

Definition of Advertisement

1. The Simplest definition of an advertisement is that it is a
"public announcement."

In earlier times, to 'advertise' meant merely to announce or to inform. Some advertisements today still do just that; provide information about 'birth', 'death', 'engagements'; with little or no intention to persuade. The majority of classified advertisements provide useful information about jobs, accommodation, sales of secondhand, vehicles, furniture etc.

Hence, "An advertisement is an announcement to the public of a product, service or idea through a medium to which the public has access. The medium may be print, electronic or any other. An advertisement is usually paid for by an advertiser at rates fixed or negotiated with the media."

2. The American Marketing Association, Chicago, defines advertising as

"any, paid form of non-personal presentation of ideas, goods and services by an identified sponsor."

Any form :- Advertising may be in any form of presentation. It may be a sign, a symbol, an illustration, an ad message in a magazine or newspaper, Commercial on the radio or on television etc.

Non personal :- The phrase excludes any form of personal selling which is usually done on a person-to-person or on a people to people basis. If it is a person to person it is not advertising.

Openly Paid :- This means that advertising is openly and directly paid for as against publicity, which is not openly paid for. As it is paid, the sponsor has control over the form, content and scheduling of the ad.

By an identified sponsor :- The sponsor is identified by his company's name or brand name or both. If, in an ad, the sponsor is not identified and it is not paid for its use of the media in which it has appeared, then the message is considered to be publicity.

3. OTHER DEFINITION OF ADVERTISING :-

1. "Salesmanship in Print" (1905) → John E. Kennedy who was a Canadian ex-Mountie formerly and was a Copywriter at Lord and Thomas advertising Agency.
 2. "advertising as a substitute for the human salesman" - (1990) Sidney Bernstein -
 3. "Advertising is the business of creative thinking for commercial advantage". Chris Jacques, chairman, BBDO Asia Pacific
4. An advertisement is a form of persuasive communication with the public. The communication is usually one-sided, in one direction from the advertiser and to the public. The members of the public are free to respond to it in their own way; the response is at an individual or family level. There is little or no dialogue with the public; advertising forces itself upon the public. At the same time, especially in a democracy with a market economy, such communication is required so that intelligent choices are made.

UNIT IX

Advertising :-

→ AIDA model is given by E.K. Strong in *The psychology of selling*.

AIDA formula in Advertising :- The design and development of an ad follows the AIDA formula.

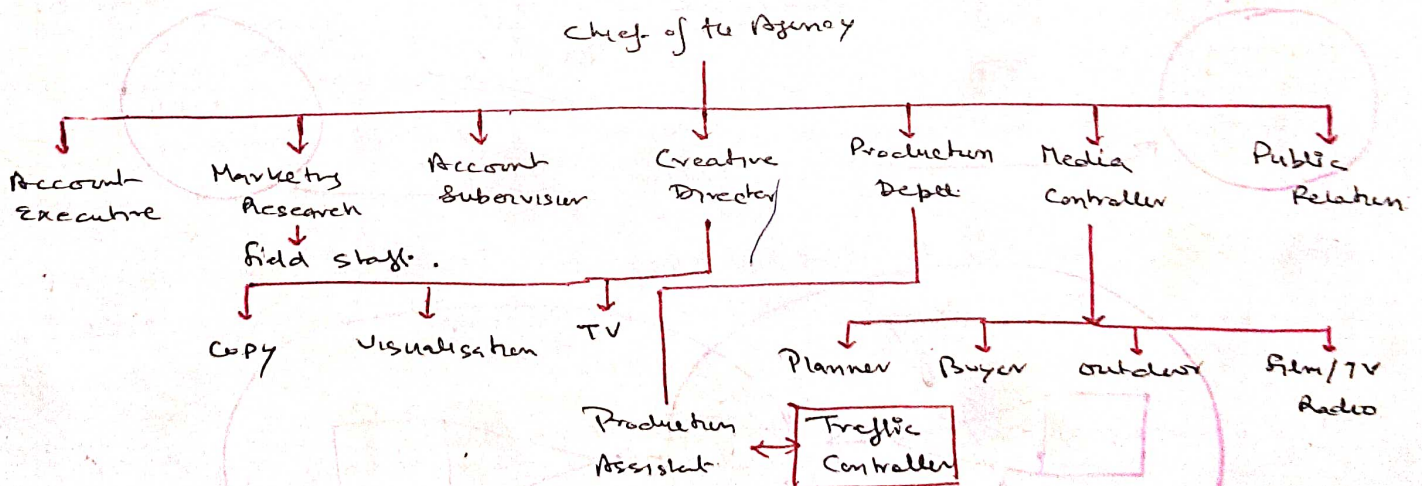
- Advertisement communicates idea, a message, or a belief. An advertisement would be effective only if the media audience accepts that message and is motivated to take the desired action.
- Several models have been developed which have specifically identified the sequence of events which must take place between receipt of the message and desired action.

