

**THAKUR COLLEGE OF SCIENCE AND COMMERCE  
DEPARTMENT OF COMMERCE  
SYBCOM ADVERTISING –I (SEMESTER-III)**

**Syllabus of courses of SYB.Com Programme Semester - III**

**ADVERTISING – I**

**Course Objective**

- The course is designed to make students familiarize with the fundamental concept of Advertising and brand management and equip them with necessary skills required for building a brand.
- To determine the role of the Advertising in the development of strategic/ tactical marketing plans so as to understand how the marketing communication process influences consumer decision making.
- To equip the students with the nature, purpose & complex constructions in the planning and execution of a successful advertising program. The course will expose student to issues in brand management, faced by firms operating in competitive markets.

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- The objective of this course is to familiarize the students with the basic concepts, tools and techniques of

<b>Sr.No.</b>	<b>Modules</b>	<b>No. of Lectures</b>
<b>1</b>	<b>Introduction to Advertising</b>	<b>12</b>
	<ul style="list-style-type: none"> <li>Integrated Marketing Communications (IMC)- Concept, Features, Elements, Role of advertising in IMC</li> <li>Advertising: Concept, Features, Evolution of Advertising, Active Participants, Benefits of advertising to Business firms and consumers.</li> <li>Classification of advertising: Geographic, Media, Target audience and Functions.</li> </ul>	
<b>2</b>	<b>Advertising Agency</b>	<b>11</b>
	<ul style="list-style-type: none"> <li>Ad Agency: Features, Structure and services offered, Types of advertising agencies , Agency selection criteria</li> <li>Agency and Client: Maintaining Agency–Client relationship, Reasons and ways of avoiding Client Turnover, Creative Pitch, Agency compensation</li> <li>Careers in advertising: Skills required for a career in advertising, Various Career Options, Freelancing Career Options - Graphics, Animation, Modeling, Dubbing</li> </ul>	
<b>3</b>	<b>Economic &amp; Social Aspects of Advertising</b>	<b>11</b>
	<ul style="list-style-type: none"> <li>Economic Aspects: Effect of advertising on consumer demand, monopoly and competition, Price.</li> <li>Social aspects: Ethical and social issues in advertising, positive and negative influence of advertising on Indian values and culture.</li> <li>Pro Bono/Social advertising: Pro Bono Advertising, Social Advertising by Indian Government through Directorate of Advertising and Visual Publicity (DAVP), Self-Regulatory body- Role of ASCI (Advertising Standard Council of India)</li> </ul>	
<b>4</b>	<b>Advertising and Brand Management</b>	<b>11</b>
	<ul style="list-style-type: none"> <li>Introduction To Brand and Brand Management, Branding Challenges and Opportunities, Brand Positioning and Repositioning Through Advertising</li> <li>Brand Strategies: Designing and Implementing Brand Strategies, Brand Extension, Kapferer Brand Identity Prism</li> <li>Brand building: The Communication Process, AIDA Model, Role of advertising in developing Brand Image, Brand Equity and Brand personality, Case Study on Managing Brand Crises.</li> </ul>	

advertising in marketing.

- The course has been designed to understand the advertising process and advertising industry structure thoroughly.
- The syllabus also emphasizes along with the brand building and management.

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<b>3</b>	<b>Economic &amp; Social Aspects of Advertising</b>	<b>11</b>
<b>4</b>	<b>Advertising and Brand Management</b>	<b>11</b>
<b>TOTAL</b>		<b>45</b>

**Learning Outcomes:**

- The course will help students decide whether to make career in advertising.
- The student will be able to identify advertising decision areas and apply marketing communications functions such as advertising, direct marketing, the Internet, interactive media, and sales promotion.
- Apply basic advertising theories and principles to practice
- Synthesize broader liberal arts knowledge with the principles of advertising in order to create effective advertising campaigns

**MODULE 1: INTRODUCTION TO ADVERTISING**  
**INTEGRATED MARKETING COMMUNICATION**

**INTRODUCTION**

Advertising is as old as civilization and has been used as the means of communication to buy and sell the goods and services to the society. Advertising is an important tool of promotion that can create wonders with beautiful words to sell product, service and also ideas. Advertising has, acquired great importance in the modern India characterized by tough competition in the market and fast changes in technology, and fashion and taste of customers. Today as per the changing marketing situation advertising is not the only sufficient medium of communication. It has to be integrated with other mediums so as to create the long lasting impact on the consumers. Thus the concept of integrated marketing communication is gaining considerable momentum due to challenges faced by the advertisers in designing and implementing their advertising communication messages.

It is essential for organizations to promote their brands well among the end-users not only to outshine competitors but also survive in the long run. Brand promotion increases awareness of products and services and eventually increases their sales, yielding high profits and revenue for the organization.

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To understand integrated marketing communication, let us first understand what does brand communication mean?

Brand communication is an initiative taken by organizations to make their products and services popular among the end-users. Brand communication goes a long way in promoting products and services among target consumers. The process involves identifying individuals who are best suited to the purchase of products or services (also called target consumers) and promoting the brand among them through any one of the following means:

- Advertising
- Sales Promotion
- Public Relation
- Direct Marketing
- Personal Selling
- Social media, and so on

Integrated marketing communication refers to integrating all the methods of brand promotion to promote a particular product or service among target customers. In integrated marketing communication, all aspects of marketing communication work together for increased sales and maximum cost effectiveness.

**Definition of IMC:**

According to American Association of Advertising Agencies IMC is a ***“concept of marketing communication planning that recognizes the added value of a comprehensive plan that evaluates the strategic roles of a variety of communication discipline”***

**TOOLS OF IMC**

**Advertising:** Any paid form of non-personal communication about an organization, product, service, or idea by an identified sponsor (e.g. business firms, individuals, non-profit organizations).

• **Advertising In Consumer Markets:**

National Advertising: Done on a nationwide basis or in most regions of the country.

Retail/Local Advertising: Encourages consumers to shop at a specific store, use a local service, patronize a particular establishment.

Primary vs. Selective-Demand Advertising: Primary demand stimulates demand for the general product class or entire industry whereas selective-demand creates demand for a specific company's brands.

• **Advertising to Business & Professional Markets:**

Business-to-Business (B2B) Advertising: Targets individuals who buy or influence the purchase of industrial goods or services for their companies.

Professional Advertising: Targets professionals, encouraging them to use a company's product in their business operations.

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Trade Advertising: Targets marketing channel members, encouraging them to stock, promote, and resell the manufacturer's branded products to their customers.

**Direct Marketing:** Whereby organizations communicate directly with customers to generate a response and/or transaction (e.g. telemarketing, direct selling, direct response ads via direct mail [letters, flyers, brochures, catalogues], direct response TV, direct response radio, etc).

**Interactive/Internet Marketing:** Allows back-and-forth of information whereby users can participate in and modify the form and content of the information they receive in real time — Users can receive information and images, make enquiries, respond to questions and make purchases via the interactive media (e.g. internet, social media, mobiles, kiosks, CD-ROMs).

**Sales Promotion:** Those marketing activities that provide extra value or incentive to the sales force, distributors, or the ultimate consumer and can stimulate immediate sales — This can be consumer oriented (e.g. discounts, point-of-purchase materials) or trade-oriented (e.g. sales contests, price deals).

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**Publicity:** Non-personal communications regarding an organization, product, service or idea that is not directly paid for or run under identified sponsorship — Can come in the form of a news story, editorial, or announcement about an organization and/or its products and services.

**Public Relations:** A management function which manages and controls a program of action to earn public understanding and acceptance — It encompasses a wide variety of communication efforts to foster goodwill and gain public understanding. • Used to build rapport with the various publics (e.g. employees, customers, stockholders, voters, competitors or the general population).

**Personal Selling:** A form of person-to-person communication in which a seller attempts to assist and/or persuade prospective buyers to purchase the company's product/service or act on an idea.

**Trade shows and Exhibition :** It is one of the oldest forms of promoting the sales of products. Trade shows and exhibition provide opportunities for face-to-face contact with prospects, enable new companies to create a viable customer base in a short period of time, and allow small and midsize companies that may not be visited on a regular basis by salespeople to become familiar with suppliers and vendors. Because many trade shows generate media attention, they have also become popular venues for introducing new products and providing a stage for executives to gain visibility. In India, India trade promotion organization (ITPO) has been set up by the government to organized trade fairs and exhibitions.

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**INTRODUCTION TO ADVERTISING**

“Nobody counts the number of ads you run; they just remember the impression you make.”

-William (Bill) Bernbach

"Doing business without advertising is like winking at a girl in the dark. You know what you're doing, but nobody else does."

-Stuart H. Britt

“Advertising is the missing link between product attributes and consumer perceptions.”

- Alyque Padamsee

“I have learned that it is far easier to write a speech about good advertising than it is to write a good ad.”

- Leo Burnett

**CONCEPT**

**The word advertising is derived from:**

**LATIN WORD ADVERTERE – “TO TURN THE MIND TOWARD”**

Advertising simply means a public announcement. But, nowadays, the functions of advertisements go beyond announcements as they persuade the prospective buyer, remind the existing buyers, create demand, brand preference and brand loyalty; apart from neutralizing the effects of the advertisements of the competitors. Advertising is aimed at a group of persons and not an individual. These groups of persons are not the general public; but the target audience who are also the potential customers. In advertising, unlike personal selling, immediate feedback cannot be taken. Thus, it is a paid form of non-personal way of communication with a group of target audience through mass media like television, newspapers, magazines, radio, internet et al

**Definitions**

**“Any paid form of non-personal presentation and promotion of ideas, goods and services by an identified sponsor”**

**-Definitions Committee, American Marketing Association, 1948**

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**“Advertising is the discovery and communication of a persuasive difference for a brand to the target prospect”**

**-Brandpositioning strategiesfor competitive advantage, Subroto Sengupta, 1990**

**Advertising is a non-personal form of communication conducted through paid media under clear sponsorship.**

**-Philip Kotler**

**Advertising means to develop favorable brand image to enlarge market share and to increase the profits of the organization in the long run**

**-David Ogilvy**

## **FEATURES**

**1)Paid communication** – Businesses select, assign and pay advertisers for preparing advertisements that include the size, slogan, etc. These advertisers are asked to prepare a design or format of the advertisement as per the products and requirements of the businesses.

