered:

**1. Don't make promises you can't live up to:**

Although your ad may draw more people to your product initially, you can't retain these people as loyal customers in the long run if you make promises you can't keep.



Sample : AirAsia Slogan : NOW EVERYONE CAN FLY!

As their promise there is always lowest fares or even free seat

**2. Identify the best features of whatever it is you're selling and develop your advertising around these features.**

Think about how your product stands out from the competition, what sets it apart, and then focus on those attributes.



Sample : Sony : The Best of Sony The Best of You

Always Advertise with your products Unique Selling Point (USP)

**3. Try to create a memorable advertising message for your product.**

You want people to think of your store, your product, or your professional service whenever they're in the market for such a thing.



Sample : PETRONAS broadcast a memorable short film for every festival.

**PRINCIPLES OF ADVERTISING AS PER THE ADVERTISING COUNCIL OF INDIA (ASCI) CODE OF CONDUCT**



**Honest Representations**

Truthful and Honest to consumers and competitors.



**Non-Offensive to Public**

Within the bounds of generally accepted standards of public decency and propriety.



**Against Harmful Products/Situations**

Not used indiscriminately for the promotion of products, hazardous or harmful to society or to individuals particularly minors, to a degree unacceptable to society at large.



**Fair in Competition**

Not derogatory to competition.  
No plagiarism.

### **1.6.1 Functions and Effects of Advertising**

Advertising is everywhere, from television to billboards, newspapers and the Internet. Items are sold through effective advertising, which helps businesses and also stimulates the economy. Print advertising has been giving way to the electronic age, while Internet and TV advertising have taken the industry by storm due to their cost-effectiveness, distribution capabilities and convenience.

#### **Information**

Advertisement supplies consumers with information about products and services. This information is broadcast for the open market, and discusses specials, sales, and new lines of products and services. A consumer also learns about the comparisons between features, benefits and options of different products and services through advertisement.

#### **Brand Identity**

Brand identity is one of the biggest functions and effects of advertisement. By selling products and services through advertisements, businesses differentiate themselves from one another. The right advertising campaign defines a company's unique brand, which helps consumers build emotional relationships with that brand. This increases the likelihood that consumers will buy from that company.



#### **Promoting Action**

Advertising's purpose is to attract buyers through a call-to-action statement, which encourages the customer to visit a store or website, or to contact the advertiser for more information. Advertising is essentially an action catalyst that brings customers and products or services together.



#### **Customer Base**

A business requires a constant customer base in order to remain successful. The business needs to target its products and services toward this customer base and consistently create new products that attract current and new customers. Advertising helps reinforce the purchasing behaviors of customers for a particular brand, and it establishes long-term relationships with existing customers, potential customers, vendors and stockholders.





**Product Creation**

Advertising, according to “The Social and Cultural Effects of Advertising” by Jeremiah O’Sullivan R., stimulates the development of better products, and allows consumers to have a wider variety of products, competitive pricing, and competition entering the marketplace.

**Purchase Persuasion**

Powerful and captivating advertisements persuade consumers to purchase a new product, try out services, and fulfill voids they feel are present in their lives. In fact, persuasion is one of the main functions of advertising, which is why many firms strive to create powerful impacts that reach customers on emotional and physical levels.

**Education**

Advertising serves as a form of consumer education. Not all advertisements sell a product or service; sometimes they sell a concept. Government agencies use advertisement as a way to educate and compel consumers to act a specific way. “The Social and Cultural Effects of Advertising” notes that advertising is geared toward the ideas of art, religion, sexual attraction and myth. Advertising also educates consumers on what products and services out are there, how much they should pay, and what they can expect with certain purchases.

**1.6.2 Advertising vs. Marketing**

At first glance, marketing and advertising seem to be different terms to describe the same thing -- getting a product or service sold. In fact, although they both contribute to the same end objective, they are distinct from each other and each has its own process. Understanding the difference between marketing and advertising will help you streamline your customer



acquisition strategy.

*The best way to distinguish between advertising and marketing is to think of marketing as a pie, inside that pie you have slices of advertising, market research, media planning, public relations, product pricing, distribution, customer support, sales strategy, and community involvement*

Marketing refers to the process of preparing your product for the marketplace. It involves understanding who your potential customers are and what they want to get from your product or service. Colors, logo and

other design elements help to align the image of your product with the interests of your target audience. It is marketing that defines your brand and attracts the market share you want. Marketing is all aspects of products or services, such as advertising, customer service, sales and so on. On the other hand, Advertising falls under the promotions category of marketing. It deals with the production of advertising materials such as banners, billboards, magazine ads and social media campaigns. Ads are created to develop brand awareness, sell a product, gain customer loyalty and more. Advertising is part of a marketing plan, not the other way around.



### Check Your Progress:

1.1 What is Advertising?

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1.2 What are the functions of Advertising?

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## Check Your Progress:

1.3 What are the Principles of Advertising as per ASCI?

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1.4 Mention the major objectives of Advertising?

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## UNIT – II: THEORIES OF ADVERTISEMENT

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### 2.0 UNIT STRUCTURE

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2.1 Learning Objectives

2.2 Introduction

2.3 Need of Theory in Advertisement

2.4 Theories of Advertisement

2.5 Models of Advertising

2.6 Check Your Progress

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### 2.1 LEARNING OBJECTIVES

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In the previous unit we discussed about the concept and definition of advertising. This unit will discuss some of the important theories of advertisement to understand about how advertisement works. By end of this unit, you will

- Be able to understand various theories of Advertising
  - Demonstrate much deeper understanding about how advertisement works.
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### 2.2 INTRODUCTION

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Advertising serves multiple objectives which includes communicating with potential customers as well as persuading them to adopt a particular product or develop a preference towards the product for repeat purchase which ultimately results in brand loyalty. Advertising Theory or theories therefore try to explain how and why advertising is effective in influencing behaviours and accomplishing its objectives.

There are numerous theories on advertising. We will discuss some of the important theories of advertising. Understanding about Advertising theories will help in understanding the factors that influence advertising's effectiveness and ineffectiveness relative to intended objectives and particular contexts.



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## **2.3 NEED OF ADVERTISEMENT THEORY**

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Every Year, a huge sum of money is spent on advertising. Many advertisers make good advertisements and achieve their desired result. However, the connection between floods of advertisement human mind should be understood by advertising professionals to make advertisements work better. Lack of this understanding will result in wastage of huge amount spent on ineffective advertisements.

Advertising is believed by some to be more intuitive than intellectual. Most of advertising professionals know how to make a successful advertisement but do not why it works. Advertising has many purposes, products have to be treated in many different ways, consumers differ and the competitive and environmental context varies. Theories help understanding the 'why' factor and helps in predicting the effectiveness of advertising.

Ehrenberg, even in 1974, tried to postulate Awareness-Trial- Reinforcement model of consumer response to advertising and according to him the main purpose of advertising for established brands is its defensive role in maintaining repeat buyers. In answer to how ad works, one model that applies to certain advertising categories is "Advertising offers a stimulus to a potential user of a product, which it is hoped will produce the response of an increased predisposition to buy the advertised brand."

Since theories predict, it helps in decision making process. Hence basic understanding about advertisement theories is very important for any aspiring advertising professional.

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## **2.4 THEORIES OF ADVERTISEMENT**

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Advertising is the great evil, the great annoyance, the less-than-truthful spin of which everyone despairs. Yet advertising may serve as the very foundation of modern media as revenue from ads finance our newspapers, radio, television, Internet and social media. Let's look at five theories applied to advertising and consider how the different approaches intersect.

### **1. THE HIDDEN MESSAGE.**

The idea that ads mislead and unconsciously manipulate the viewer was advanced by sociologist Vance Packard in his 1957 best-seller, *The Hidden Persuaders*. Packard argued that advertising is dangerous because it uses psychology to create emotionally-loaded hidden messages. Because the message is hidden, the viewer's critical resistance is evaded and minimized.

The Cornflakes ad in next page suggests this product promotes not just good physical health, but also good mental health. It is a classic instance of "a doctor uses this product, it must be healthy" approach. It also demonstrates how psycho-analysis has entered the mainstream and become something of a joke. The joke is that we are all split personalities, wavering between lazy hedonism and disciplined self-improvement. Happily, cornflakes serve both interests: they are a candy-like treat and they are also a form of breakfast.



Kellogg's Corn Flakes Psychologist Personality (1967)

**2. SHIFTING LOYALTIES.**

Ads play upon and reflect conflicted, ever-changing loyalties. While ads try to cultivate a strong sense of brand loyalty, ads also urge consumers to change loyalties, to try something new, to disavow an old loyalty in favour of a new product.

In her study, *Advertising in the 60s*, (Praeger, 2001), media historian Hazel W. Warlaumont argues that ads changed from the 1950s to the 60s. The look and message of many ads appeared to embrace the anti-authoritarian hippie counter-culture, all the while being designed and distributed by giant corporations promoting the status quo and capitalist interests. Warlaumont argues that advertisers co-opted the anti-establishment's "ideals, leaders, icons and goals into the existing structure." (p. 138) Warlaumont's argument inverts the concept of *détournement*, developed by activist



Not only does the revolutionary socialist Che Guevara appear on T-shirts, but the commercial success of this icon leads to imitations and parodies such as the Cher Guevara shirt on right.



Guy Debord and others in the 1960s. Debord was leader of the radical collective, Situationist International and author of *The Society of the Spectacle*, 1967. *Détournement* refers to an artist's reuse of familiar images, by shifting contexts to create a new work with a different often contrary message. *Détournement* has an element of 'anti-art' using blatant theft and sabotage of existing elements, turning the original message against itself. The idea leads to the later strategy of culture jamming. Both strategies are conceived as a method of resistance to the grosser elements of Capitalist culture and raise awareness of corporate ploys and their social effects. An example of an ad using elements of *détournement* is the print ad below sponsored by the World Wildlife Federation. The "turned" element here is the portrayal of a toxic industrial can as both a kind of giant urban monument and as the polluted life water of the city. The image redirects the pride we might take in the magnitude of our industrial complexes into a fear that we are poisoning the very environments that are essential to our existence.



The Beatles' *Yellow Submarine*, 1968 animated film by Canadian animator George Dunning.

Changing the intent of public messages is a two-way street however, practiced by advertisers just as readily as by activists and artists. *Détournement* gives way to recuperation. Originally subversive works and ideas are themselves appropriated by mainstream media. The philosopher Gilles Deleuze speaks of deterritorialization and reterritorialization to describe this ongoing war of counter-ideologies.