AIDA Model :- A somewhat simplified model based on the identical principle of sequential stages of consumer action is known as AIDA model. AIDA stands for

- A** - Attracting Attention (Layout, Typography, Colour, size, celebrity, contrast)
- I** - Arousing Interest (Headline, Copy, Content of Ad must arouse interest)
- D** - building desire (Appeals, description, Buying motives evidence, endorsement)
- A** - obtaining Action (Promotion, sales promotion etc used).

→ Rosser Reeves - Unique Selling Proposition - Reality in Advertising.

Function of Advertising Agency :-

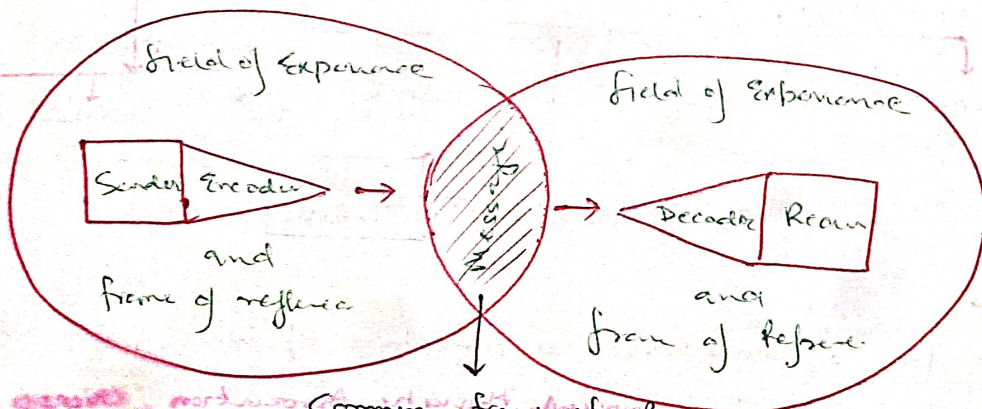
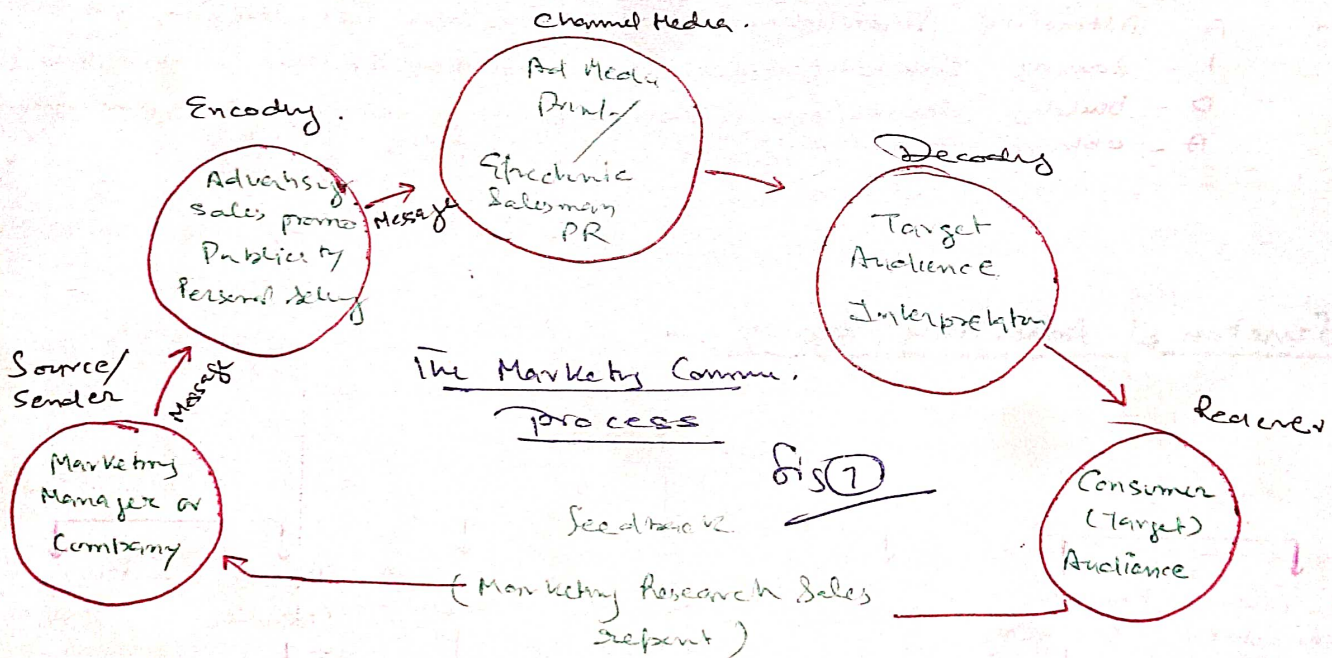