**2)Non-personal presentation** – Advertisement is a non-personal presentation, which means that media tools like television, radio, newspaper, etc., are considered that reaches out to a large number of people.

**3)Target Customers** – Advertisements are developed that caters to the needs and wants of target customers and markets. Advertisements depict target customers and markets by relevant characters, themes, props, slogans, select storylines and so on. For example, protein health drinks like Horlicks, Complan, etc., are targeted towards children representing young urban India and emotions are targeted towards excelling in studies, sports and tackling competition.

**4)Art, science and profession:** Advertising is art, science and a profession, and this is now universally accepted. It is an art as it needs creativity for raising its effectiveness. It is a science as it has its principles or rules. It is also a profession as it has a code of conduct for its members and operates within standards set by its organized bodies. In its field, AD Agencies and space brokers function as professionals.

**5)The element of a Promotion mix:** Advertising is an important part of a marketing mix. It supports the sales promotion efforts of the manufacturer. It makes a positive contribution to sales promotion provided other elements in the marketing mix are reasonably favorable. It is alone inadequate for promoting sales. Many companies now spend huge funds on advertisements and public relations.

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**6)Identified sponsor:**Advertising always has an identified sponsor. In other words, advertising discloses or identifies the source of the opinions and ideas it presents. On the other hand, the sponsor for publicity or propaganda can remain anonymous.

**7)Ideas, Goods, and Services:** Advertising is aimed at promoting and selling not only tangible and physical goods, but also ideas and services. Most often services like banking and insurance are sold through advertising. For example, Posts and Telegraph Department advertises to promote the use of PIN CODE for fast delivery of letters. The scope of advertising is wide and designed to sell not only goods but services and ideas also.

**8)Inform and persuade:** Advertising usually informs the potential consumer about products and services, their benefits and utilities. It also persuades the consumers to purchase such products and services. In short, advertising is the art of influencing human action and awakening of a desire to possess products and services. It is a mass persuasion activity duly sponsored by the manufacturer, retailer, or dealer for whom the advertising is done.

**9)Objectives:**

- To Inform Buyers
- To Persuade or Convince Buyers
- To Remind Buyers
- To Face Competition
- To Build and Improve Brand Image
- To Help or Educate People
- To create awareness

**10)Consumer Choice :** Advertising facilitates consumer choice. It enables consumers to purchase goods as per their budget requirement and choice. Right choice makes consumer happy and satisfied.

**11)Creativity :** A good advertising campaign involves lot of creativity and imagination. When the message of the advertiser matches the expectations of consumers, such creativity makes way for successful campaign.

**12)Process :** Advertising is the process of communicating about a product with the consumer. It can be accomplished by word of mouth, direct solicitation (mail, email, phone), or through a variety of media channels (Internet, radio, TV).

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Advertising it seems is everywhere, almost anywhere we go or everywhere we look we are surrounded by ads offering a deal suggesting products two hours and insisting we give them our attention. By some estimates with our viewing we may see thousands of ads each day, but when did this all begin and how did it get so crazy

The history of advertising is the real history of communication every time a new technology is invented that allows people to communicate with each other. Advertisers use to sell more stuff to the customers and it all began thousand years ago. We don't really know when, we do know around 2000 BCE Egyptian were announcing messages to the public like Carving on stones and wooden tablets

Advertising as we know today started with the invention of the printing press in the 1400s that led to the rise of newspaper and write along with that newspaper advertisement

The first classified ad appeared in 1631 and the world's first magazine the tabular was published in England in 1709. It wasn't newspapers and magazine ads have recommended everything from quotes to carriages to hair care products to their readers.

Mail services have been delivering letters to the people for thousands of years but by late 1800 modern days efficiency meant they cost a sender a lot less to mail something Companies like Murray and Roberts Began sending postcards and catalogues advertisements directly to the customers and direct marketing was born

The Radio came along in 1921 and it wasn't long until the radio hosted mentally products on the air

The auto mobile became widespread in early 20 century and soon travellers touring the countryside were greeted by billboards, telling them where to buy gas for the car

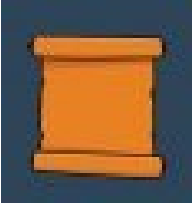




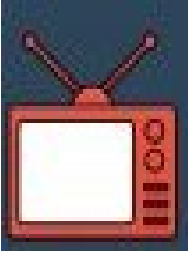
The television was invented by 1927 and the first television commercial debuted in 1941 entertaining viewer I'm providing advertisers with one of the affected forms of advertising ever created and it was only another 30 years before that other great invention was born

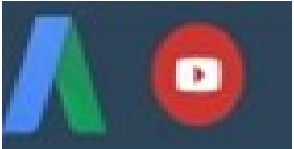
Then cell phones became popular in the 80s the world wide web or the internet in 90s and Facebook Twitter and YouTube in the 21st-century with each new technology Deva new kinds of ads demanding that we pay attention

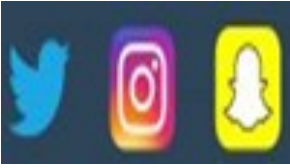
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and tomorrow who knows perhaps advertisers would propose that advertisement be broadcasted in our dreams to get message to us in our contact lenses for sure as ads on places like the moon .

**ONE THING IS FOR SURE AS LONG AS THERE ARE THINGS TO SELL WAYS TO COMMUNICATE ADVERTISERS WILL FIND THEIR WAYS TO ADVERTISE**

	<p><b><u>PRE - MODERN</u></b></p> <p>Egyptian used papyrus to make sales messages and wall posters</p>		<p><b><u>1704</u></b></p> <p>The first newspaper Advertisement , an announcement seeking a buyer for an Oyster Bay , Long Island , Estate is published in the Boston News Letter</p>
 	<p><b><u>1800 - 1900</u></b></p> <p>1835 - First Billboard was made</p> <p>1843 - First Advertising Agency</p> <p>1891 - Companies started selling their brands and not just products</p>	 	<p><b><u>1900 - 1999</u></b></p> <p>1920 - First Advertisement on Radio</p> <p>1941 - First commercial on Television</p> <p>1960 - Focus group &amp; Research</p> <p>1980 - Infomercials take</p>

	<p><b><u>2000 - 2016</u></b></p> <p>2000 - Google Adwords were born</p> <p>2005 - Google Analytics was released</p> <p>2006 - Facebook Launches advertising</p> <p>2007 - Facebook allows Demographic targeting</p> <p>2009 - Google Launches Interest based advertising on partner sites &amp; YouTube</p> <p>2010 - Twitter launches promotional trends &amp; promotional tweets</p>
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### ACTIVE PARTICIPANTS

- **Advertiser:** The advertiser can be any firm, individual, Government or social organisation who wants to advertise their products, services or highlight any social issues or ideas to general public to raise their awareness levels and promote their products and ideas. This group also includes retailers as they also display various products in their shops for selling them to the customers.
- **Target Audience:** Target audience refers to the desired audience to whom a manufacturer wants to target for promoting and selling his products. Target audience may include only a particular segment of customers or mass audience. Through advertising, that manufacturer tries to arouse interest in its desired audience so that they get attracted towards his products and ultimately get persuaded to buy them. Thus, the target audience refers to the recipient of the messages advocated by the advertisements
- **Advertising Agencies:** Advertising agencies consist of highly creative and professionalized people who are entrusted with the task of designing, developing and producing ads and showing and printing them through appropriate media i.e. T.V., magazines, newspapers, radio, publications, etc. These agencies are service based business and so charge their clients for producing and popularising their products, services or ideas amongst masses through advertisements. Advertising agencies are creative teams consisting of layout designers, editors, photographers, copywriters, artists, etc. These agencies even undertake market research on behalf of their clients. In short, advertising agencies are the medium through which a firm, individual, social or Government organisation can promote and communicate about its goods, services and ideas amongst the masses.
- **Mass Media:** Mass media includes T.V, newspapers, radio, magazines, publications, internet, websites, etc through which the advertising messages are to be highlighted and communicated to the masses. Depending on the type of the advertising message and the target audience, an appropriate medium for communicating the message is to be chosen by the advertising agencies. The main elements of mass media are listed as follows:
  - (a) Print Media: It includes those sources which print and publish the advertising messages. Print media comprises of newspapers, magazines, publications, journals, etc.
  - (b) Electronic Media: People can even obtain information about various products, services and ideas through electronic media which includes internet, ads shown on television, radio, multimedia, etc.
  - (c) Outdoor Media: Outdoor media consists of neon signs, billboards, posters, hoardings, air balloons, handbills, etc.

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(d) Direct Mail: Advertising messages can even be communicated directly to the target audience through sending them letters, brochures, pamphlets, leaflets, etc.

- **Government Authorities:** The advertising field is bound with certain well defined norms, standards and code of conduct laid down by various advertising regulating authorities. All advertising firms are bound to function within these standards and norms. The Government frames various laws and regulations which all advertising firms are required to follow. In India, advertising regulating authorities include, The Advertising Standards Council of India (ASCI) and Audit Bureau of Circulation (ABC).
- **Production Firms:** As the name suggests, advertising production firms are engaged with production and development of advertisements. By securing the collective help and creativity of the advertising production people, these firms produce advertisements of their clients. The advertising production firm is responsible for planning, designing, and producing a final ad to transmit the advertising effectively amongst the mass

## Case Study Jewelry Retailer



Leveraging Viant's® people-based platform to measure cross-channel return on ad spend

### Challenge

After executing a successful holiday marketing campaign with Viant at the end of 2014, this prominent jewelry retailer sought Viant's help in delivering an effective cross-channel campaign during the 2015 holiday season. Seeking to accurately prove efficiency and return on ad spend (ROAS) across TV, digital and their offline retail stores, the client teamed up with Viant to leverage TV automatic content recognition (ACR) measurement tools and people-based advertising solutions.