These image wars reflect shifts in loyalties and conflicted loyalties. For instance, the Beatles were leaders of the 60s counterculture, with their experiments with drugs, their personal song lyrics, anti-war attitudes and openness to Eastern philosophy and religion. However the Beatles also invented the music video and pioneered the use of cross-branding music, films and related products, as the ad above demonstrates.

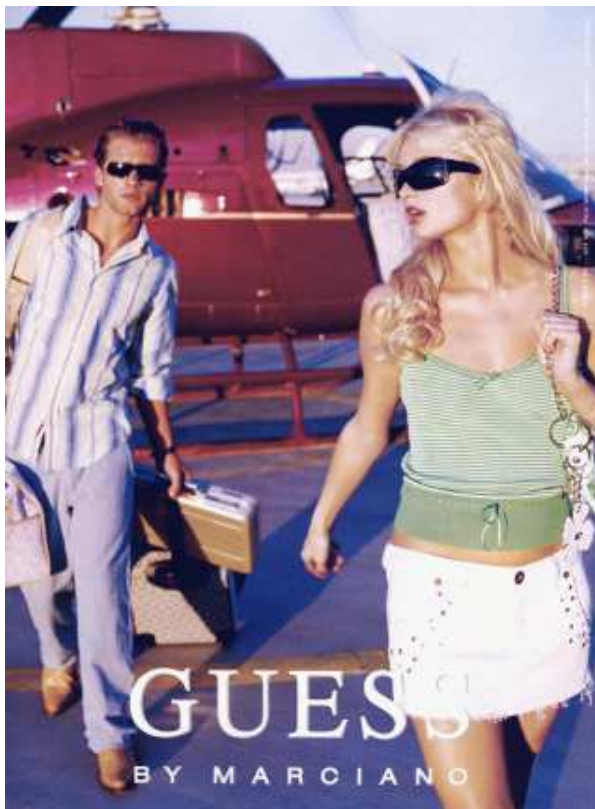


The Beatles' *Yellow Submarine*, 1968 animated film by Canadian animator George Dunning.

**3. THE MEDIATION OF REALITY.**

Ads only work in conjunction with other media and environments in which they are embedded and cannot be understood apart from other media and environments. Marshal McLuhan noted that it is not the content of ads that makes them so persuasive. Rather it is the way they use media to fuse together a world of actions and a world of fictions. McLuhan writes: “When the movies came, the entire pattern of American life went on the screen as a non-stop ad. Whatever any actor or actress wore or used or ate was such an ad as had never been dreamed of . . . The result was that all ads in magazines and the press had to look like scenes from movies.”

(Understanding Media, 1964, p. 252) In *The Image: A Guide to Pseudo-events in America*, 1962, historian Daniel J. Boorstin describes how news and advertising have blended together to such an extent in popular media that they create an impression in which truthful reporting becomes ambiguous and the difference between a serious newsworthy event and a fabricated news event, such as a publicity stunt, is indistinguishable. But Boorstin does more than just describe how ads disguise themselves as news. He sketches the origins of celebrity culture, as fame and overblown public exposure become coveted ideals not just among a small set of people but among the general population of image and media consumers.



The Beatles' Yellow Submarine, 1968 animated film by Canadian animator George Dunning.

However the ability to generate publicity and controversy, to saturate and bombard, to get people noticing, talking, arguing is something products do as well as people. We have celebrity brands. Advertising thrives in a celebrity culture and is integral part of it.

In the ad for Guess shown above, Paris Hilton steps off a helicopter accompanied by a male lover/ servant rolled into one. She exudes an air of wealth and glamour, playing her private life out in the public eye as heiress, model and reality TV star. The ad looks like a paparazzi photo, blurring boundaries between reality and fantasy.



McLuhan explains our addiction to media by pointing out that media extends and heightens sensory responses. For example, why do we like to read press stories of events we've already witnessed? McLuhan answers: "The press repeats the excitement we have in using our wits, and by using our wits we can translate the outer world into the fabric of our own beings. This excitement of translation explains why people quite naturally wish to use their senses all the time. Those external extensions of sense and faculty that we call media we use as constantly as we do our eyes and ears, and from the same motives. On the other hand, the book-oriented man considers the non-stop use of media debased; it is unfamiliar to him in the book-world." (p. 229) Media adds an extra level of mediated experience to things we already know, giving to reality a sense of hyper-reality. Ads thrive in this land of extra-mediated hyper-reality.

**4. THE MAGIC OF MEANING.**

Ads don't just sell products but infuse those products with meaning for the people who use them. In this way, ads influence our values and underlying beliefs. Carlyle put it rather bluntly in the 19th century: "The quack has become God." In his seminal essay, 'The Magic System' (1962), cultural theorist Raymond Williams argues that



Rock stars save the planet in this Louis Vuitton ad, 2010, photo by Annie Leibovitz

advertising "has passed the frontier of the selling of goods and services and has become involved with the teaching of social and personal values; it is also rapidly entering the world of politics. Advertising is also, in a sense, the official art of modern capitalist society: it is what 'we' put up in 'our' streets ... and it commands the services of perhaps the largest organized body of writers and artists, with their attendant managers and advisers, in the whole society." Williams goes on to remark that as a form of organized magic, advertising obscures the true nature of consumerism and its effects

on public attitudes and social goals. Keeping the public away from discontented questions, advertising “is a true part of the culture of a confused society.”

The above ad uses many of the same features as the Paris Hilton ad for Guess, but the message is the opposite. The party girl in the helicopter was looking for adventure and excitement, indulging her own whims and revelling in the exposure and notoriety this indulgence brings to her. In the above ad, the celebrity rock star Bono and his wife Ali Hewson descend from the sky like angels into a pristine African wilderness, which their activities will be protecting. Bono uses corporate sponsor Louis Vuitton, working together with his own company Edun, to produce hand-bags made in Africa. Proceeds from sales are reinvested in the local economy. The ad functions as a fundraiser, but also suggests Bono and wife have come to Africa for other reasons. Returning to the roots of humankind for inspiration, it is the ultimate trip. The ad plays on ideas of youth, travel and self-discovery, mixed in with an altruistic concern for other people and other places.

James Twitchell, author of *Adcult USA: The Triumph of Advertising in American Culture*, 1996, writes: “Mid-twentieth-century American culture is often criticized for being too materialistic. . . we are not too materialistic. We are not materialistic enough. If we craved objects and knew what they meant, there would be no need to add meaning through advertising . . . What is clear is that most things in and of themselves do not mean enough. In fact, what we crave may not be objects at all but their meaning. For whatever else advertising does, one thing is certain: by adding value to material, by adding meaning to objects, by branding things, advertising performs a role historically associated with religion.” (p. 12)

**5. IMITATIVE DESIRE.**

Ads play upon people’s tendency to desire what others desire. French theorist René Girard argued that we often desire to become the other (when the other is powerful, famous or beautiful). However it is impossible to become another person. This impossibility keeps our desire alive. Girard’s ideas are explained in depth in Kathleen M. Vandenberg’s

“Sociological Propaganda”. Vandenberg argues that ads function as interactive rituals rather than as one-way messages. The essence of a ritual is that people place themselves in communities through imaginative projection toward others.



The essential message of all ads.

The ad for a bookstore above, suggests that books function as escapes from ourselves as we take on the disguises of others, stepping into imaginary worlds. Ads serve a similar function. We see a product. Someone in the ad wants the product. We want the product because it is desired by others. This is René Girard's idea that our desires are always mediated. Ads cannot affect us unless we participate in the social ritual, the imitative act, that they invite us to.

The account services department keeps work flowing into the agency, by establishing good relationships with clients, and constantly overseeing the work being done by the creative department.

When a client relationship begins to go sour, for whatever reason, the members of the account services department will know about it before anyone else. It is their job to be proactive and maintain a good working relationship, because without clients...there is no ad agency.

### **Weilbacher Group of Advertisement theories:**

Weilbacher (1984) defines advertising to mean communication with which it is aimed at increasing the probability that people reached by the advertising would behave or believe as the advertiser wished them to do. Weilbacher divides the theories of advertisement into four groups:

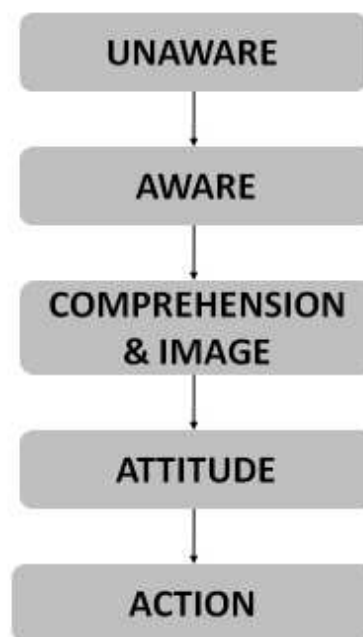
- **Press Response Theory:** These Theories assume that there exists a stable connection between the 'pressure' and influences. It emphasizes that that advertising effects are a function of the advertising dollars spent or messages received. This theory tends to ignore the quality of advertising creative work in causing advertising effects.
- **Active Learning Theory:** This Theory believe that the information offered by the advertisement will lead to an attitude change of the consumer and finally to behaviour change.
- **Low Involvement Theory:** These Theories assume, at least in some advertising situations, that the information content of advertising is not of importance to the consumer and that it tends to be passively stored rather than actively evaluated in relation to consumer reactions to products and companies. In this conception, advertising effects cumulatively increase brand relevance or salience, result in changed purchase behaviour, and lead to revised attitudes only after the brand has been purchased or used.
- **Dissonance Reduction Theory:** These Theories suggest that behaviour may lead to attitude change and that newly formed attitudes are reinforced and stabilised by information from advertising.

## 2.5 MODELS OF ADVERTISING

One of the main goals of advertising and marketing is to craft and deliver convincing messages to targeted markets. The best way to deliver these message can depend on the situation, the audience and the type of business from which it originates. Advertising models, or theory-based outlines for delivering messages, can be helpful as you craft your business's marketing communication plan. Four commonly used and referenced advertising models are the DAGMAR model, the AIDA model, the Ehrenberg model and the DRIP model.

### The DAGMAR Model

DAGMAR is an acronym for defining advertising goals and measuring advertising results. Each of these words stands for goals that are of the utmost importance to a business attempting to reach and make an impression on their target audience. The model also specifies five phases that potential customers pass through as they are made aware of your business or product: unaware, aware, comprehension, conviction and, finally, action. With both the goals and the audience's cycle in mind, a business can apply the theory as a framework for developing its advertising and promotional mix. Ideally, when the theory of the model is used, the target audience moves smoothly through the five phases, which are based in psychology and common decision-making patterns people follow when deciding whether or not to buy something.