Definitions :-

1. "Any Paid form of non-personnel presentation of ideas, goods and service by an identified sponsor." *American Marketing Association, Chicago.*
2. "Salesmanship in print" *John E. Kennedy (1945)*
3. "Advertising as a substitute to human salesmanship" *Goris Jacques (1990)*

Marketing Communication Mix (Promotion mix)

- ① **Advertising** :- Any paid form of non personal communication of ideas, goods, services by an identified sponsor.
- ② **Sales Promotion** :- Short term Direct inducements to encourage sales of product and services.
- ③ **Publicity** :- Non-personal stimulation of demand for a product/service or business organisation as a whole by putting commercial significant news in media to create a favorable image. It is non paid for the sponsor.
- ④ **Personal Selling** :- For making sales, a salesman interacts orally with the buyer or buyers in the form of a sales presentation.
- ⑤ **Public Relation** :- Marketers engage in public relations to develop a favorable image of their organisations in the eyes of public - public at large, customers, suppliers, government, media, competitors, shareholders, employees and the society.



Communication and field of experience

Fig ②

Advertising and Personal Selling:-

- ① Advertising is one form of mass communication, impersonal and there is no face to face interaction on the other hand Personal Selling is individual form of communication, personal and face to face
- ② Advertising is used for mass products for mass consumer while Personal Selling is generally used for industrial or specific products used by specific customers
- ③ It is difficult to measure the effectiveness of advertising but P.S. receive immediate feedback, and therefore adjust the message or presentation quickly
- ④ Personal selling is very intense means of communication
- ⑤ In Modern markets, the marketing manager decides a judicious mix of advertising and personal selling.

Advertising and Sales Promotion:-

- ① Advertising predisposes a person favorably for a product/service/idea moving him towards its purchase. Sales Promotion takes over at this point. It makes the consumer take a favorable purchase decision by providing one or other kind of direct inducement. e.g. discount, price off, gift, coupon etc.
- ② Mostly advertising is indirectly concerned with sales. It either inform or persuades or reminds about a product or service. Most of the times it is indirect approach and has long term perspective, e.g., building up a company image or brand image.
- ③ Sales promotion is a short-term approach, a direct approach and expects an immediate response in terms of sales. Sales promotion is an important adjunct to selling.
- ④ Advertising is more frequent and repetitive than Sales Promotion.
- ⑤ Sales Promotion are non recurrent selling efforts. They supplement the advertising and personal selling.