### Solution

To determine the effectiveness of the brand's TV ads, we leveraged our market-leading TV ACR measurement solution. Operated in partnership with several major TV manufacturers, Viant harnesses ACR across millions of U.S. households to capture 100% of TV ad plays within measured homes. For this specific client, we measured TV ad exposure across an exposed sample of four million households.

By integrating TV ACR measurement into our people-based Viant® Advertising Cloud platform, we helped the jewelry retailer measure TV ad effectiveness alongside their cross device digital campaign, which ran across desktop, smartphone, and tablet. Furthermore, the client leveraged our onboarding tool to run the campaign against their customer database of 11 million email addresses, including existing customers as well as prospects who had previously visited their website.

Throughout the campaign, the advertiser provided Viant with a nightly feed of their in-store sales data, which was then matched back to the brand's existing customer profiles within Viant's Identity Management Platform (IMP) – a core component of the Viant Advertising Cloud. This enabled Viant to accurately measure ROAS by connecting customers' cross-channel ad exposure to their offline and online purchases.

### Results

This unique cross-channel attribution model (including TV, desktop, mobile and offline/ online sales) leveraged registered user data on a massive scale to establish several important campaign performance conclusions. Notably, campaign analysis revealed that households exposed to TV ads converted at more than two times the rate of households exposed to digital display ads. Although, display ads yielded seven times the ROAS of TV ads it's important to note TV CPMs were significantly higher than display.

Further analysis revealed that mobile (smartphone and tablet) accounted for the largest share of digital impressions (64%) as well as the highest share of overall sales (60%), particularly in-store purchases (68%) in the final days before Christmas.

### Campaign Results



Mobile accounted for  
**68%**  
of in-store sales



Display ads yielded  
**7x**  
the ROAS of TV ads



TV + Display ads converted at  
**5x**  
the rate of display-only ads

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CASE STUDY: P&G mobile advertising campaign



Provided by Contagious Communications Ltd.

Personal care giant's mobile ads help people text their mothers to say "Thank you mom" or "I love you mom" more often.

**What was the Challenge / Background of the Campaign?**

P&G wanted to extend its Proud Sponsor Of Moms initiative into the mobile advertising realm with a new and innovative campaign that reminds people to text their mothers.

**What was the Campaign Objective?**

Although this is a pretty small initiative, P&G's mobile app needed to be smart and useful. The advertisement aimed to replace the usual annoyance of a banner ad with something more helpful that fits in with its brand messaging and is useful and friendly.

**What was the Solution?**

The personal care giant's mobile ads, created by agency Kirowski Isobar, Budapest, simply said: 'Three words that we don't say often enough: Thank you Mom!' When people tapped the banner, the ad instantly searched their phone for listings under 'Mum', 'Mom', 'Mother' and other similar maternal affectations. It then took people to their text messaging service and automatically addressed a blank message to their mother.

**What were the Results?**

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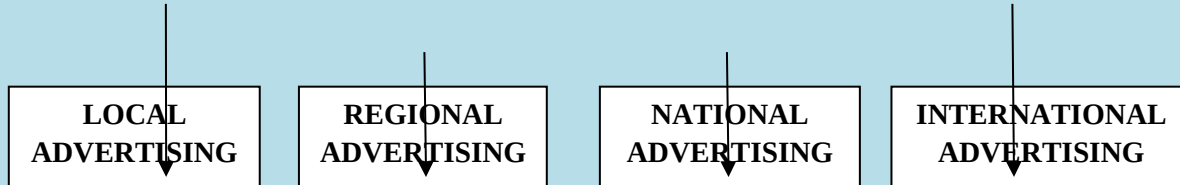
The sophisticated and helpful mobile ad successfully associated P&G with the happiness every mother feels where her children contacts her.

**What were the Key Learnings of this Campaign?**

Brands should be aware of how mobile ads are becoming more sophisticated, moving from a static, isolated ad to one that taps the mobile's native functionality (GPS, location, address book, calendar, etc). There's an extraordinary number of possibilities now for brands that are prepared to be creative about using a phone's functionality in new, more connected, more personal ways through the humble banner

**CLASSIFICATION OF ADVERTISING**

**CLASSIFICATION OF ADVERTISING ON THE BASIS OF TARGET AUDIENCE**



**Local Advertising:**

Small firms may like to restrict their business to state or regional level. Some firms first localize their marketing efforts and once success has been achieved, they spread out to wider horizons. A classic example is Nirma Washing powder, which initially was sold in Gujrat and subsequently entered the other markets of the country.

Retail stores also undertake local advertising.

A classic EXAMPLE could be ‘Dainik Bhaskar’, which was initially advertised and sold only in Madhya Pradesh and later entered other states e.g. Rajasthan, Uttar Pradesh and Haryana. Retail stores also undertake local advertising.

**Regional advertising:**

Regional advertising refers to putting the advertisements in different media for influencing the decision of the people in a certain locality or a geographic location. The place could be a country, city, state or region.

Regional advertising is done by the sponsors for advertising the goods or services on accompany in a certain region or state. It could also include a number of states in a certain region. Special

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advertisements are created in regional dialects for influencing the people in a certain region.

It could be a Punjabi accent for the people in north India.

EXAMPLES: The examples are advertising for products with the person speaking in a south Indian language or manner. To influence the people from South India.

**National Advertising:**

It is generally undertaken by manufacturers of branded goods, for which, advertising messages is communicated to consumers all over the country. Almost all possible mass media, including national newspapers, radio and television network, are employed for national advertising. Product services, and ideas, which have demand all over the country, are suitable for national advertising. In India, Indian Airline Hindustan Lever Ltd., Vicco, Godrej, Bajaj and Kirloskar are a few leading advertisers at national level. Likewise, detergents, soaps, toothpastes, cosmetics, scooters, cars, and bicycles, are some of the products, which are advertised all over the country.

**International Advertising**

International advertising is defined as the non personal communication by an identified sponsor across international borders, using broadcast, print, and or interactive media. It requires dissemination of a commercial message to target audiences in more than one country

EXAMPLE: For example, you will notice that McDonald adopts an international marketing strategy, with [Facebook](#) pages as diverse as [McDonald's](#) Malaysia, McDonald's [Brazil](#), McDonald's [Italia](#) and McDonald's [Polska](#) (Poland).



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**Broadcast Advertising**

Generally speaking, broadcast advertising is radio, television, and Internet advertising. The commercials aired on radio and televisions are an essential part of broadcast advertising. ... The role of broadcast advertising is to persuade consumers about the benefits of the product.

**Outdoor Advertising**

Outdoor media advertising is focused on marketing to consumers when they are "on the go" in public places, in transit, waiting (such as in a medical office), and/or in specific commercial locations (such as in a retail venue). Outdoor advertising formats fall into six main categories: billboards, street, roads, highways, transit, and alternative.

**Internet Advertising**

Online advertising is a marketing strategy that involves the use of the Internet as a medium to obtain website traffic and target and deliver marketing messages to the right customers. Online advertising is geared toward defining markets through unique and useful applications.

EXAMPLE:

Facebook Sponsored Posts

Ideal for goals like: driving online sales for products or services, promoting sales and events, growing your Facebook following or promoting your local business.

Sponsorships & Banner Ads

Ideal for goals like: growing brand awareness or driving traffic to your website.

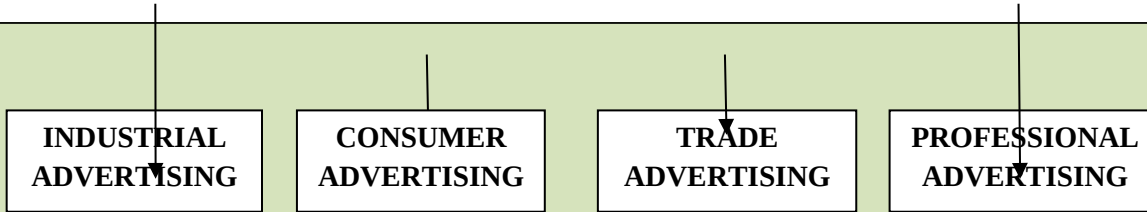
Native Advertising

Ideal for goals like: building brand awareness, communicating information or amplifying content reach.

Paid Search

Ideal for goals like: driving traffic to high priority website pages, capturing searchers that are actively looking for a product or service and driving sales or online conversions

**CLASSIFICATION OF ADVERTISING ON THE BASIS OF TARGET AUDIENCE**



**Industrial Advertising:**

Industrial advertising on the other hand, refers to those advertisements which are issued by the manufacturers or distributors to the buyers of industrial goods/products. This category include machinery and equipment, industrial intermediates, parts and components, etc.

**Consumer Advertising:**

These advertisements are intended to promote sale of the advertised products by appealing directly to the buyers and consumers. Such advertising is called consumer advertising.

**Trade Advertising:**

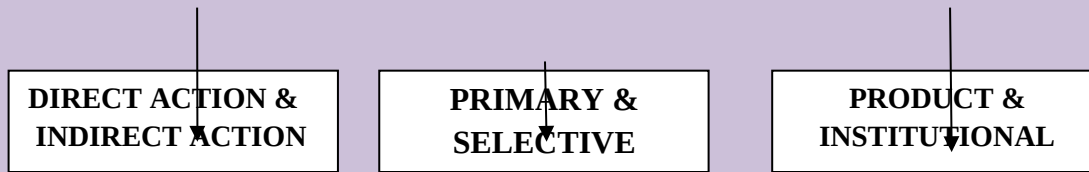
Advertisements which are directed by the manufacturers to distribution channel members, such as wholesalers and retailers, are called trade advertising. The objective of such advertising is to promote sales by motivating the members of distribution channel to stock more or to attract new retail outlets.