**DAGMAR** : Defining advertising goals to measure advertising results

### The AIDA Model

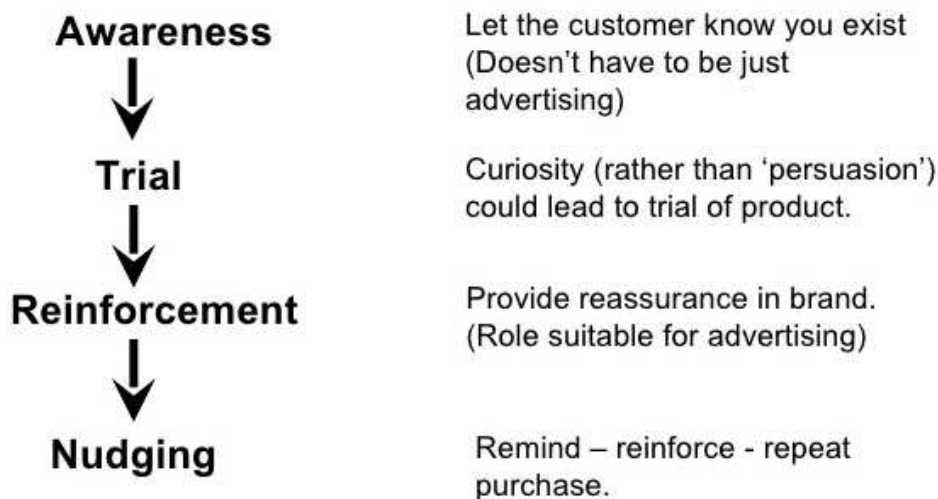
AIDA is similar to the DAGMAR model in that it focuses on the buying and selling process. AIDA is an acronym for attention, interest, desire and action, which are the four phases of the psychological process people pass through as they decide whether or not to buy something. In later versions of this model, which has been around since the late 1800s, a fifth element, "permanent Satisfaction" was



sometimes added to the list, as it looks to the importance of repeating sales with prior customers.

**Ehrenberg Model**

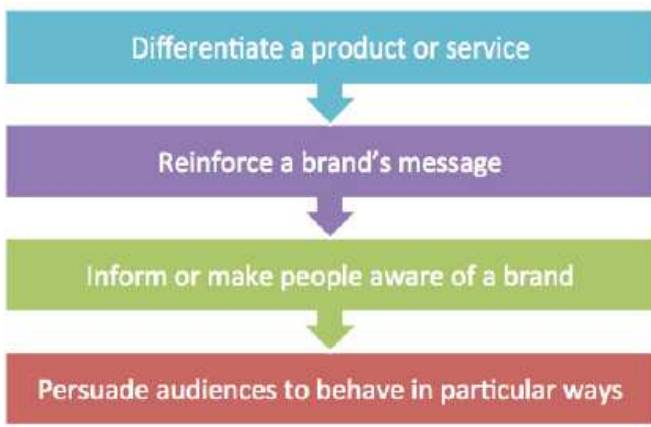
Andrew Ehrenberg's theories are wide-reaching in the marketing and advertising world, and his research contributed a great deal to the modern field of advertising. One of his more commonly used models is the "Weak" theory, which includes the following components: awareness, trial, reinforcement and nudging. When used in order as part of an advertising campaign, Ehrenberg suggested these components could nudge consumers' behavior and persuade them to buy your products. "Awareness" serves to let a customer know of your existence, "trial" inspires the customer's interest, "reinforcement" encourages trust and finally "nudging" seals the sale.



**The DRIP Model**

The DRIP advertising model relies on the theory that repeated, carefully planned contact with the customer will increase sales. DRIP is an acronym for differentiate, remind, inform and persuade.

Advertising based on the DRIP model uses repeat contact to stand out from the competition, remind potential customers of your company's existence, inform your target market about what you do and sell and then finally, convince them to buy from you. Experts say the DRIP model is most effective if you, the seller, have some research and insight into your target market's buying cycle.





## Check Your Progress:

2.1 How Advertising Theories are divided into groups?

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2.2 What is AIDA Model of Advertising?

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2.3 What are Five Theories of Advertisement?

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## **UNIT – III: VARIOUS TYPES OF ADVERTISEMENTS**

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### **3.0 UNIT STRUCTURE**

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- 3.1 Learning Objective
- 3.2 Introduction
- 3.3 Types of Advertising
- 3.4 Advertising Strategy,
- 3.5 Check Your Progress

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### **3.1 LEARNING OBJECTIVES**

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The Objective of this unit is to understand various types of advertising. The strategy used for advertising is also discussed. After end of this unit you will be able to:

- Understand various Types of Advertising ,
- Have idea about advertising strategies.

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### **3.2 INTRODUCTION**

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Most television & newspaper advertisements, billboards, and other forms of advertisement are group efforts representing the work of four distinct players in advertising process: Advertisers, advertising agencies, the media, and supply Advertisers are the people or the organization that look for selling products or persuade people through advertising.

Advertisers generally hire advertising agencies, the independent organization that focuses in developing and executing advertising on behalf of the advertisers. The advertising agencies in turn choose the media, through which advertisers' information is carried to their intended audiences. Some advertisers use only one medium, a single channel. The two largest categories of media are print and electronic, but wide ranges of other media also carry advertising information, including local yellow pages, directories and direct mail. And in the process of creating and executing persuasive messages, advertisers and advertising agencies also use the services of various dealers, individuals or companies that provide particular services such as photography, printing, and production.

Ads differ depending on who the message is intended for, where the ad is shown, which media are used and what the advertiser wants to accomplish. So it is helpful to classify advertising according to different areas and angles.

### 3.3 TYPES OF ADVERTISEMENT

Advertising is the paid, non-personal communication of information about products or ideas by an identified sponsor through the mass media in an effort to manipulate customer behavior. Advertising is non-personal because it's a fantasy created by a computer that selects one part of the target audience. It communicates information about products or ideas.

Advertising can be classified on the basis of Function, Region, Target Market, Company demand, Desired response and Media.

#### CLASSIFICATION BASED ON FUNCTION

Advertising performs some functions.

- A It can inform the customers about a product, service, or idea.
- B It can persuade the consumers to buy products, services, and ideas.
- C It can remove cognitive dissonance from the minds of the customers to reinforce the feeling that they have bought the best product, service, or idea and their decision is right.
- D It can remind existing customers about the presence of the product, service, or idea in the market till now.
- E It can dissuade the public at large from buying certain products or services that are harmful for them.

Let us discuss some important types of advertising based on the functional aspect of advertising.

#### Informative Advertising

- This type of advertising informs the customers about the products, services, or ideas of the firm or organization.
- Building a brand image
- Correcting false impression.



#### Persuasive Advertising

This type of advertising persuades or motivates the prospective buyers to take quick actions to buy the products or services of the firm.

Example: “Buy one, get one free”.



**Reminder Advertising**

This genre of advertising reminds the existing customers to become medium or heavy users of the products or services of the firm that have been purchased by them at least once. This type of advertising exercise helps in keeping the brand name and uses of the products in the minds of the existing customers.

**Negative Advertising**

This type of advertising dissuades target audience from purchasing such products and services which would not only harm them but also the society in general.

Examples: Advertisements of various civic authorities against alcohol, tobacco, and narcotics.

**CLASSIFICATION BASED ON REGION**

We can also classify advertising according to the region

**Global advertising** It is executed by a firm in its global market niches. Reputed global magazines like Time, Far Eastern Economic Review, Span, Fortune, Futurist, Popular Science. Cable TV channels are also used to advertise the products through out world. Supermodels and cinema stars are used to promote high-end products

Examples: Sony, Philips, Pepsi, Coca Cola, etc.

**National advertising** It is executed by a firm at the national level. It is done to increase the demand of its products and services throughout the country. Examples: BPL (Believe in the best). Whirlpool Refrigerator (Fast Forward Ice Simple) etc.

**Regional advertising** If the manufacturer confines his advertising to a single region of the country, its promotional exercise is called Regional Advertising. This can be done by the manufacturer, wholesaler, or retailer of the firm. Examples: Advertisements of regional newspapers covering those states or districts where these newspapers are circulated. Eg. The Assam Tribune (only for the NE region) etc.

**Local advertising** When advertising is done only for one area or city, it is called Local Advertising. Some professionals also call it Retail Advertising. It is sometime done by the retailer to persuade the customer to come to his store regularly and not for any particular brand.

Examples: Advertisements of Ooo la la, Gupshup (Local FM channels) etc.

**CLASSIFICATION BASED ON TARGETED MARKETS**

Depending upon the types of people who would receive the messages of advertisements, we can classify advertising into four subcategories.

**Consumer product advertising** This is done to impress the ultimate consumer. An ultimate consumer is a person who buys the product or service for his personal use. This type of advertising is done by the manufacturer or dealer of the product or service. Examples: Advertisements of Intel, Kuttons (shirt), Lakme (cosmetics) etc.

**Industrial product advertising:** This is also called Business-to-Business Advertising. This is done by the industrial manufacturer or his distributor and is so designed that it increases the demand of industrial product or services manufactured by the manufacturer. It is directed towards the industrial customer.

**Trade advertising** This is done by the manufacturer to persuade wholesalers and retailers to sell his goods. Different media are chosen by each manufacturer according to his product type, nature of distribution channel, and resources at his command. Hence, it is designed for those wholesalers and retailers who can promote and sell the product.

**Professional advertising** This is executed by manufacturers and distributors to influence the professionals of a particular trade or business stream. These professionals recommend or prescribe the products of these manufacturers to the ultimate buyer. Manufacturers of these products try to reach these professionals under well-prepared programmes. Doctors, engineers, teachers, purchase professionals, civil contractors architects are the prime targets of such manufacturers.

**Financial advertising** Banks, financial institutions, and corporate firms issue advertisements to collect funds from markets. They publish prospectuses and application forms and place them at those points where the prospective investors can easily spot them.

### CLASSIFICATION BASED ON COMPANY DEMAND

There are two types of demand, as follows:-

- A) **Market Demand:** Advertising is the total volume that would be bought by a defined customer group, in a defined geographical area, in a defined time period, in a defined marketing environment under a defined marketing programme.
- B) **Company Demand:** It is the share of the company in the market demand. Accordingly, there are two types of advertising, as follows.

**Primary demand advertising** It is also called Generic Advertising. This category of advertising is designed to increase the primary demand. This is done by trade associations or groups in the industry. Primary advertising is done by many companies at the same time, but there is no competition. The idea is to generate a continual demand for the product.