Advertising and Publicity:-

- ① Publicity is defined as non-personal stimulation of demand for a product/service/business unit by **planning commercially significant news** about it in a published medium or obtaining **favorable presentation** of it in radio, TV, stage. i.e. not paid for by the sponsor. Two significant distinction emerges

③ Publicity is not a paid for

④ presentation is not programmed.

→ Marketers have less control over publicity than that have over advertising. Publicity is left to the discretion of the media, in terms of whether to present it or not, contents of presentation and the format of presentation.

→ Publicity may be negative or positive.

Advertising and Public Relation:-

→ Advertising and PR are different from the point of view of their objectives. Advertising is an aid to selling and it improves the bottom line of business. PR aim is to develop a favorable image in the eyes of the public.

→ Advertising has a greater role when we are selling a tangible product. In a service industry however, PR has a greater role, since the product is intangible.

→ PR has higher degree of credibility since it is not paid for. Advertising, however, creates a brand personality. Only advertisement can add value to a product.

→ PR, unlike advertising is personal.

Active participants in Modern Advertising:-

There are three active participants in advertising - the advertiser, the advertising agency and the media. A fourth side has been added now! Public Relations (PR) because PR and advertising operate in harmony. All the four sides are supervised by the fifth and sixth sides - Quality Services and Free Lance Services.

① **Advertiser** :- He can be manufacturer, retailer, distributor, public sector undertakings or a popular govt. It can be voluntary organization.

② **Ad Agency** :- They accept the brief from the advertiser, and do campaign on his behalf. They render useful services like, positioning, launching of products, packaging, branding etc.

③ **Media owners** :- These are publishing houses, owners of magazines or NP or broadcast media operators - TV Radio and film. There are outdoor and Transit advertising **Contractors**. These are organizers of exhibitions like Trade fair etc.

④ **PR** :- we find them PR departments of ad agencies. or they operate independently.

⑤ **Ancillary services** :- Studio service, photograph, printing service independent.

⑥ **Free lance** :- Preference of a good track - copywriter, singer, artists.

Some Quotations

- "Doing business without advertising is like working at a job in the dark, you know what are you doing, but nobody else does."
- Stewart H. Britt.
- "In our factories, we produce cosmetics, but in our drug stores, we sell hope". Charles Reardon from Revlon.
- "Advertising is a funny business it is not only a business - it is half a business, quarter a profession, and quarter an art".
- "Unless your campaign contains a Big Idea, it will pass like a slip in the night". David Ogilvy.
- "TV is for adolescents and radio is for Adults" - Anthony Burgess
- "Outdoor advertising do not circulate but the market circulates around it."
- "The product belong to the company while brand belong to customer"
- Jayalal Chohan, vol 1.

Code of Ethics for Advertising (Advertising Council of India)

- ① Advertising should conform not only to laws but also moral, aesthetic and religious sentiments of the country.
- ② Advertising should not take advantage of the subashness or ignorance of the general public.
- ③ No advertisements of talisman charm or charlatan readily from photographs are permitted.
- ④ Advertising should be truthful, avoid distorting facts and misleading the public by means of implications and omissions. It should not mislead the consumer by false statement about the product/service.
- ⑤ No advertisements should be permitted to contain any claim so exaggerate as to lead inevitably to disappointment in the minds of the public.
→ Acts related to ① suffering from illness ② investment of money ③ child fund / lottery ④ publication of employment notices requiring fees are not permitted.
- ⑥ Methods of advertising designed to create confusion in the mind of the consumer as between goods by one maker and another maker are unfair and should not be used.

⑦ imitation of Trade mark, name, packaging or labeling goods.