**Professional Advertising :**

It is directed at professional like doctors, professors, engineers and others, who are expected to recommend, prescribe, or, specify the advertised products to ultimate consumers. This is done through professional journals and representative of the advertiser.

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**CLASSIFICATION OF ADVERTISING ON THE BASIS OF FUNCTIONS**



**Direct Action and Indirect Action Advertising :**

Direct action advertising is undertaken to obtain immediate response or action on the part of target audience. Examples include discount sales advertising, sale along with free gift offers, and mail-order coupon sales, etc. The media used is mostly newspapers, and television. Indirect action advertising is undertaken to influence the audience in respect of advertiser's brand. The advertiser expects the target audience to prefer his brand as compared to competitors whenever a buying decision arises in future.

**Primary and Selective Advertising :**

Primary Advertising is undertaken by trade association or by cooperative groups. It is undertaken to create generic demand for products and services. For example, the Coffee Board may advertise to consume more coffee. Selective Advertising is undertaken by marketers of branded products. The advertiser intends to create selective demand for his brand. Examples include Pepsi Cola, Coca Cola

**Product and Institutional Advertising :**

Product or Service advertising is undertaken to promote the sale of products and services-branded or unbranded. Institutional advertising is undertaken to build name and goodwill of the organization. It is also, known as corporate advertising or image advertising. It is mostly undertaken by large firms.

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**MODULE 2 : ADVERTISING AGENCY**

**ADVERTISING AGENCIES**

*“The work of a tailor is to collect the raw material, find matching threads, cut the cloth in desired shape, finally stitch the cloth and deliver it to the customer.”*

Advertising Agency is just like a tailor. It creates the ads, plans how, when and where it should be delivered and hands it over to the client. Advertising agencies are mostly not dependent on any organizations.

These agencies take all the efforts for selling the product of the clients. They have a group of people expert in their particular fields, thus helping the companies or organizations to reach their target customer in an easy and simple way.

The first Advertising Agency was William Taylor in 1786 followed by James “Jem” White in 1800 in London and Reynell & Son in 1812.

*The American Association of advertising Agencies (AAAA) has defined an advertising agency as:*

- *An independent business organization*
- *Composed of creative and business people*
- *Who develop, prepare and place advertising on advertising media*
- *For sellers seeking to find customers for their goods and **services.***

Thus, an advertising agency is a service organization which performs the function of preparing, planning and checking advertisements for its clients. It has its own specialized & creative staff including visualizes, copywriters, artists, painters, models, etc. It also places advertisements in media. Thus, an agency is a link between the clients & media owners.

**FEATURES OF ADVERTISING AGENCY**

**1. Independent business organization**

An advertising agency is an independent business organization which renders specialized services in advertising. It employs creative people like the copywriters, layout designers, art directors, media planners, artists etc.

**2. Services offered**

Advertising agencies provide several services to their client. These include :

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- \*Planning the advertising campaign.
- \*Preparation of advertisements.
- \*Placing ads in the media.
- \*Preparing advertising budget.
- \*Preparing and assisting in sales promotion material etc.
- \*Some ad agencies handle complementary services that are related to advertising campaigns, such as marketing, public relations, events, branding etc.

### **3. Link between advertisers and media**

Advertising agencies act as a link between the advertisers and the media. They book time and space in media. Ad agencies have better media contacts. Hence they are able to get better media deals for their clients. These days, there are specialized media agencies which book time and space.

### **4. Size of advertising agencies**

Advertising agencies are of different sizes depending upon their business turnover. There are small agencies that operate at local areas. There exist several agencies that operate at regional and national levels. In this LPG era, businesses have started to expand internationally. This has led to the growth of global agencies which are bigger in size.

### **5. Types of advertising agencies**

There are different types of ad agencies that provide client specific functions  
Some of these include :

- \*Full service agency
- \*Creative boutique
- \*In-house agency
- \*Modular agency
- \*Specialist agency
- \*Media buying agency etc.

### **6. Agency Compensation**

There are several methods used to compensate the agencies for their varied services. These include :

- \*Commission from media owners (which is 15% on gross billing amount)
- \*Negotiated fee
- \* Cost-plus system
- \*Incentive based compensation

### **7. Agency accreditation**

Accreditation refers to certification of competence in a specified area of expertise, awarded by a duly recognized accrediting agency. In India, agency accreditation is given by the Indian Newspaper Society (INS), All India Radio (AIR) and the Doordarshan as per the accreditation criteria decided. It is not compulsory for an advertising agency to obtain accreditation. However, it is advisable to have accreditation as it gives professional status to an agency.

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**8.Creativity**

Creativity is the heart and soul of advertising. The success of advertising campaign depends on the quality of creative team of the advertising agency. Creativity differentiates one agency from the other. This aspect helps in retaining the existing clients and also generating new clients.

**Organizational Structure of Advertising Agency**

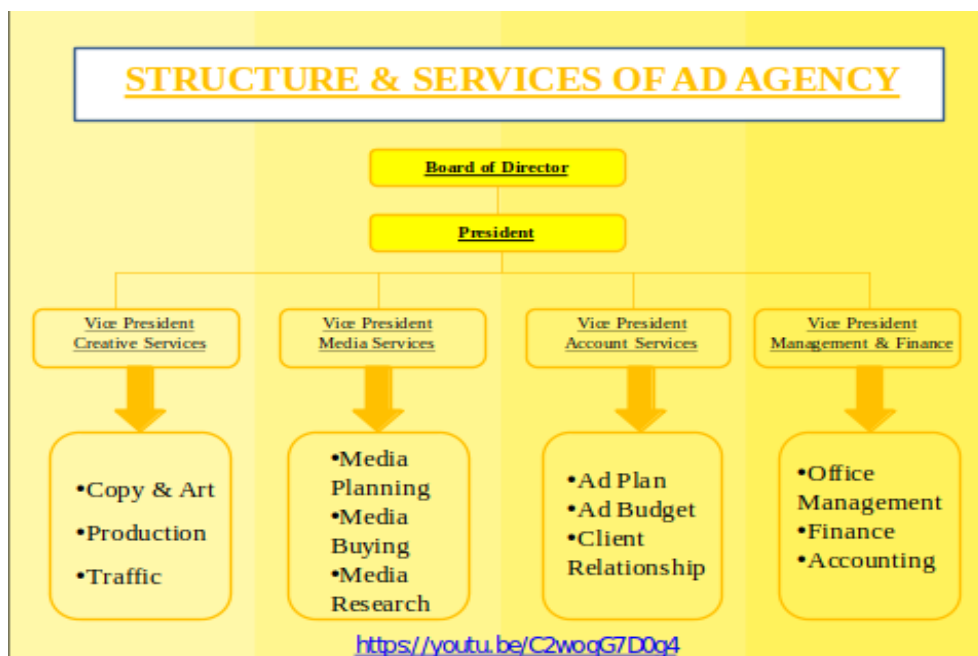
Advertising agency must have a suitable internal organizational structure to keep functioning properly with a smooth workflow.

When an advertising agency decides to establish its organizational structure, it must ask itself important questions like:

- What is the suitability and requirement of a department?
- How the span of control should be within an agency?
- Is there any mechanism or provision to make communication and coordination more effective within the organization? etc.

All advertising agencies don't have a same organizational structure. Their structure varies from one another. It is so, since, all organizations are unique, and their objectives, requirements, functional areas and specialized departments are not common.

Following diagram is a typical example of the organizational structure of advertising agency.



\*In the above chart,

1. Board of Directors is a top administrative body of the XYZ advertising agency.

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2. The President or General Manager is its head.
3. The Vice President of [Marketing](#) Services looks after its Media, Research and Sales Promotions.
4. The Vice-President of [Management](#) and [Finance](#) manages its Finance Department and Office Management (Personal, Records, and Public Relations.)
5. The Vice-President of Creative Services takes care of its Copy Art, [Production](#) (TV and Radio, Press, etc.) and Traffic.
6. The Vice-President of Accounting Services handles its Account Supervisors and Account Executives.

With expansion and growth, the organizational structure of advertising agency becomes complicated. Small Agencies usually have a simple structure compared to giant ones who have ample funds and resources to carry out their large and growing operations in the field of advertising.

### **1. Creative services department**

The creative services departments are the heart and soul of advertising agency. Creativity differentiates one agency from another. This department is composed of the visualizers, copywriters, art directors, production manager and traffic manager. The functions performed by departments are:

i) Copywriting: The visualizers and copywriters plan and prepare the copy of the advertisement. Some agencies have separate 'copy departments'.

ii) Artwork: The art directors and artists prepare the artwork of the advertising which includes designing attractive illustration and layout. This is required in order to make the advertising copy attractive and appealing.

iii) Production: The production manager looks after mechanical production of print advertisement and production of TV or radio commercial. The services of printers, typographers, script-writers and directors are required in this process of production of advertisements. At times, agencies hand over this function to outside independent units.

iv) Traffic: Traffic means scheduling. Traffic people are concerned with routing, scheduling and supervising the work of each advertising department. The traffic department ensures that deadlines are met not only within the agency but also outside organizations such as media houses, suppliers, traders etc. The traffic manager monitors the production of finished advertising so that it is completed as per schedule.

### **2. Account services**

An account refers to client who desires agency services. This department is responsible for providing services to the client. The department comprises of accounts executive and accounts supervisors. An accounts executive acts as the link between the agency and the clients. He is the person who carries the client brief and is also responsible for the approvals.

The main functions performed by this department are:

- i) Client servicing: This department handles the requirements and problems of the clients. It studies the client's product to be advertised and collects necessary information about the product and the organization.

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- ii) Preparation of advertising plan: This department prepares the advertising plan and sends it to the client for approval.
- iii) Agency-client relations: This department acts as a link between the agency and its clients. It not only maintains cordial relationship between the clients but also with media owners.