**Selective demand advertising** This is done by a company or dealer to increase the company demand. The company would advertise its own brand only. The retailer can also advertise a particular brand. Examples: Titan wrist watch , Hero Honda bike , Sony television etc

### **CLASSIFICATION BASED ON DESIRED RESPONSES**

An ad can either elicit an immediate response from the target customer, or create a favourable image in the mind of that customer. The objectives, in both cases, are different. Thus, we have two types of advertising under this classification.

**Direct action advertising** This is done to get immediate responses from customers. Examples: Season's sale, purchase coupons in a magazine.

**Indirect action advertising** This type of advertising exercise is carried out to make a positive effect on the mind of the reader or viewer. After getting the advertisement he does not rush to buy the product but he develops a favourable image of the brand in his mind.

**Surrogate advertising** This is a new category of advertising. In this type of promotional effort, the marketer promotes a different product. For example: the promotion of Bagpiper soda. The firm is promoting Bagpiper Whisky, but intentionally shows soda. They know that the audience is quite well aware about the product and they know this fact when the actor states, "Khoob Jamega Rang Jab Mil Baitheenge Teen Yaar ... Aap ... Main, Aur Bagpiper").

### **CLASSIFICATION BASED ON ON THE MEDIA USED FOR ADVERTISEMENTS**

The broad classification based on media is as follows.

**Audio advertising** It is done through radio, P A systems, auto-rickshaw promotions, and four-wheeler promotions etc.

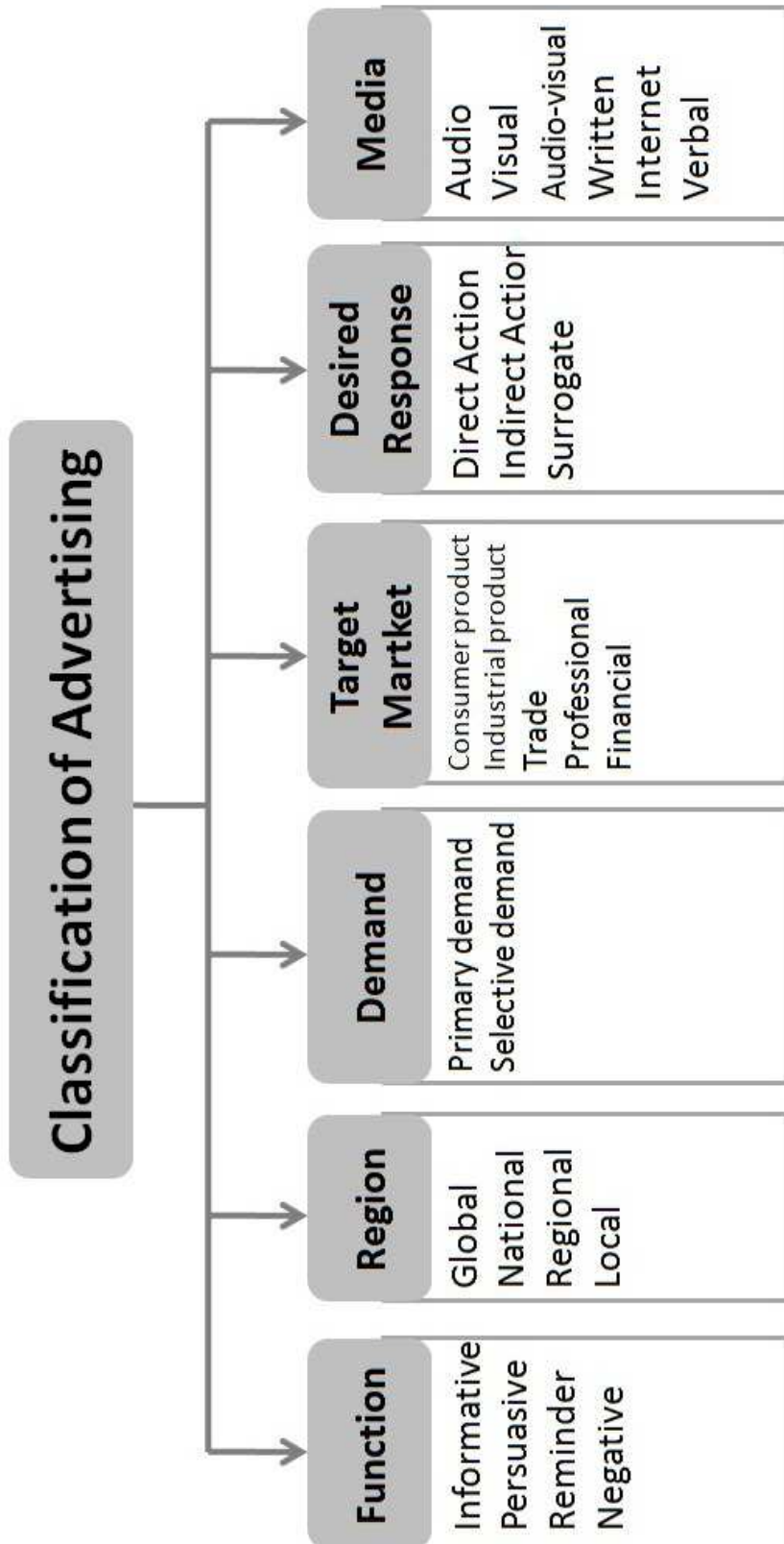
**Visual advertising** It is done through PoP displays, without text catalogues, leaflets, banners, brochures, electronic hoardings, simple hoardings, running hoardings etc.

**Audio-visual** It is done through cinema slides, movies, video clips, TV advertisements, cable TV advertisements etc.

**Written advertising** It is done through letters, fax messages, leaflets with text, brochures, articles and documents, space marketing features in newspapers etc.

**Internet advertising** The world wide web is used extensively to promote products and services of all genres. For example Bharat Matrimony, www.teleshop.com, www.asianskyshop.com etc.

**Verbal advertising** Verbal tools are used to advertise thoughts, products, and services during conferences, seminars, and group discussion sessions. Kinesics also plays an important role in this context.



### 3.3 ADVERTISEMENT STRATEGY

An advertising strategy is a plan to reach and persuade a customer to buy a product or a service. The basic elements of the plan are 1) the product itself and its advantages, 2) the customer and his or her characteristics, 3) the relative advantages of alternative routes whereby the customer can be informed of the product, and 4) the optimization of resulting choices given budgetary constraints. In effect this means that aims must be clear, the environment must be understood, the means must be ranked, and choices must be made based on available resources. Effective product assessment, market definition, media analysis, and budgetary choices result in an optimum plan—never the perfect plan because resources are always limited.

An advertising strategy should support the marketing plan along with the company business plan. **Advertising strategies** could include any variety of methods but should incorporate a web presence, social media and networking. Traditional modes for advertising like radio, television or the print media may also be used. The amalgamation of these methods to be used by a company depends greatly on the company's budget, their target audience or market, and the products or services being offered. Companies may choose between different types of **advertising strategies** by choosing parts of these methods or by using an extensive range of marketing collateral.

Effective **advertising strategies** have a long term effect and can surely increase the clientele by adding new customers. The basic elements of an effective strategy are

- The product and its advantages
- The consumer or the end user and its characteristics
- The advantages of alternative methods by which the consumer can be informed of the product
- The selection of the most optimized advertising choice in accordance to the *budget optimization*.

Mentioned are a few of the most effective **advertising strategies** that are being adopted by a lot of companies and have given great results.

**Broadcast Media:** An effective mean to reach large audience is via television and radio. The reach of both radio and television media is immense as it may be accessed at home, office or while travelling as well. The broadcast media offers different advertisement slots and their rates depend on the advertisement duration and the airing time. A prime time slot that draws the maximum viewers or listeners is charged more than a non prime slot.



**Internet Advertising:** The internet is one of the most effectual media in recent times as its popularity and reach is immense. An effective promotion of the websites and advertisements is a sure shot method to increase the clientele.



**Print Media:** It is a cost effective method of reaching out to the target audience. Newspapers, magazines, flyers and brochures are some of the traditional advertising means that have been successfully used over the years.



**Advertising strategies** are of utmost importance in order to maintain and increase the consumer base and secure the brand name.

**Target Consumer** The target consumer is a complex combination of persons. First of all, it includes the person who ultimately buys the product. Next it includes those who, in certain circumstances, decide what product will be bought (but do not physically buy it). Finally, it includes those who influence product purchases (children, spouse, and friends). In practice the small business owner, being close to his or her customers, probably knows exactly how to advise the advertising agency on the target consumer.

### **Communication Media**

Once the product and its environment are understood and the target consumer has been specified, the routes of reaching the consumer must be assessed—the media of communication. Five major channels are available to the business owner:

- Print—Primarily newspapers (both weekly and daily) and magazines.
- Audio—FM and AM radio.
- Video—Promotional videos, infomercials.
- World Wide Web.
- Direct mail.
- Outdoor advertising—Billboards, advertisements on public transportation (cabs, buses).

Each of the channels available has its advantages, disadvantages, and cost patterns. A crucial stage in developing the advertising strategy, therefore, is the fourth point made at the outset: how to choose the optimum means, given budgetary constraints, to reach the largest number of target consumers with the appropriately formulated message.

**Implementation**

The advertising campaign itself is distinct from the strategy, but the strategy is meant to guide implementation. Therefore across-the-board consistency is highly desirable. Copy, artwork, images, music—indeed all aspects of the campaign—should reflect the strategy throughout. This is especially important when multiple channels are used: print, television, and direct mail, for instance. To achieve a maximum coherence, many effective advertisers develop a unifying thematic expressed as an image, a slogan, or a combination which is central to all the elements that ultimately reach the consumer.



**Check Your Progress:**

3.1 What are different areas on which basis advertising is classified ?

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3.2 What is surrogate Advertising?

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3.3 What is Trade Advertising?

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## **UNIT – IV: ACCOUNT SERVICE**

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### **4.0 UNIT STRUCTURE**

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4.1 Learning Objectives

4.2 Introduction

4.3 Key Players in Advertising

4.4 Advertising Agency

4.5 Account Service

4.6 Check Your Progress

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### **2.1 LEARNING OBJECTIVES**

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This unit will discuss about Advertising Agencies and one of its core function ‘Account Service’. By end of this unit, you will

- Have basic understanding about Advertising Agency
  - Idea of Account Service, a key function of an Advertising Agency
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### **4.2 INTRODUCTION**

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There are three components in an organization associated with advertising – the advertiser, the advertising agency and the mass media. The advertiser spends money, the agency creates the message and provides other services and the media publish the message. By Publish is meant the bringing of the message with proper format to the target audience through different media of communication. Advertising is often placed by an advertising agency on behalf of an organization.