- (6) Imitation of advertising devices, caps, layout or slogans.
- (7) Advertisers should endeavour to gain the goodwill of the public on the basis of the merits of the goods or service advertised. Direct comparison with competing goods or firms and disparaging references are in no circumstances permitted.
- (8) Indeed, vulgar, suggestive, repulsive and offensive themes or treatment should be avoided in all Advertisements.
- (9) No advertisements should offer to refund money paid.
- (10) The use of National Emblem is prohibited by law in advertisements, trademarks, etc. except by Government mental agencies. Also the pic of Pt. M. Gandhi, President, vice-President and PM of India is forbidden in such advertisements, trademarks etc. except by previous permission. This rule does not apply to advertising of books, film or other items in which these programmes form the chief subject.

Classification of Advertising:-

① Classification based on function:-

- (1) Information Ad:- This type of advertising inform the customer about the introductory of services/product of an company. Used at the time of launching a product in the market.
- (2) Persuasive Ad:- This type of advertising persuades or motivates the prospective buyers to take quick actions to buy the product or services of the firm. Ex:- Discount, Cash Coupon etc.
- (3) Anti-Cognitive Ad:- This type of advertising reinforces that fact in the minds of the customers (who have purchased the product or services of the firm) that their purchase decisions were correct. It also informs them that the firm is ready to give all types of after sales support to them. Ex:- Infosys about no of copies sold's free service camps etc.
- (4) Reminder Ad:- 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 the 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.

⑤ Negative Ad :- This type of advertising dissuades audiences from purchasing such products and services as would harm them in particular and the society in general.

② Classification based on Region

- ① Global ad :- It is executed by the firm in its global market niches. Reputed global magazines like Time, Far Eastern, Economic Review, Star, Fortune and others are used for issuing glossy multi-colour advertisements. Ex - Intel (CPU, through), IBM, Panasonic.
- ② National ad :- Executed by firm in national level to increase the demand of its product and services throughout the country.
Ex. Nirma, Raymond.
- ③ Regional ad :- If the manufacturer confines his advertising to a single region of the country. Its promotional exercise is called regional. ex:- NFL wear, orange cellular phone.
- ④ Local ad :- When advertising is done in one area or city, it is called Local Advertising. Some professionals also call it Retail Advertising. It is done by the retailer and his advertising plan is in line with the nature or regional advertising done by the company he represents. -

③ Classification based on Targeted markets :-

- ① 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 - Ex Pepsi, Cola, Peter England.
- ② Industrial product Advertising :- It is directed towards the industrial customer. The marketer chooses only trade-specific magazines or journals that the targeted customers are likely to read. The collective name of these trade-specific magazines or journals is Trade Press. Note that the buyers of industrial products are purchase managers, purchase executives, purchasers, project managers, large corporations, MNCs and government departments. Kirloskar Brothers Ltd. General Elec. Co.
- ③ Trade Advertising :- This is done by the manufacturer to persuade wholesalers and retailers to sell his goods. Different groups of media are chosen by each manufacturer according to his product type, nature of distribution channels and resources at his command. Hence, it is designed for those wholesalers and retailers who can promote and sell

the product of the manufacturer.

④ Professional Advertising :- This is executed by manufacturers and distributors to influence the professional of a particular trade or business stream. These professionals recommend or prescribe the product of these manufacturers to the ultimate buyer. Manufacturer of these products try to reach these professionals under well pre-pared programs. Doctors, engineers, purchase professionals, Civil Contractors and architects are the prime targets of such manufacturers. Ex. ACC Cement, Pfizer, SKF

⑤ Financial Advertising : Banks, financial institutions and corporate firms issues advertisements to collect funds from markets. They publish prospectus and application form and place them at those parts where the prospective clients can easily spot them. The prospectus and forms of the issue in question are also salesman of the firm that seek public. It is advisable to get these designed from a professional advertising agency or get them printed in a reputed form.

Note

→ Maslow's Need hierarchy theory.
psychological, self esteem, social, security, self actualization.

K. K. K.