**3. Marketing services**

The marketing services department is composed of media team, marketing research executives and sales promotion executives. It performs the following functions:

- i) Media services: The main skill of media team is media planning, media buying and media scheduling. The media team organizes the timing and scheduling of the marketing communications campaign. They look at the range of media to be exploited and at the best slots in which to run advertising. They help a client to decide upon the duration of and individual slot, and how many of them to run. They are responsible for buying time/ space in media. They also prepare media schedule. A media schedule is a time-table showing dates and timing of execution of the advertising campaign in media.
- ii) Marketing research: An advertiser needs information on various aspects such as market trends, market competition, consumer behavior, new trends in media and so on. It is the responsibility of the marketing research department to provide such inputs to the client. In fact, the research department functions before and after a commercial is made for pre-testing and post-testing its effectiveness. Consumer insights and brand usages are also tested at times. Large agencies usually have research subsidiaries. For instance, Hindustan Thomson has Indian Marketing Research Bureau (IMRB) while Lintas has pathfinders.
- iii) Sales promotion: This department prepares sales promotion materials such as sales brochures, sales literature, dealer displays, point of purchase material etc. It also undertakes window displays, trade shows, fairs and exhibitions.

**4. Administration and Finance**

The administration and finance department is composed of office manager, accounts manager and clerical staff. It looks after the financial and accounting matters. The department performs the following functions:

- i) Office administration: The office manager is responsible for day-to-day office administration. He also looks after office management and handles issues relating to personnel i.e. recruitment, training, promotions, transfers, training etc. The clerical staff provides clerical services like typing, filing and record keeping.
- ii) Accounting: This department looks after maintaining proper books of accounts, receipts and payments etc. It collects bills from the clients and makes payment of media bills.
- iii) Budgeting: This section looks after internal budgets, cash flows, preparing investment plans etc.
- iv) Auditing: the account executive is responsible for getting the books of accounts audited from the agency's chartered accountant. He also prepares necessary reports and statements.

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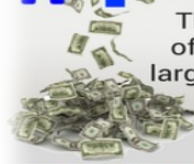
**TYPES OF ADVERTISING AGENCIES**

FULL SERVICE AGENCY	A full service advertising agency provides a wide range of services to meet a client's complete advertising needs.
IN HOUSE AGENCY	An advertiser may establish his own department to perform the advertisement related services which are normally provided by an outside agency. It is owned & operated by the advertiser
CREATIVE BOUTIQUE	These are agencies that provide only creative services. It specializes in developing creative concepts, creative text & artistic services
MEDIA BUYING AGENCY	These are independent agencies specializing in buying media time & space like radio, television etc
INTERACTIVE AGENCY	Interactive advertising agencies design advertising campaigns that allow businesses to interact with their customers.
MEGA AGENCY	It refers to the merger of the agencies worldwide to serve their clients in a much better way
SPECIALIST AGENCY	There are some agencies which undertake advertising work only in certain areas for eg. Some specialize in financial services, social advertising, medicine related etc.
MODULAR AGENCY	There are some agencies which undertake advertising work only in certain areas for eg. Some specialize in financial services, social advertising, medicine related etc.

**FACTORS TO SEE BEFORE**

SELECTING AN

## #1 Total Extent Of The Agency



The larger the agency, the better quality of services offered by the same. When an agency operates on a larger scale, it is obvious that it has the financial power to hire a good amount of ad professionals.

## #2 No. Of Clients Under Agency



Most agencies have their own website or brochure. You must log on to their website and view the existing clients being handled by the agency, before hiring them to carry out your own work.

## #3 Types Of Services On Offer



It is essential to view the types of ad and non-ad based services offered by the agency. Depending on your promotional needs and size or extent, you can hire a small or a large ad agency accordingly.

## #4 Creative Talent Power



Calculate the number and amount of creative personnel owned by the ad agency, as it forms the basic criteria for selection.

## #5 Agency Ranking



An agency that works hard to provide results and easy to approach, is the one to consult. It is important to research the current market standing held by the agency.

## #6 Amount Of Involvement



An agency must show complete respect for the client and allow it to take part in the activities, give its feedback and work with the same form time-to-time.

## #7 Methods Of Payment



It is good to compare the ad rates demanded by different agencies before zeroing in on the perfect one.

### AGENCY COMPENSATION

Agencies gain clients by:

Agencies gain clients by Referrals Presentation Public relations Image & Reputation

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1) COMMISSION

Commission is a traditional method . The agency is paid a fixed commission (accredited agency- usually it is 15 %) from media. The rates for outdoor media are slightly higher -16.66%

For Example:

Ad agency prepares & places AD in a newspaper at an agreed charges of Rs. 5,00,000/-.

The agency will collect the said amount from its client but will pay Rs. 4,25000/- ( Rs. 5,00,000 less 15%) to the media owner . The difference of Rs. 75,000/- is the commission Income to the agency.

2) AGENCY FEES

Agency negotiate with their client a flat sum to be paid to the agency for the work done

Agency estimate the cost of servicing + a desired profit margin. The client either accepts or negotiates for a lesser amount . This method is more objective as compared to the commission method . It is fair to both the parties.

3) INCENTIVE BASED COMPENSATION

At times the client may give Incentives to the agency to meet its predetermined goals.

For instance, additional Incentive may be given when the Ad campaign meets with good success

4) COST PLUS SYSTEM

A fee based on cost of work + mutual agreed margin or profit .

Under this method the client agrees to pay the agency the cost of work i.e. employee cost & out-of-pocket expenses plus a certain % of this amount say 20% to 25% to cover overheads as well as profits of the agency

5) AGENCY CHARGES

A part from cost incurred for booking time & space in media, an agency has to pay out-of-pocket expenses such as on artwork, comprehensive layouts & printing , radio & tv , storyboards etc. In such case , the agency charges its clients for such expenses. This method is profitable to the agency

**CLIENT AGENCY RELATIONSHIP IN ADVERTISING**

The client-agency relationship starts when a client appoints an advertising agency for making his ad. It continues till the ad agency provides satisfactory services to him. Such a relation should always be cordial. There should be a mutual trust, confidence and understanding between the two parties. It is so, since, the primary objective of both sides is same, i.e. to make a successful advertising campaign.

Lack of mutual trust will be harmful to both parties. It is, therefore, necessary to maintain good relations between the client and ad agency as follows:

1. Meaningful two-way communication is required to maintain a friendly client-agency relationship.
2. Both parties should take special efforts to maintain a cordial relationship.

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3. The approach of give-and-take is required to keep relations over a longer period.

Mentioned below are some significant guidelines (grouped under three categories) to maintain a cordial client-agency relationship in advertising:



**Suggestions for a client and advertising agency to maintain their relations:**

1. There should be a mutual understanding between client and agency. Misunderstanding or confusion, if any, between the two parties, should be resolved quickly through direct talks.
2. The agency should work sincerely and honestly to bring a success to the client's ad campaign.
3. Both parties should properly follow the terms and conditions of the contract.
4. Good communication must be there between client and agency. Hence, regular meetings between them shall be arranged.
5. Both should take necessary efforts to maintain their relations friendly.

**Guidelines for the client to preserve relationship with advertising agency:**

1. Treat the ad agency with courtesy at all times and never hurt its ego.

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2. Provide all possible information about the product to be advertised and the organisation. A well-informed ad agency will make better ads.
3. Don't unnecessarily bargain for the fees charged by the ad agency as this may affect the quality of work.
4. Motivate the agency to do a good impactful work. Its charges such as media bills, fees and other costs must be paid well in time. The client should not wait for the ad agency to remind him about the payment dues.
5. Don't change the ad agency without a proper reason. If not satisfied, always first communicate your expectations and then wait for necessary changes to reflect.
6. The client should approve the proposals submitted by the ad agency. He must avoid making petty arguments and only highlight those crucial relevant matters that needs attention.
7. Give sufficient time to the agency to work on and develop an ad campaign. The client should not pressurize it to work quickly. He should avoid giving deadlines.
8. Reduce disputes to a minimum.
9. Finalize in advance the charges for a particular ad campaign.

**Advice to the advertising agency to maintain good relationship with client:**

1. The advertising agency should do a smart and hard work to bring success to the client's ad campaign.
2. It should make a good advertising plan and must implement it efficiently and effectively. However, first it must get the approval from the client.
3. It is the duty of the account executive of the agency to keep his customer happy and satisfied.
4. It should not charge client unreasonably high rates.
5. It should not make ads for client's competitor.
6. It should get all the information from the market that will help to create better ads.
7. Discuss the ad fees with the client in advance to avoid disputes.
8. Disclose to the client the names of the team members (employees) that are working on his ad campaign.
9. Inform the client about changes, if any, happening within the agency.
10. Never hurt client's ego. Agency should always provide timely services to him and try its best to satisfy him.



Client turnover means clients changing their advertising agencies. It means clients close their accounts with the existing agencies and switch over to other agencies. Client turnover has negative effect on the agency as it adversely affects its image and also its revenue.

The reasons for such client turnover are:

1. Dissatisfaction with the creative efforts: Creativity is the essence of advertising. One of the important factors in contracting with a particular advertising agency is creative services offered by it. However, if the client is not satisfied with the creative efforts taken by the agency, he may terminate the contract.
2. Conflict on payment If the client feels that the agency is charging higher fees, higher service charges, not passing cash discount received from media, recommending media just for the sake of higher commission, etc. It may result in client leaving the existing agency.
3. Handling the competitor's account The agency may start handling a competitor's account. This may force the client to shift to some other agency.
4. Personal Conflicts Sometimes the client and the top executives of the ad agency have conflict regarding any decision of advertising campaign such as copywriting, copy designing, selection of medium, media scheduling, etc. Such conflicts lead to ego problems among them. It may result with the client leaving the agency.
5. Personnel changes in the staff: A client sometimes switches over to new agency when the creative

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team or key employees of the existing agency moves out to another agency. Even personnel changes in top executive of client may result in shift to another agency. The new top executive of client may have established ties with some other agency and they may shift to such agency.