The demand of the advertisement in the marketing process is increasing day by day. To fulfill the demand, the concept of advertising agency came into existence in the early part of nineteenth century. An advertising agency is an organization that creates, plans and handles advertising, marketing strategies and sale promotions for its clients. It is independent in nature. Different types of business houses, corporations, non-profit organizations and government departments are the clients of an advertising agency.

B Dattaram and Co. claims to be the oldest existing Indian agency in Mumbai which was started in 1902.



### 4.3 KEY PLAYERS IN ADVERTISING PROCESS

In the process of advertising, there are specific players who deliver different functions, the entire combination of which constitutes the entire intricate mechanism of advertising. These five players are: Advertiser, The advertising agency, The media, The vendor and The target audience

The **advertiser** is basically the company whose product or service is going to be promoted through the incorporation of advertising. In the eventual realm of affairs, the impact of the final advertisement is going to leverage him the most as its his brand whose future depends upon the nature of the advertising. In the industry language it is called 'Account'.

Account in advertising parlance means a client. Thus Hindustan Lever is an account for Lintas, or ITC is an account for Lintas.

While the advertiser will get affected the most (positively or negatively), it's the **advertising agency**, which plays the greatest role in generating the impact of the advertisement. In other words, the advertising agency is verily responsible for the magnitude of effectiveness of the advertisement, the outcome of which will make or break the brand.

As for the **media** or the medium that will be chosen to deliver the advertisement, these different media that include electronic, print and interactive media, which constitute the channels of communication that will be employed to enhance the reach factor for the brand. The better and more compatible the media (channel of communication) is, the greater the outcomes of advertising.

**Vendors** are not directly related to any of the above-mentioned stakeholders. They have an indirect yet significant relationship with the advertising procedure. Consisting of players like freelancers, consultants and self-employed professionals, the vendors actually provide aegis to the advertiser in helping him and the advertising agency to achieve the optimum quality of advertising that will not only be substantial but would also exude adequate charm.

Last but definitely not the least, it is the **target audience** that requires the utmost mention. They are the final deciders, the ultimate stakeholders whose consent would be the eventual determinant in shaping the present and future of the advertised brand.

### 4.4 ADVERTISING AGENCY

An advertising agency or Ad agency is a kind of service organization that is committed to planning, creating, designing and executing advertising for its clients. An advertising agency is a separate and independent organization that is free from its clients. It is not owned by advertisers, suppliers, media or client organizations. As a result of its

independent status outside the organization, it is not influenced by any of them and is able to provide a number of services to the clients, for example, advice on marketing and branding strategies, handling their sales promotional activities and may also work as an external advisor to the selling of the products or services. The features and tasks of an advertising agency shall be clear from a few definitions of advertising agency.

“An Advertising Agency is an independent organization of creative people and business people who specialize in developing and preparing marketing and advertising plans, advertisements and other promotional tools. Agencies also purchase advertising space and time in various media on behalf of different advertisers (Clients) to find customers for their good and services”. - American Association of Advertising Agencies (AAAA)

"Advertising justifies its existence when used in the public interest - it is much too powerful a tool to use solely for commercial purposes." – (David Ogilvy)

The above definitions bring forth the following features of advertising agencies:

- It is an independent organization.
- It comprises of creative people.
- Its assists the client organizations in developing marketing plans.
- It prepares advertisements for the clients.
- It designs and executes various promotional tools for the clients.
- It helps in acquiring advertising space and time for the clients in various advertising medias conveniently and economically.
- It helps create demand for the products and services of the clients.
- It does not have a commercial use alone, but it also helps in developing public relations for the client organizations.

The above features give clear indication to the rationale behind hiring of advertising agencies by so many advertisers. Such agencies focus on seeking and retaining consumer attention, enhance brand visibility and acceptability for products and services advertised and bring business for the advertiser's organization.

#### **4.4.1 Role of Advertising Agencies**

- Creating an advertise on the basis of information gathered about product
- Doing research on the company and the product and reactions of the customers.
- Planning for type of media to be used, when and where to be used, and for how much time to be used.
- Taking the feedbacks from the clients as well as the customers and then deciding the further line of action

All companies can do this work by themselves. They can make ads, print or advertise them on televisions or other media places; they can manage the accounts also. Then why do they need advertising agencies? The reasons behind hiring the advertising agencies by the companies are:

- The agencies are expert in this field. They have a team of different people for different functions like copywriters, art directors, planners, etc.
- The agencies make optimum use of these people, their experience and their knowledge.
- They work with an objective and are very professionals.
- Hiring them leads in saving the costs up to some extent.

#### **4.4.2 Types of Advertising Industry**

Based on function and size, following are the most common types of ad agency -

**Full Service Agency** - It is a bigger firm having whole range of advertising and marketing solutions.

**Interactive Agency** - It is a smart ad agency using all latest digital technology. It offers pretty creative and interactive ad solutions.

**Creative Boutiques** - A smaller sized firm specialized in creative ad services.

**Media Buying Agency** - These sort of agencies buy and manage places for the advertisement and other sort of campaigns. It also manages the time schedule with the media to place the ad and supervises the ad to see if it is broadcasted properly on time or not.

**In-House Agency** - It is a full services agency, usually in-built and works as per the needs of the organizations.

**Specialized Ad Agency** - There are some ad agencies, which offers only a particular type of ad service. They are known as specialized agency. They have highly qualified and subject expert professionals. For example, agency providing financial advertisement, medicinal advertisement, and advertisement related to social and political issues, etc.

### **4.5 ACCOUNT SERVICE**

One of the largest departments in any advertising agency is account services. Once referred to as the "suits" (because they were always way more formally-dressed than any other department), account services brings together the client and the creative department.

The main job of the account services department is to keep work flowing into the agency, by establishing good relationships with clients, and constantly overseeing the work being done by the creative department.

Account services will meet with clients, take requests for work, and write briefs. They will also act as the go-between, presenting work, and bringing feedback from the client.

When a client relationship begins to go sour, for whatever reason, the members of the account services department will know about it before anyone else. It is their job to be proactive and maintain a good working relationship, because without clients...there is no ad agency.

### Key Positions in Account Services

Let's take a look at the major roles of the account services department. These are the key positions, many departments will have additional roles within these, including junior and senior positions. In smaller shops, there may only be a few people to do the work of many.

#### **Account Coordinator**

The entry-level job in the account services department, the account coordinator is a learning role for a graduate or someone new to this side of the business.

Although a lot of time will be spent on the administration side of the account, this is a stepping stone to the many duties of an Account Executive.

#### **Account Executive**

This Account Executive (AE) plays a major role in any advertising agency. Typically, an AE is assigned to just a few (or sometimes only one) of the many accounts on the agency's client roster.

This is because the AE needs to have an intimate understanding of their client's core business, and also ensures that a strong working relationship is established between the client and the AE. The AE will usually take assignments from the client, working with them to create a creative brief for the department. The AE will also handle budgets, pitches, timing of jobs (in conjunction with traffic) and the day to day running of the account. The AE will report to the Account Manager, or sometimes to the Account Director.

#### **Account Planner**

Often integrated with the account services department, the account planner's role is quite different than that of the other members of the team. A good account planner will

be a strategic, critical thinker and researcher who is more in tune with the consumer than the client. In short, the account manager knows what the client wants (or needs) and the account planner knows what the consumer wants. The account planner will often drive the strategic direction of each campaign, and ensure the creative work is both on brand and strategically focused.

The account planner is a key role, but many shops place the burdens of account planning on the account manager or director. Larger agencies will have an entire department dedicated to account planning.

### **Account Manager**

A more senior role, the account manager will be the main point of contact on one or two specific accounts. While they may not oversee the day-to-day running of the account, they are responsible for managing that account and maintaining an excellent client relationship. The account manager will establish budgets with the client, be there for conflict resolutions, ensure timely deliverables, write creative briefs and approve payments to and from the client.

The account manager will also be in charge of contracts and contract renewals, quality control on the account, and actively pursue new opportunities with the client. The more opportunities, the more work (and money) for the agency. Above all, the account manager will know more about the account(s) he or she is assigned to than anyone else in the agency. They are the go-to person on that brand. The account manager will report directly to either an account director or agency director, providing input on all account activity.

### **Account Director**

The account director steers the account services ship in the same way a creative director steers the creative department. Account directors know their own company's structure and workings inside and out, and also have exceptional business skills and salesmanship. Most agencies will have an account director pitch new work alongside the creative director. One provides insight into the creative work, the other gets the client to understand why it's good for their business. A truly excellent account director will also be a very strategic and disciplined thinker, providing excellent creative briefs when necessary, and assisting in the overall direction and execution of each campaign.

Like the proverbial old married couple you see bickering on the street corner, agency managers and agency creatives have a relationship that's often fraught with friction and discord, yet, at the same time, cohesion and dependence. Finding a balance will yield a successful and productive relationship.

With that notion in mind, here are 10 things agencies can do to help eliminate the seemingly endless chafing that goes on between the two sides.

### **1. Over-communicate. A lot.**

Nothing leads to a crisper, cleaner, more productive and loving relationship than communication. If everyone has a clear understanding of all the elements involved in a project and how that project affects each team member, then nirvana is not far away.

Jennifer Hazelett, account director at Raleigh-based Baldwin&, says the relationship must be collaborative, involving all parties early in the project's development stages. She notes, "Bring us into ideas early enough (even if not fully formed) so that we can help with the strategy of how to present it to the client. Can we have a prep conversation with key decision makers? Are there barriers to approval we can remove?"

Approaching client work like the project is a team sport can vastly improve results. Hazlett adds, "More generally, one of the biggest aids to efficiency and great creative is when creative and account (as well as production, media and anyone else involved) remember that we are all on one team, all working towards one goal of producing effective, great creative ideas. When we truly work together, the results are so much better. And hey, it's fun!"

From the creative perspective, School of Thought creative director Tom Geary says it's all about "critical thinking." He suggests, "Rather than take the client's request verbatim, ask what's driving the request. Ask 'why?' Because that can lead to something that will benefit the client even more. A great account person will be way ahead of us creatives on understanding a client's real needs."

Ask question. Share answers. Become one with one another.

### **2. Collaborate. A lot. With everyone.**

Communication and collaboration must extend far beyond the two camps of account service and creative. Why? Just look and the swiftly changing landscape of the advertising world. It's like an insane buzzword bingo.

Content producers, brand bloggers and editors are needed to support native advertising and content marketing goals. SEO experts and inbound marketers are needed to ensure that your audience will find your content. Viral seeding experts are needed to ensure that your awesome branded videos attract eyeballs. Social media strategists are needed to both promote a brand's marketing and to engage with consumers about that marketing. Programmatic media buyers are needed to manage the complexities of today's online media landscape. PR is needed to create and seed guest post content. And, yes, copywriters and art directors are needed to bring a brand to life, visually speaking.

Gyro associate creative director Jaime Schwarz has some sage advice for both account managers and creatives, saying, "I've found the best account people to be empathetic ones, meaning they are not only able to see from clients' perspectives but ours as well."



It's a rarer quality in the industry than one would think. And the best way for creatives to appease account management is actually through good planners who give us clear and distinct briefs and hold us to them so we make the creative process as clear and predictable (for lack of a better word) for account so they can lay the groundwork for client expectations."

So it's no longer about the AE conveying the client's wishes to a copywriter and an art director who will turn around a couple of print ads and a TV spot. Oh, no. It's far more complex. And increased complexity requires increased communication and collaboration.

### **3. Leave preconceptions out of the process.**

Nothing ruins a relationship of any kind quicker than when one party shows up assuming they know everything they need to know about the subject or the other party's mindset. You know what they always say about the word "assume," don't you? Right. So don't be an ass.

Scott Coe, account director at Denver-based Cultivator Advertising & Design, says every project should be approached with an open mind and an accepting attitude. He suggests, "Be open. Great ideas can come from anywhere, and a great agency environment will tap into all of them. That's probably the single biggest deliverable that an account team wants to see from their creative brethren: an open-minded attitude that collaboration fosters creativity, and that when everyone shares ideas, ideas get better. And the work thrives. If there is a metaphorical fence that both teams just lob stuff over – creative briefs, schedules, concepts, feedback, and so on – the work ultimately suffers."

So it's all in. Bare your soul. Share. Express. communicate. Don't make assumptions. Listen to and be respectful of others' opinions and viewpoints. And be flexible. Because it's highly unlikely any project is going to go exactly the way you envisioned it.

### **4. Allow change agents to take charge and work wonders.**

Change is, without question, a constant in the ad world. But change can be a very good thing. A thing that can lead to greatness.

While change can sometimes bring out the worst in people, David Baldwin, "lead guitar" at Raleigh-based Baldwin&, believes it can bring out the best as well – and he has a great approach to making change happen smoothly. He says, "Here's our simple way of dealing with changes or improvements: if someone comes in with a better way to do something, we just put him in charge of leading the change. This does one of two things: Nothing – in which case any complaining usually stops – or he or she owns it and makes it work. I love the accountability. It's not like there's some department in charge of fixing things. You are the department of fixing things!"

He's right. Change agents can come from anywhere, and why not let those who come up with a great idea, take charge and advocate it across the agency? If something doesn't seem right between account management and creative and someone has a great idea to make things work better, encourage them to go for it. If the relationship between the agency and the client gets sticky and someone has a suggestion as how to improve things, gladly hand them the ball and tell them to run with it.

### **5. Like it or not, details matter.**

While we'd all love to believe that working in an advertising agency is like living inside an EDM concert performed by a hipster poet whose brother is Banksy, in reality, it's much more like working on a production line that pumps out Bakugan characters you, instead, wish were Lions. And you know what kind of Lions I'm talking about here.

And while working in an ad agency can have an air of Hollywood, Gillian Lynch, director of client services at Boston-based Winsper, has a more nuts and bolts working in an agency. And there's absolutely nothing wrong with that. The heady stuff is great, but details matter, too.

She tells me she wants "Reasonable and realistic deadlines — dates we can confidently plan against, and the assurance that they will be met. Timely progress check-ins, updates on status without having to be asked. Written acknowledgment of receipt of email instruction. Early warnings if projects are going sideways. Common language/definitions so we're all talking about the same things. Informed consulting on project costs, time commitments, etc. Quality control! Version control — we have brought back job jackets to save time. It's much easier to proofread new rounds if you have a marked up copy of the last round next to it. Questions if instructions/feedback are unclear... the sooner, the better. There's nothing worse than jamming all week, not being able to review work day of, and hearing that several things weren't done or guesses were made because the designer was unclear on what client meant."

Ugh. How pedestrian. And spoken like a true account manager. But, seriously, details and documentation are integral to success. No one likes to get bogged down in the details but they are the backbone of a collaborative process that can result in creative greatness.

### **6. Be wary of culture differences between agency and client.**

While revenue considerations are of paramount importance when considering your approach to a successful agency operation, that's not the whole picture. And while we're talking about how account managers and creative can better work together inside the agency, that working relationship is greatly affected by what's brought into the agency from outside: clients.

Every agency needs clients to survive. But they also have to be wary of clients who can bring the agency down. Because despite the best of efforts, some clients simply aren't going to be right for your agency. And you have to spot that early in the process.

Cake Group head of social innovation Stacy Fuller says, "This is a service industry. If your working style and culture are totally disparate, you're going to have a harder time. It's not impossible and many times clients are interested in working with organizations that are very different than their own, but all parties in the organization need to be open to that. Both points ladder up to a client being very honest about what they need vs. what they want from a partnership. Going into a pitch with very realistic expectations will help both parties."

Seconding the importance of culture and highlighting the importance of the ever-elusive "chemistry," theMIX agency founder and CEO Vanessa Camones added it's important "not to work with a-holes. If you know you won't enjoy any part of the client/agency experience with someone, why bother starting the relationship in the first place? At the end of the day, all it does is kill the morale of those working on the account who are doing high-quality work for a thankless client."

### **7. Always expect greatness.**

A positive attitude brimming with the expectation of greatness can be a powerful motivator to people. Fostering that mindset can do wonders for working relationships within the agency.

Cultivator Advertising & Design creative director Monte Mead wants a true believer in his account managers. He wants, "In a word: enthusiasm. The deep-set belief that any project can be great. The concept of 'garbage in, garbage out' has an account side/creative side corollary: 'expect garbage and you'll probably get it.' It's not always just 'give us more time and more budget.' That's a lame excuse on our part for tepid work. Instead, help create an environment where the problem we're solving for the client has as few constraints as possible. And help the client share in the idea that every project is a chance for their brand to show greatness."

Expect greatness. Provide what's needed to achieve that greatness. And remove any barriers to success.

### **8. Embrace trust.**

Of equal importance to enthusiasm and expecting greatness is trust. But trust comes in two flavors. Explaining this, Baldwin& lead guitar David Baldwin says, "Two things creative people want from their account side partner: someone they can trust to 'get' great ideas, who loves great work and treats it as their own; and someone they know the client can trust to 'get' their business, who can build from that understanding to create new opportunities."

Heresy president and creative director Josh Sklar adds, “I have found the only way to ensure the persnickety process of bringing a creative campaign to life doesn’t mortally wound me along the way is to swallow my ego (as much as I can get down there) and forge a relationship with the account director — one built on the rare platform of mutual respect. Otherwise, it becomes a competition of who can undermine the other the best. Usually that happens when the account director says they won’t change your client presentation, but go ahead and do it anyway.”

And that’s not an outcome anyone is looking for.

For great work to be created, the creator must have the confidence that the creative process is being supported. Creatives must trust that account management has their back. Account management must trust that creative is approaching the job with the vim and vigor of an American Ninja Warrior.

### **9. Honesty is the best policy.**

You’ve heard this one since you were a kid. And you’ve also heard that it’s much easier to recount an experience if you don’t have to remember the lies you crafted to support your faux story. So, yes, honesty is always the best policy.

TDA\_Boulder ECD Jonathan Schoenberg advises, “Candor is a tremendous time saver. Beyond that, the flexibility to adapt to whatever the situation calls for. But with a healthy talent for candor, account people are empowered, and creatives are not infantilized.”

Infantilized. Love that. No, wait, hate that! That’s the worst thing an account manager can do to a creative. To treat them with kid gloves. To shield them from the “real world” client. Everyone’s an adult here and they should be treated as such.

And for those creatives who think account managers are just a bummer, Schoenberg, who is, let’s not forget, a creative, adds, “That whole idea of account people getting in the way of good work is seriously antiquated. Account people often have a better sense of a client’s priorities, and honest communication of those priorities is really what helps creatives the most. The better they can share that POV, objectively, the more the work can recognize the client’s aspirations, and the better it can be.”

### **10. Don’t allow big data to run your life.**

While big data (or any data for that matter) is, of course, important — especially data that helps inform creative and evaluate ROI — there are some who believe marketers are beginning to rely too heavily on big data, using it almost as a crutch to avoid risk.

Amusement Park’s Jimmy Smith (who was a Branded Entertainment Juror for the Clios) is one such person.

Smith suggest the work it takes to develop a successful big idea can't truly be quantified. Coming from a man who judged Clios, this makes perfect sense. After all, the Clios, Cannes and most other advertising awards organizations don't, for the most part, award on whether or not an ad was successful; they judge it based upon whether or not it was creative, many times for creative's sake.

While the fact that, today, we have seemingly endless amounts of data on hand to inform our decisions, we should never let it completely dictate agency life. There is, and should, always be room for the big idea.

So don't be that old married couple you see bickering on the street corner or at a corner table in a restaurant. Embrace the team aspect of working in an ad agency. Collaborate like that over-sharing social media friend of yours. Because, in this case, over-sharing is a very good thing. It will lead to greatness. And, after all, that's what we all want, right? Well, that and a Lion, too.



**Check Your Progress:**

4.1 Who are the key players in advertising process ?

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4.2 Why Companies hire Advertising Agency?

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4.3 What is the Role of Account Director in an Ad Agency?

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# SUMMARY

## UNIT- 1

- The term ‘advertising’ is derived from the Latin word ‘advertere’, meaning ‘to turn towards’ or ‘to pay attention’. The basic function of every piece of advertising is to turn the attention of the readers or the listeners or the viewers or the onlookers towards a product or a service or an idea.
- Advertising is an informative or persuasive message carried by a non-personal medium and paid for by a sponsor whose product is in some way identified in the message. It draws attention towards company’s product, services and ideas
- The origin of advertising is traceable to the town crier and the village drummer. They used their lungs to shout out their own or others’ messages. The messages could relate to government proclamation or even to sales of goods on market days
- Advertising as a discrete form is generally agreed to have begun with newspapers, in the seventeenth century, which included line or classified advertising.
- According to the ‘concise oxford dictionary’ the verb, ‘to advertise’ means: to make generally or publicly known. Advertising is the process of making your product and service known to the marketplace. It is essentially spreading the word about what your company has to offer. While marketing is the way in which you convince potential buyers that you have the right product for them, advertising is how you communicate to them the existence of that product.
- The concept of advertising is the delivery of the most persuasive product message at the right time, in the right place, to a right person, at the lowest possible cost.
- The Institute of Practitioners in Advertising defines the term as: “advertising presents the most persuasive possible selling message to the right prospects for the product or service at the lowest possible cost”.
- The Advertising Standards Council of India (ASCI) code of conduct defines advertisement “as a paid-for communication, addressed to the Public or a section of it, the purpose of which is to influence the opinions or behaviour of those to whom it is addressed. Any communication which in the normal course would be recognized as an advertisement by the general public would be included in this definition, even if it is carried free-of-charge for any reason”.
- The purpose of advertising is to sell something - a product, a service or an idea.