6. **Unsuccessful Advertising Campaigns** If the advertising campaign launched fails to bring in the desired results (increase in sales/brand awareness etc) the client may contract with another agency for the next advertising campaign.
7. **Lack of Coordination & Communication** Poor communication & coordination between the client & the agency staff fails to develop trust & confidence in each other. In such a case the client may leave the agency.
8. **Inadequate Services** At times, the client may require additional services & facilities if the agency is not equipped to provide the same the client may shift to some other agency.
9. **In sufficient Network of the agency** The client may plan to enter an entirely new market may be rural or international market. The agency may not have a branch or the capacity to handle this new market. Hence, the client may enter into a contract with another agency.
10. **Change of location** A change in the location of agency's office or the client's office to another city may also lead to client turnover.
11. **New Advertising Agency** When a new agency, comprising of highly creative personnel interest enters the advertising scene, the client may contract with the new agency.
12. **Human Tendency to change** Some clients prefer not to contract with the same agency again & again. They change the agency just for the sake of changing & not due to some genuine cause.
13. **Withdrawal of product from market** The client may withdraw the product from the market thereby closing the account with the concerned advertising agency.
14. **Lack of accreditation** The agency especially if it a small one might not be accredited by Doordarshan and the INS. Hence, the client may prefer to move to bigger agencies which are accredited.

### **CREATIVE PITCH**

A pitch is how an advertising agency proposes marketing ideas for a brand, product, or service to a prospective client. An ad agency pitch should present the agency's marketing strategy in a creative way and express how their marketing efforts will accomplish the client's goals and deliver the brand's message.

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The steps involved in preparing creative pitch are as under:

1. Locate clients

The first step is to identify the prospective clients. New clients can be approached directly by putting advertisements in news papers, by referrals and so on.

2. Research

The advertising agency must undertake research about the prospective client i.e. the organization, its products, its objectives etc. Such a research helps in developing ideas and to make a better creative pitch.

3. Discussion with the client

If possible, the ad agency representative must try to meet the prospective client informally to ascertain what their needs are and their expectations from the advertising agency. Thereafter the agency may hold discussion with the client on services they can provide such as market research, planning and advertising campaign, sales promotion, testing advertising effectiveness and so on.

4. Preparing outline of pitch

After the discussion with the client, an outline of the pitch is made. The agency must try to make its pitch stand out from the crowd. It must avoid both gimmicks and jargons.

5. Making the pitch

The agency then makes the final pitch. It must be creative, clear, simple and at the same time convincing. Clear headings, short paragraphs, numbered pages and an index at the front are essential.

6. Follow up

Finally, the advertising agency must follow up with the client to find out whether or not they have got the contract. The follow up could be done through email, phone call or personal interaction. They must try to find out whether the client has any follow up questions.

**CAREER IN ADVERTISING**

**A career in advertising is a lucrative employment option that one can choose in the rapidly growing Indian economy. Advertising agencies generally prefer highly creative and talented individuals who can think independently and at the same time work as excellent team players. If you are interested in pursuing a career in advertising, you must be highly target oriented and willing to work in a pressure cooker like environment. Since this industry is very competitive, you must be willing to give your best at all times to make a successful career.**

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Every job in every industry will have a set of [skills they expect job candidates to have](#) mastered. Below are the [skills employers look for in successful advertising professionals](#):

**1) Creativity (soft skill).**

The [advertising](#) industry is highly competitive. National campaigns are now as simple as adjusting the location specifics on your digital ads. With the saturated market we see today, your company's ads need to stand out to succeed.

[Creative thinking skills](#) are necessary for a position like this. You'll be required to think outside the box to find something that no one has done before. A creative mind can be the difference between a dull ad and something that resonates.

**2) Copywriting skills (hard skills).**

Advertisements include a copy. Strong copywriting skills are invaluable in advertising. You need a strong grasp of the language you're working in and the ability to write clearly and concisely.

More than excellent [writing](#) skills, you need to have an understanding of your target audience and an ability to write persuasively without feeling too sales-y. It's a delicate balance, but one you need to find success in this industry.

**3) Interpersonal skills (soft skills).**

Advertising will never be a solo mission. You will work with your clients, your superiors, coworkers in your department, and often employees in other departments.

Your clients and superiors will expect you to demonstrate solid [interpersonal skills](#). If you [can communicate efficiently](#) and play well with others, you have the opportunity to become a key member of the team.

**4) Project management skills (hard skills).**

Each ad campaign will need to be managed from start to finish. You must be able to handle the moving parts of each campaign — parts that may reach outside your department. That means good [project management skills](#).

While [project management](#) is itself a hard skill, it consists of a mix of hard and soft skills. A good [project manager](#) is:

Organized. You'll have several smaller pieces that make up the whole of your campaign. Not to mention the number of hands in the pot.

Able to track and meet deadlines. Building an ad campaign is a bottom-up effort. You'll need each of the individual pieces to build the larger whole. Each campaign will have continual deadlines that need to be managed.

Good at task management. You'll need to schedule and assign each task, [monitor](#) progress, and provide feedback.

**5) Communication skills (soft skills).**

While this does fall under the umbrella of interpersonal skills, your [communication skills](#) are integral to your success in advertising.

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You should be able to actively listen and comprehend what your clients and your superiors want. You will also need to communicate with each member of the team via written and verbal communications. [Public speaking](#) will be part of the pitching and presenting processes.

Solid [communication](#) skills are expected in most positions. In advertising, it's not just expected — it's required.

**6) [Research skills \(hard skills\).](#)**

Advertising research, a form of market research, will help you determine if an ad campaign will be effective. This includes the research that happens before the campaign is built and launched, as well as the analysis of the results after the campaign has been launched.

Research in advertising goes far beyond a Google search. Data collection and analysis will play a role in every campaign. Beyond that, you need to intimately understand your customer personas and target audience.

You will be expected to keep up with market trends and social trends to build effective campaigns. You want your ads to be relevant and noticeable — for all the right reasons.

**7) [Analytical thinking skills \(soft skills\).](#)**

Analytical thinking skills are the “soft” side of [analytical skills](#). This does not refer to the hard skills required in data analysis, but the ability to detect patterns, evaluate information, [and make decisions](#) based on that data.

It can sometimes be difficult to be both creative and analytical, but an industry like advertising calls for it. Your creative side will help your ads be unique, but the analytical side will ensure that they are geared towards your target audience and deliver effective results.

**8) [Marketing skills \(hard skills\).](#)**

Advertising may fall under the [marketing](#) umbrella, but it requires a very specific set of skills. There are certain “marketing skills” that will be expected and required. You will want to have some mastery of:

- Customer Knowledge
- Branding
- Competitive Analysis
- [Social media skills](#)
- Storytelling
- Search Engine Optimization (SEO)
- Marketing Automation

**9) [Decision-making skills \(soft skills\).](#)**

Every step of the ad-building process will require a multitude of decisions. They may be as simple as color and imagery or they may be infinitely more complicated and research-backed. Strong [decision-making skills](#) will help you to make the right choices and meet your deadlines.

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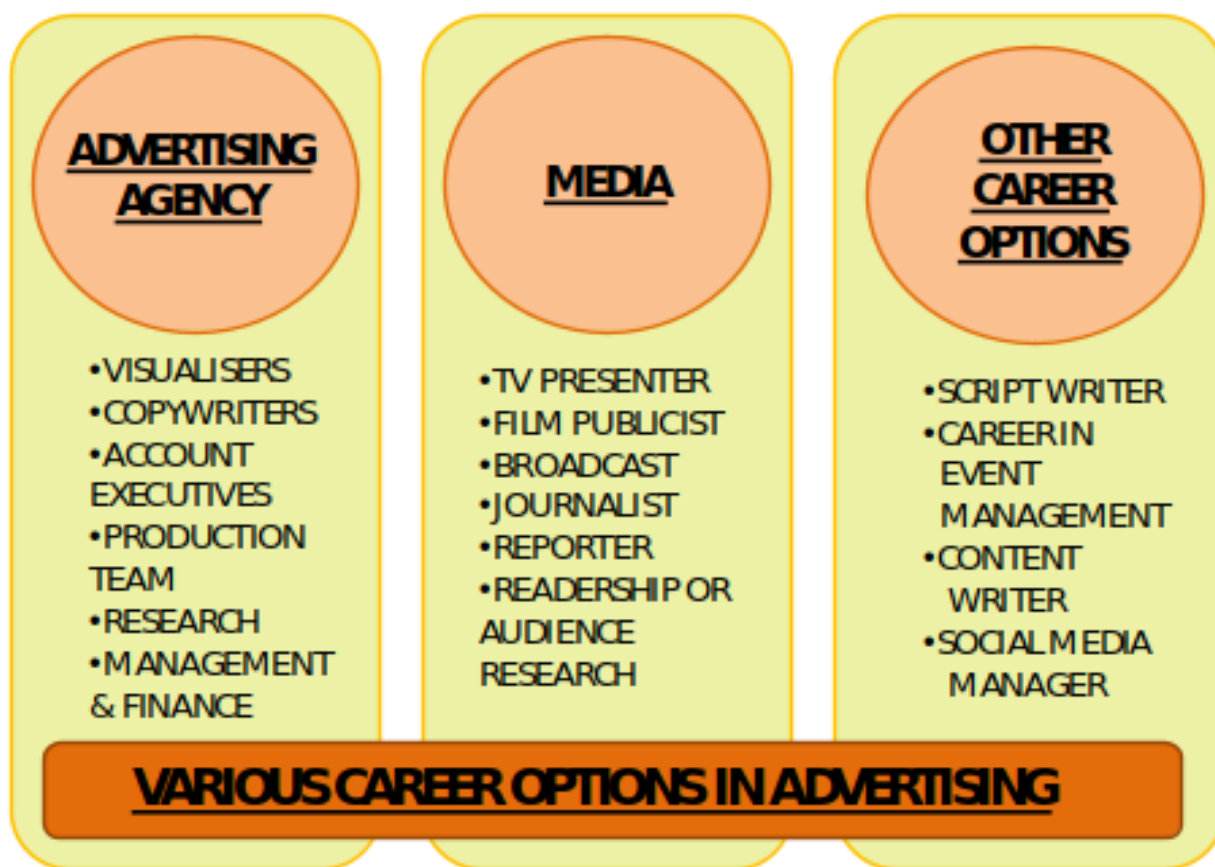
**10) Time management skills (soft skills).**

In advertising, you will deal with continual, and often urgent, deadlines. There is a strong possibility of multiple projects occurring simultaneously as well. Without time [management](#) skills, you will never be able to complete your tasks and projects on time.

Can you analyze your workload, set a schedule — for yourself and others — assess priorities and [delegate](#) when necessary, and stay focused on the task at hand? Luckily, there is plenty of software available to help you schedule, monitor tasks, and collaborate with ease.

Teamwork skills (soft skills). Like many other soft skills, [teamwork skills](#) are a combination of several soft skills. It boils down to one thing: do you work well with others?

Advertising is a team sport. You may make certain decisions or complete certain pieces of the project on your own, but you will always be working with a team.



**A. In an Advertising Agency**

1. Advertising Manager The Advertising Manager builds and implements the company's advertising strategy from the business, sales and technical perspective. All the discussions with the sponsors and agencies

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are initiated and managed by the Advertising Manager. He negotiates agreements with outside sales representatives and manages the development of sales materials, including media kits.

2. Advertising Sales Director In addition to the role performed by the advertising manager, the Advertising Sales Director plans budgets and projection for advertising.
3. Account Executive The Account Executive is responsible for maintaining good relationships with current and potential advertising accounts/clients. He is also in-charge of developing relationships in order to acquire new accounts.
4. Account Coordinator The Account Coordinator is responsible for organising advertising for media. He coordinates scheduling and promotions to ensure client satisfaction and project completion. Assisting Account Executives in maintaining and nurturing client relationships is part of the job.
5. Media Buyer A Media Buyer deals with purchasing media space or time, as well as developing the campaign and researching how it will be most effective for the client. The job is to choose a combination of media which is able to communicate the client's message in the most effective manner possible at the minimum cost.
6. Copywriter A copywriter is responsible for writing the copy for advertisements, TV commercials or print ads. Copy is nothing but words used to promote the product or service. From taglines to brochures to press releases to a leaflet or a newsletter all of it is written by the copywriter. It is one of the most creative and challenging jobs.

**B. In Media**

A lot of media options are available to communicate the advertising message to the target audience. Students have a wide choice if they want to choose media as a career. However certain skills & qualities are essential which include:

- Creative thinking
- Dedication and hard work
- Working in team

Courses for Media At the undergraduate level, majority of the institutes conduct Bachelor of Arts (BA) in Mass Communication course for the minimum three year' duration. Students can also opt for postgraduate level study in media through Master of Arts (MA) in Mass Communication. However, doctorate and diploma level courses are also offered by the institutes.

**Some of the Institutes in India for Media Courses are:**

Indian Institute of Mass Communication (IIMC),

- International School of Media and Entertainment,
- Pioneer Media School,
- International School of Business and Media,
- Xavier Institute of Communications,
- AJK Mass Communication Research Centre,
- Mudra Institute of Communications (MICA),

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- Asian College of Journalism,
- The Times School of Journalism, etc.

### **Job Prospects in Media**

Media is certainly among the top career options among the young aspirants. After pursuing courses in the field, one can find various jobs prospects in both government and private sector. Students can seek their career as journalist, marketing manager, community arts worker, social worker, personnel manager, charities administrator and many more.

### **C. Media Production**

House Media production involves making films and television serials, fictional and non-fictional programmes. Along with the technical expertise such as direction and editing, it is necessary to have facilities which include equipments and trained manpower required to create programmes. Networking with studios, technicians, actors and channels is also essential.

### **D. Brand Management**

Brand Management involves creating, managing and enhancing brands. It is the art of creating and sustaining a brand in way that it creates differentiation in the customer's minds resulting into brand loyalty. The typical function of a brand manager would be to focus on the big picture, take responsibility for a brand or brand family, map out their competitors in their brand's category, identify marketing opportunities and be able to effectively communicate the unique benefits of that product or service.

Some of the typical roles one can find in Brand Management would be:

1. Brand Manager : The planning and directing of marketing efforts for a brand is carried out by the Brand Manager. He is also responsible for coordinating activities of specialists in production, sales, advertising, promotion, research and development, marketing research, purchasing, distribution, package development, and finance.
2. Product Development :Manager A Product Development Manager is a planning and development specialist. His job is to develop marketing opportunities for consumer or industrial products. A Product Development Manager needs the skills and understanding in marketing research, sales forecasting, and promotional planning.

### **E. Public Relations**

The PR department is considered as the spokesperson of the company. It is responsible for managing communication with the media, consumers, employees, investors and the general public. Writing press releases to promote products or to keep investors informed about business partnerships, financial results or other company news is part of the job. Some of the typical roles one can find in Public Relations are:

1. PR Specialist : The Public Relations Specialist gives information about an organization through media. He is in-charge of writing press releases, speeches, planning special events, representing their company at

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press conferences and trade shows, tracking trends and looking for opportunities to receive media coverage.

2. PR Director: The company's overall strategic public relation programs (Community relations, internal communications, media and investor relations) are developed and implemented by the public relations director. Other responsibilities include planning and budget management.
3. Corporate Communications :Manager The task of a Corporate Communications Manager is to create and manage communications programs which describe as well as promote an organization and its products. Speeches/ presentations aimed towards employees and consumers are made with his assistance.
4. Press Secretary : A Press Secretary works as a liaison between the media, the public and governmental agencies. Requests from newspapers, radio and television reporters; drafting press releases, guest columns and speeches and organizing events such as press conferences are handled by him

**FREELANCING OPTIONS FOR CARRER IN ADVERTISING**

**A. Market Research**

Market research involves researching the intended target, could be companies or consumers. The first step is to understand the consumers, their needs, purchasing habits, and how they view themselves in relation to the rest of the world. Some of the typical roles one can find in a Market Research agency would be

1. Market Research Director

An organization's marketing policies, objectives, and initiatives are guided by the Market Research Director. He is responsible for the adjustment of the marketing plan after reviewing changes in the marketplace.

2. Market Research Manager

The coordination and direction of activities concerned with market research and the development of new concepts as well as organization's products, services or ideologies is carried out by a Market Research Manager. He is actively involved in the formulation and planning of development proposals which include objective or purpose of projects, costs of projects, equipments and manpower requirements.

3. Market Research Supervisor

A Market Research Supervisor is actively involved in supervision of market research and analysis of information which would help in creating demand for products or services. He is responsible for planning and creating research aspects and development proposals.

4. Market Analyst

The collection and analysis of data in order to evaluate existing or potential product and services markets is handled by a Market Analyst. They are actively involved in the identification and assessment of research market conditions or industry changes that have the potential to affect sales.

**B. Graphics**

Meaning Graphic Design is the skill of creating visual communication. Visual communication takes many forms and includes logos, posters, brochures, books, websites, animations, motion graphics and even film

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and video. Typical Career Options Creative, perceptive and energetic individuals may find career in advertising agencies, design studios, printing industry, publishing, packaging, display and exhibition-related design. Lately, opportunities exist in digital media and web design, whilst enterprising graduates practice freelance or open their own studios. The following is a list of typical Graphic Design related career directions:

1. **Graphic Design:** One can work as a Graphic Designer in a design studio developing logos, stationery, posters, brochures, catalogues and more. Good technical skills, creativity, and knowledge of Graphic Design processes are requirements for working in this field.
2. **Advertising:** Work of an Art Director involves generating creative ideas and to oversee execution of these for television, radio, billboards and magazines. The emphasis lies on creative ability to come up with ideas. Further, skill is required to direct teams of people including photographers and film directors.
3. **Publishing:** One can work as an Art Director in the magazine industry where one will be involved in layout, photography and production of publications. The candidate must possess a good mix of technical skills, design knowledge and have a good eye for photography and styling of photo shoots.
4. **Web Design:** One can also work as a Web Designer in a design/web design agency/studio. Strong technical understanding and creative solutions to technical restrictions are required in this field.
5. **Packaging:** Work of a Packaging Designer involves creating effective packaging which may promote the brand and help ensure product positioning in the market place. They must have a strong understanding of package-oriented production and printing processes.
6. **Multimedia:** Work as a Multimedia artist/ designer designing title sequences for TV shows and graphics for adverts. A Multimedia Artist uses computers to create the art, graphic design, animated images, or special effects seen in a variety of media productions, including movies, television, and computer games. A Multimedia Designer often works as part of a team to create rich web sites, CD-Roms, DVDs or exhibition materials.
7. **Print:** Work as a Prepress Specialist determining preparedness of documents before going to printing. It includes checking colours, gathering fonts, colour finishes, as well as other print industry foundations.
8. **Illustration:** Work as an Illustrator involves conceptualising, painting and drawing new images used for a variety of materials and publications. Artistic talent and knowledge of design programs such as Illustrator and Photoshop are prerequisites.
9. **Typography:** Work as a Type Designer involves creating unique fonts so that words will have a strong visual impact in addition to their implied meanings.

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**C. Animation**

A career in animation requires strong artistic skills and a solid familiarity with the latest in computer animation technologies. It also requires the ability to turn creative thoughts into compelling images, using them to effectively communicate an idea.

There are a number of different career paths for animators.

- Many animators are employed creating animated graphics for a variety of projects. This can include websites, online advertisements and video games.
- Animators can find full-time employment with movie or television production companies, with advertisers, web design firms, video game companies or with animation firms.
- Freelance work is another option for animators, particularly those specializing in web animation. Most entry-level positions will require an animator to have a bachelor's degree in a related field such as fine arts or media. There are a number of Computer Animation Schools that offer course work specifically in computer animation and associated technologies.