- The real objective of advertising is effective communication between goods and clients and increasing awareness.
- **Functions and Effects of Advertising**
  - ◆ **Information:** Advertisement supplies consumers with information about products and services. **Brand Identity:** Brand identity is one of the biggest functions and effects of advertisement.
  - ◆ **Promoting Action:** Advertising is essentially an action catalyst that brings customers and products or services together.
  - ◆ **Customer Base:** Advertising helps reinforce the purchasing behaviors of customers for a particular brand, and it establishes long-term relationships with existing customers, potential customers, vendors and stockholders.
  - ◆ **Product Creation:** Advertising, according to “The Social and Cultural Effects of Advertising” by Jeremiah O’Sullivan R., stimulates the development of better products,.
  - ◆ **Purchase Persuasion:** Powerful and captivating advertisements persuade consumers to purchase a new product, try out services, and fulfill voids they feel are present in their lives.
  - ◆ **Education:** Advertising serves as a form of consumer education.

## UNIT – II

- Advertising serves multiple objectives which includes communicating with potential customers as well as persuading them to adopt a particular product or develop a preference towards the product for repeat purchase which ultimately results in brand loyalty.
- Advertising Theory or theories therefore try to explain how and why advertising is effective in influencing behaviours and accomplishing its objectives.
- There are numerous theories on advertising.
- Five Theories of Advertising
  - ◆ **The hidden message:** Advertising is dangerous because it uses psychology to create emotionally-loaded hidden messages. Because the message is hidden, the viewer’s critical resistance is evaded and minimized.

- ◆ Shifting loyalties: While ads try to cultivate a strong sense of brand loyalty, ads also urge consumers to change loyalties, to try something new, to disavow an old loyalty in favour of a new
  
  - ◆ The mediation of reality: Ads only work in conjunction with other media and environments in which they are embedded and cannot be understood apart from other media and environments. Marshal McLuhan noted that it is not the content of ads that makes them so persuasive. Rather it is the way they use media to fuse together a world of actions and a world of fictions.
  
  - ◆ The magic of meaning: Ads don't just sell products but infuse those products with meaning for the people who use them. In this way, ads influence our values and underlying beliefs.
  
  - ◆ Imitative desire: Ads play upon people's tendency to desire what others desire.
- Weilbacher divides the theories of advertisement into four groups:
  - Press Response Theory: These Theories assume that there exists a stable connection between the 'pressure' and influences. It emphasizes that that advertising effects are a function of the advertising dollars spent or messages received.
  - Active Learning Theory: This Theory believe that the information offered by the advertisement will lead to an attitude change of the consumer and finally to behaviour change.
  - Low Involvement Theory: These Theories assume, at least in some advertising situations, that the information content of advertising is not of importance to the consumer and that it tends to be passively stored rather than actively evaluated in relation to consumer reactions to products and companies.
  - Dissonance Reduction Theory: These Theories suggest that behaviour may lead to attitude change and that newly formed attitudes are reinforced and stabilised by information from advertising.
  - Models of Advertising
  - Four commonly used and referenced advertising models are the DAGMAR model, the AIDA model, the Ehrenberg model and the DRIP model.
  - The DAGMAR Model: DAGMAR is an acronym for defining advertising goals and measuring advertising results. The model also specifies five phases

that potential customers pass through as they are made aware of your business or product: unaware, aware, comprehension, conviction and, finally, action.

- The AIDA Model: AIDA is an acronym for attention, interest, desire and action, which are the four phases of the psychological process people pass through as they decide whether or not to buy something.
- Ehrenberg Model: “Awareness” serves to let a customer know of your existence, “trial” inspires the customer’s interest, “reinforcement” encourages trust and finally “nudging” seals the sale.
- The DRIP Model: DRIP is an acronym for differentiate, remind, inform and persuade. Advertising based on the DRIP model uses repeat contact to stand out from the competition, remind potential customers of your company’s existence, inform your target market about what you do and sell and then finally, convince them to buy from you.

### **UNIT - III**

- Most television & newspaper advertisements, billboards, and other forms of advertisement are group efforts representing the work of four distinct players in advertising process: Advertisers, advertising agencies, the media, and supply. Advertisers are the people or the organization that look for selling products or persuade people through advertising.
- Advertisers generally hire advertising agencies, the independent organization that focuses in developing and executing advertising on behalf of the advertisers.
- The advertising agencies in turn choose the media, through which advertisers’ information is carried to their intended audiences.
- Some advertisers use only one medium, a single channel. The two largest categories of media are print and electronic, but wide ranges of other media also carry advertising information, including local yellow pages, directories and direct mail.
- And in the process of creating and executing persuasive messages, advertisers and advertising agencies also use the services of various dealers, individuals or companies that provide particular services such as photography, printing, and production.
- Ads differ depending on who the message is intended for, where the ad is shown, which media are used and what the advertiser wants to accomplish. So it is helpful to classify advertising according to different areas and angles.

- Advertising can be classified on the basis of **Function, Region, Target Market, Company demand, Desired response and Media.**
  
- **Classification based on function**
  - ◆ **Informative advertising:** This type of advertising informs the customers about the products, services, or ideas of the firm or organization.
  - ◆ **Persuasive advertising:** This type of advertising persuades or motivates the prospective buyers to take quick actions to buy the products or services of the firm.
  - ◆ **Reminder advertising:** This genre of advertising reminds the existing customers to become medium or heavy users of the products or services of the firm that have been purchased by them at least once.
  - ◆ **Negative advertising:** This type of advertising dissuades target audience from purchasing such products and services which would not only harm them but also the society in general.
  
- **n Classification based on region**
  - ◆ **Global advertising:** It is executed by a firm in its global market niches.
  - ◆ **National advertising:** It is executed by a firm at the national level. It is done to increase the demand of its products and services throughout the country.
  - ◆ **Regional advertising:** If the manufacturer confines his advertising to a single region of the country, its promotional exercise is called Regional Advertising.
  - ◆ **Local advertising:** When advertising is done only for one area or city, it is called Local Advertising.
  
- **n Classification based on targeted markets**
  - ◆ **Consumer product advertising:** This is done to impress the ultimate consumer.
  - ◆ **Industrial product advertising:** This is also called Business-to-Business Advertising. This is done by the industrial manufacturer or his distributor and is so designed that it increases the demand of industrial product or services manufactured by the manufacturer.

- ◆ **Trade advertising:** This is done by the manufacturer to persuade wholesalers and retailers to sell his goods.
- ◆ **Professional advertising:** This is executed by manufacturers and distributors to influence the professionals of a particular trade or business stream.
- ◆ **Financial advertising:** Banks, financial institutions, and corporate firms issue advertisements to collect funds from markets. They publish prospectuses and application forms and place them at those points where the prospective investors can easily spot them.

### ■ Classification based on company demand

- ◆ **Primary demand advertising:** This category of advertising is designed to increase the primary demand. This is done by trade associations or groups in the industry.
- ◆ **Selective demand advertising:** This is done by a company or dealer to increase the company demand. The company would advertise its own brand only.

### ■ Classification based on desired responses

- ◆ **Direct action advertising:** This is done to get immediate responses from customers.
- ◆ **Indirect action advertising:** This type of advertising exercise is carried out to make a positive effect on the mind of the reader or viewer.
- ◆ **Surrogate advertising:** In this type of promotional effort, the marketer promotes a different product.

### ■ Classification based on the media used for advertisements

- ◆ **Audio advertising:** It is done through radio, P A systems, auto-rickshaw promotions, and four-wheeler promotions etc.
- ◆ **Visual advertising:** It is done through PoP displays, without text catalogues, leaflets, cloth banners, brochures, electronic hoardings, simple hoardings, running hoardings etc.
- ◆ **Audio-visual:** It is done through cinema slides, movies, video clips, TV advertisements, cable TV advertisements etc.

- ◆ **Written advertising:** It is done through letters, fax messages, leaflets with text, brochures, articles and documents, space marketing features in newspapers etc.
  - ◆ **Internet advertising:** The world wide web is used extensively to promote products and services of all genres.
  - ◆ **Verbal advertising:** Verbal tools are used to advertise thoughts, products, and services during conferences, seminars, and group discussion sessions.
- An advertising strategy is a plan to reach and persuade a customer to buy a product or a service.
  - The basic elements of the plan are 1) the product itself and its advantages, 2) the customer and his or her characteristics, 3) the relative advantages of alternative routes whereby the customer can be informed of the product, and 4) the optimization of resulting choices given budgetary constraints.
  - Companies may choose between different types of **advertising strategies** by choosing parts of these methods or by using an extensive range of marketing collateral.
  - Effective **advertising strategies** have a long term effect and can surely increase the clientele by adding new customers. The basic elements of an effective strategy are
    - ◆ The product and its advantages
    - ◆ The consumer or the end user and its characteristics
    - ◆ The advantages of alternative methods by which the consumer can be informed of the product
    - ◆ The selection of the most optimized advertising choice in accordance to the *budget optimization*.
  - Mentioned are a few of the most effective **advertising strategies** that are being adopted by a lot of companies and have given great results.
    - ◆ **Broadcast Media:** An effective mean to reach large audience is via television and radio.
    - ◆ **Internet Advertising:** An effective promotion of the websites and advertisements is a sure shot method to increase the clientele.
    - ◆ **Print Media:** Newspapers, magazines, flyers and brochures are some of the traditional advertising means that have been successfully used over the years.



- Five major channels are available to the business owner:
  - ◆ Print—Primarily newspapers (both weekly and daily) and magazines.
  - ◆ Audio—FM and AM radio.
  - ◆ Video—Promotional videos, infomercials.
  - ◆ World Wide Web.
  - ◆ Direct mail.
  - ◆ Outdoor advertising—Billboards, advertisements on public transportation (cabs, buses).

## **UNIT-IV**

- An advertising agency is an organization that creates, plans and handles advertising, marketing strategies and sale promotions for its clients. It is independent in nature.
- Different types of business houses, corporations, non-profit organizations and government departments are the clients of an advertising agency.
- advertising agency is not owned by advertisers, suppliers, media or client organizations. As a result of its independent status outside the organization, it is not influenced by any of them
- “An Advertising Agency is an independent organization of creative people and business people who specialize in developing and preparing marketing and advertising plans, advertisements and other promotional tools. Agencies also purchase advertising space and time in various media on behalf of different advertisers (Clients) to find customers for their good and services”. - American Association of Advertising Agencies (AAAA)
- “Advertising justifies its existence when used in the public interest - it is much too powerful a tool to use solely for commercial purposes.” – (David Ogilvy)
- The reasons behind hiring the advertising agencies by the companies are:
  - The agencies are expert in this field. They have a team of different people for different functions like copywriters, art directors, planners, etc.
  - The agencies make optimum use of these people, their experience and their knowledge.
  - They work with an objective and are very professionals.
  - Hiring them leads in saving the costs up to some extent.

**■ Types of Advertising Industry**

- ◆ Full Service Agency “ It is a bigger firm having whole range of advertising and marketing solutions.
  - ◆ Interactive Agency “ It is a smart ad agency using all latest digital technology. It offers pretty creative and interactive ad solutions.
  - ◆ Creative Boutiques “ A smaller sized firm specialized in creative ad services.
  - ◆ Media Buying Agency “ These sort of agencies buy and manage places for the advertisement and other sort of campaigns. It also manages the time schedule with the media to place the ad and supervises the ad to see if it is broadcasted properly on time or not.
  - ◆ In-House Agency “ It is a full services agency, usually in-built and works as per the needs of the organizations.
  - ◆ Specialized Ad Agency – There are some ad agencies, which offers only a particular type of ad service. They are known as specialized agency.
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- One of the largest departments in any advertising agency is account services.
  - The main job of the account services department is to keep work flowing into the agency, by establishing good relationships with clients, and constantly overseeing the work being done by the creative department.
  - Account services will meet with clients, take requests for work, and write briefs. They will also act as the go-between, presenting work, and bringing feedback from the client.
  - Key Positions in Account Services
    - ◆ Account Coordinator : The entry-level job in the account services department, the account coordinator is a learning role for a graduate or someone new to this side of the business.
    - ◆ Account Executive: This Account Executive (AE) plays a major role in any advertising agency. Typically, an AE is assigned to just a few (or sometimes only one) of the many accounts on the agency’s client roster.
    - ◆ Account Planner: The account planner’s role is quite different than that of the other members of the team. A good account planner will be a strategic, critical thinker and researcher who is more in tune with the consumer than the client.

- ◆ Account Manager: A more senior role, the account manager will be the main point of contact on one or two specific accounts. While they may not oversee the day-to-day running of the account, they are responsible for managing that account and maintaining an excellent client relationship.
  - ◆ Account Director: The account director steers the account services ship in the same way a creative director steers the creative department. Account directors know their own company's structure and workings inside and out, and also have exceptional business skills and salesmanship.
- Here are 10 things agencies can do to help eliminate the seemingly endless chafing that goes on between the two sides.
1. Over-communicate. A lot.
  2. Collaborate. A lot. With everyone.
  3. Leave preconceptions out of the process.
  4. Allow change agents to take charge and work wonders.
  5. Like it or not, details matter.
  6. Be wary of culture differences between agency and client.
  7. Always expect greatness.
  8. Embrace trust.
  9. Honesty is the best policy.
  10. Don't allow big data to run your life.



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**FURTHER READINGS**

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1. Advertising: Wright, Winter, Zeigler
2. Advertising Principles & Practice: Chunawala and Sethia, K.C.
3. Advertising Writing : Kaith, Hafer W., White Fordo E.
4. The fundamentals of Advertising : Wilmshurst, John
5. Mass Communication in India : Kumar, Kewal J.
6. Principles of Advertising: Monle Lee, Johnson, Viva Books Pvt. Ltd.
7. Advertising Management: Shruti Jain and Jaishree Jethwani
8. Reading in Advertising Management: Bellur V.V. Himalaya Publishing House, Bombay

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**ANSWERS TO CHECK YOUR PROGRESS****Unit I**

1.1 Advertising is the process of making your product and service known to the marketplace. It is essentially spreading the word about what your company has to offer. Advertising is the paid, impersonal, one-way marketing of persuasive information from an identified sponsor disseminated through channels of mass communication to promote the adoption of goods, services or ideas. It is mass media content intended to persuade audiences of readers, viewers or listeners to take action on products, services and ideas. The Institute of Practitioners in Advertising defines the term as: “advertising presents the most persuasive possible selling message to the right prospects for the product or service at the lowest possible cost”.

1.2 Advertisement supplies consumers with information about products and services. A consumer also learns about the comparisons between features, benefits and options of different products and services through advertisement. Brand identity is one of the biggest functions and effects of advertisement. By selling products and services through advertisements, businesses differentiate themselves from one another. Advertising is essentially an action catalyst that brings customers and products or services together. Advertising helps reinforce the purchasing behaviors of customers for a particular brand, and it establishes long-term relationships with existing customers, potential customers, vendors and stockholders. Advertising also stimulates the development of better products, and allows consumers to have a wider variety of products, competitive pricing, and competition entering the marketplace. Powerful and captivating advertisements persuade consumers to purchase a new product, try out services, and fulfill voids they feel are present in their lives. Advertising also serves as a form of consumer education.

1.3 The Principles of Advertising as per ASCI are

- Truthful and Honest Representations to consumers and competitors.

- Within the bounds of generally accepted standards of public decency and propriety.
- Not used indiscriminately for the promotion of products, hazardous or harmful to society or to individuals particularly minors, to a degree unacceptable to society at large.
- Not derogatory to competition.
- No plagiarism.

1.4 The purpose of advertising is to sell something - a product, a service or an idea. The real objective of advertising is effective communication between goods and clients and increasing awareness. Some of the important objective of advertising are

- To make an immediate sale.
- To build primary demand.
- To introduce a price deal.
- To build brand recognition or brand insistence.
- To help salesman by building an awareness of a product among retailers.
- To create a reputation for service, reliability or research strength.

## **Unit II**

2.1 Weilbacher (1984) defines advertising to mean communication with which it is aimed at increasing the probability that people reached by the advertising would behave or believe as the advertiser wished them to do. Weilbacher divides the theories of advertisement into four groups:

- **Press Response Theory:** These Theories assume that there exists a stable connection between the 'pressure' and influences. It emphasizes that that advertising effects are a function of the advertising dollars spent or messages received. This theory tends to ignore the quality of advertising creative work in causing advertising effects.
- **Active Learning Theory:** This Theory believe that the information offered by the advertisement will lead to an attitude change of the consumer and finally to behaviour change.
- **Low Involvement Theory:** These Theories assume, at least in some advertising situations, that the information content of advertising is not of importance to the consumer and that it tends to be passively stored rather than actively evaluated in relation to consumer reactions to products and companies. In this conception, advertising effects cumulatively increase brand relevance or salience, result in changed purchase behaviour, and lead to revised attitudes only after the brand has been purchased or used.

- Dissonance Reduction Theory: These Theories suggest that behaviour may lead to attitude change and that newly formed attitudes are reinforced and stabilised by information from advertising.

2.2 AIDA focuses on the buying and selling process. AIDA is an acronym for attention, interest, desire and action, which are the four phases of the psychological process people pass through as they decide whether or not to buy something. In later versions of this model, which has been around since the late 1800s, a fifth element, "permanent Satisfaction" was sometimes added to the list, as it looks to the importance of repeating sales with prior customers.

2.3 Five Theories of Advertisement are

- I. The hidden message.
- II. Shifting Loyalties.
- III. The mediation of reality.
- IV. The magic of meaning.
- V. Imitative desire.

## **Unit – III**

3.1 Advertising is classified on the basis of function, region, demand, target market, desired response and media

3.2 Surrogate advertising is a new category of advertising. In this type of promotional effort, the marketer promotes a different product. For example: the promotion of Bagpiper soda. The firm is promoting Bagpiper Whisky, but intentionally shows soda. They know that the audience is quite well aware about the product and they know this fact when the actor states, "KhoobJamega Rang Jab Mil Baithenge Teen Yaar ... Aap ... Main, Aur Bagpiper").

3.3 Trade Advertising is done by the manufacturer to persuade wholesalers and retailers to sell his goods. Different media are chosen by each manufacturer according to his product type, nature of distribution channel, and resources at his command. Hence, it is designed for those wholesalers and retailers who can promote and sell the product.

## **Unit – IV**

4.1 The five players in advertising are: Advertiser, The advertising agency, The media, The vendor and The target audience. The advertiser is basically the company whose product or service is going to be promoted through the incorporation of advertising. The advertising agency is responsible for the magnitude of effectiveness of the advertisement, the outcome of which will make or break the brand. As for the media or the medium that will be chosen to deliver the advertisement, these different media that include electronic, print and interactive



media, which constitute the channels of communication that will be employed to enhance the reach factor for the brand. Vendors are not directly related to any of the above-mentioned stakeholders. They have an indirect yet significant relationship with the advertising procedure. The target audience is the final deciders, the ultimate stakeholders whose consent would be the eventual determinant in shaping the present and future of the advertised brand.

4.2 The reasons behind hiring the advertising agencies by the companies are:

- The agencies are expert in this field. They have a team of different people for different functions like copywriters, art directors, planners, etc.
- The agencies make optimum use of these people, their experience and their knowledge.
- They work with an objective and are very professionals.
- Hiring them leads in saving the costs up to some extent.

4.3 The account director steers the account services ship in the same way a creative director steers the creative department. Account directors know their own company's structure and workings inside and out, and also have exceptional business skills and salesmanship. Most agencies will have an account director pitch new work alongside the creative director. One provides insight into the creative work, the other gets the client to understand why it's good for their business. A truly excellent account director will also be a very strategic and disciplined thinker, providing excellent creative briefs when necessary, and assisting in the overall direction and execution of each campaign.

Like the proverbial old married couple you see bickering on the street corner, agency managers and agency creatives have a relationship that's often fraught with friction and discord, yet, at the same time, cohesion and dependence. Finding a balance will yield a successful and productive relationship.

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## **MODEL QUESTIONS**

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### **A. Very Short Questions**

Q1: Define Advertising.

Q2: What is DAGMAR Model?

Q3: What is negative advertising?

Q4: Discuss Interpretative Reporting?

Q5: What is an Advertising Agency?

Q6: What is account executive?

**B. Short Questions (Answer each question in about 150 words)**

Q1: What are the Functions of advertising?

Q2: How advertising is different from marketing?

Q3: How theories of advertising are divided into groups?

Q4: How advertising is classified on the basis of target market?

Q5: What are types of Advertising Agency?

Q6: What is Specialised Agency?

**C. Long Questions (Answer each question in about 300-600 words)**

Q1: What are the principles of advertising?

Q2: What are the models of advertising?

Q3: Discuss various types of Advertising?

Q4: Discuss role of key positions in Account Service.



Comments



Comments



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Comments





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