**D. Modeling**

It is one of the most fascinating career options and extremely popular among youngsters. Good earnings and instant popularity are the main advantages that a career in modeling can offer. As modeling is also considered as a gateway for entry to the film industry the competition in the modeling career is also very high.

Qualification & Qualities

No specific qualification, course or age limit is required to enter into modeling field. However, physical attributes are more important. The first and foremost step is to prepare a portfolio. This consists of a series of photographs taken by a professional photographer. The portfolio can then be shown to an advertising agency or to a model coordinating agency.

Types

Modeling in India is mainly categorized into print modeling, television modeling, still modeling, showroom modeling, ramp/live modeling, advertising modeling etc. The job opportunities are available in product advertising, live fashion shows, music videos, in garment fairs and acting in television programs or films. Besides models having wide experience in this industry can open school/institution for imparting training to aspiring models. Experienced models also can set up model coordinating agency for providing opportunities to aspiring models.

Institutes

There are several modeling agencies in India that can give a good break to start the career in modeling. Some of the popular modeling agencies in India are Face 1, Mumbai; Ozone Models Management, Mumbai; Mayros Management Services, Mumbai; Catwalk, New Delhi; Platinum Models, New Delhi; Glitz, New Delhi.

**E. Dubbing**

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Dubbing is the post-production process of recording and replacing voices on a motion picture or television soundtrack subsequent to the original shooting. The term most commonly refers to the substitution of the voices of the actors shown on the screen by those of different performers, who may be speaking a different language. Not only can dubbing be used to perfect audio sounds, but it is also used as one of the two major forms of "language transfer" In this case, dubbing becomes the replacement of the dialogue and narration of the foreign language, into the language of the viewing audience.

**F. Printing**

If you are mechanically-minded, practical and like hands-on work in a creative environment, then printing is for you. You will utilise a sophisticated range of computer-managed printing machinery to print everything from books, brochures, newspapers, magazines, food and product packaging - practically anything you can think of.

**There are many types of printing processes depending on the sort of final product your employer's business produces.**

- Some businesses specialize in color magazines, brochures, posters and so on.
- Other manufacture labels for foodstuffs, bottles, clothing and ticketing.
- Some produce specialised items such as chip packets, frozen food wrapping and CD labels.

All of these different processes require different types of equipment. Most modern printing equipment is highly computer controlled, so the work is clean and able to be quality-controlled to a high degree. One will learn how to determine the type of paper or material that will be printed on, how to achieve the exact colour mixes required by the customer, how to produce the most accurate printing and how to use and maintain your equipment. Most printers begin their career with an apprenticeship leading to a Certificate IV in Printing & Graphic Arts.

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**EFFECT OF ADVERTISING ON PRICE**

Price is the exchange value of a product . Generally , price of a product is calculated by adding profit margin to the total cost of the production & distribution . In order to study the effect of Advertising of Price , it is necessary to find out the impact of advertising on the cost of production & distribution



**EFFECT OF ADVERTISING ON PRODUCTION COST**

The term production cost refers to the cost incurred in manufacture of a product . These include the following three basic cost :

- Cost of raw materials
- Cost of labour in the production process
- Overhead expenses .
- Advertising expenditure is not an element of production cost . Hence, it does not directly affect the production cost

Through advertising, a manufacturer with a considerable seasonal demand may be able to expand the demand over a broader time period. The producer can have economies of reduced storage capacity, because he needs

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lesser storage space for lesser period of time as the products are being sold over a larger time period during the year. The larger turnover would mean that during the season the storage space would be used extensively. This in turn would mean that larger number of units of production would be sharing the overhead costs and this would help reduce that cost of production.

<b>PARTICULARS</b>	<b>BEFORE ADVERTISING</b> Rs.	<b>AFTER ADVERTISING</b> Rs.
Material Cost	5,000,000	8,000,000
Labour Cost	3,000,000	5,000,000
Overhead Cost	2,000,000	3,000,000
Total Cost of Production	10,000,000	16,000,000
Units Produced	100,000	200,000
Cost per Unit	10	8

- The optimum capacity of the firm is 2,00,000 units
- Before advertising , the demand was of 1,00,000 units which means the firm was operated below the optimum level
- After advertising , the demand increased to 2,00,000 units. As a result the production capacity was utilise fully

The reduction in cost of production per unit is due to factors such as economies of large scale production , optimum utilisation of production capacity , use of new technology introduction of labour saving devices etc

**EFFECT OF ADVERTISING ON DISTRIBUTION COST**

The term Distribution Cost refers to the cost incurred for selling in product . Advertising is an element of distribution cost; other element include sales person’s salaries , storage, insurance , dealer’s margins, transport etc .

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Since advertising is an element of distribution cost, it increases the distribution cost. In this competitive era, manufactures are spending more & more on advertising in order to survive in the market . However , advertising may reduce the cost of distribution per unit .

This can be due to several factors such as :

- Advertising increases sales turnover which reduces the storage cost
- Since products are not stored for long periods, the cost of maintenance & wear & tear is also reduced .
- Effective advertising reduces the expenditure on personal selling
- Middlemen prefer advertised products since consumers are attracted towards such products. Retailers do not need additional selling efforts.

PARTICULARS	BEFORE ADVERTISING Rs.	AFTER ADVERTISING Rs.
Advertising Expenses	NIL	2,00,000
Salesman Salaries & Commission	4,00,000	4,60,000
Other Distribution Expenses	1,00,000	1,40,000
Total Cost of Distribution	5,00,000	8,00,000
Units Distributed	1,00,000	2,00,000
Cost per Unit	5	4

- Advertising has increased the distribution of the product from 1,00,000 units to 2,00,000 units
- There is an increase in salesmen’s salaries & other distribution expenses but the increase is not in proportion to the number of units distributed due to advertising
- The manufacturer gets the benefits of largescale distribution which is more than the amount spent on advertising . Therefore , the cost of distribution has reduced from Rs. 5 to Rs. 4

### **MODULE 3: ECONOMIC & SOCIAL ASPECTS OF ADVERTISING**

#### **EFFECT OF ADVERTISING ON CONSUMER PRICE**

Consumer price consists of production costs, selling and distribution costs and profit margin of the seller. An expenditure on advertising will increase marketing costs.

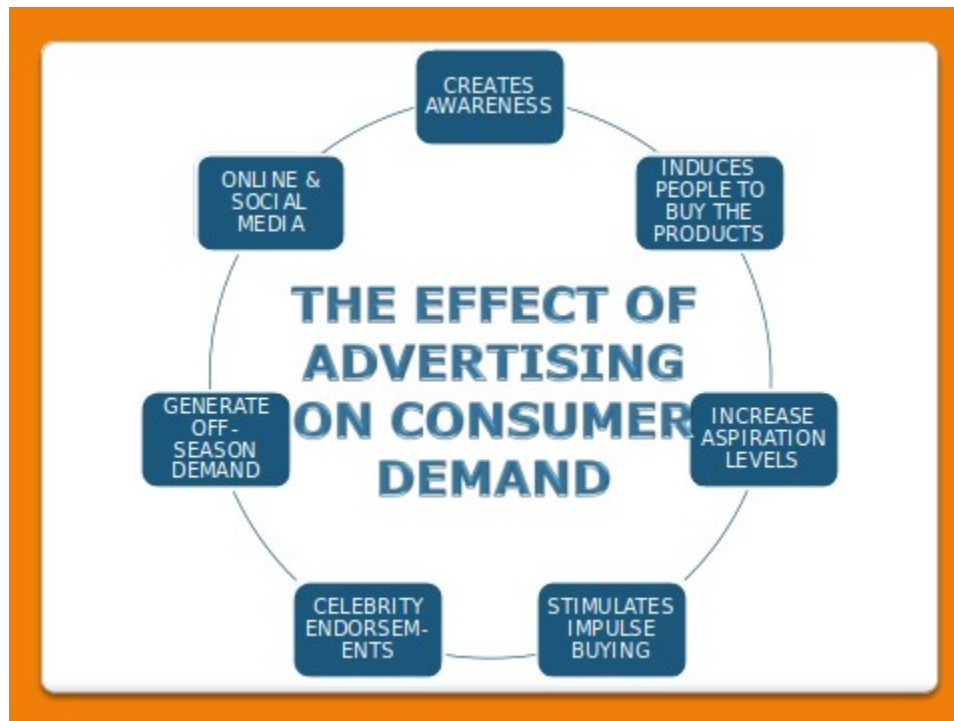
Consumers and buyers of the advertised goods and services pay for advertising. If the consumer feels that he is not getting desired utility from a brand, he switches to some other brand. But in the long run, advertising may well work toward lowering down the prices. Effective advertising increases sales volumes and lowers down the prices. Many new products such as refrigerators, colour T.V., washing machines, computers, electronic typewriters have lowered down the price due to mass production distribution and consumption.

<b>Particulars</b>	<b>Before Advertising</b>	<b>After Advertising</b>
Production Cost per unit	10	8
Distribution Cost per unit	5	4
Profit margin per unit (assumed)	3	4
Consumer Price	18	16

Advertising affects consumer prices because:

- (a) Price is fixed by adding the desired profit on costs of production. Advertising is one of the elements of cost. Price of a product or service, therefore includes advertising cost.
- (b) Advertising is an element of distribution cost. An increase in advertising cost increases, total cost which increases the price of advertised goods or service.
- (c) Advertising cost increases due to competition. So, prices rise. However, under certain conditions, advertising checks prices. Severe competition makes a producer struggle to increase his market share by charging reasonable prices. So, even if a price-rise occurs, his freedom to raise the price is controlled by competition.

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**EFFECT OF ADVERTISING ON MONOPOLY & COMPETITION**

When a single firm is the only supplier of some goods or services for which no close substitute is generally available and when the firm is free from the treat of competition, it is called monopoly; the monopolist can set his own prices and levels of output.

Whether advertising leads to monopoly or not can be understood from two different viewpoints:

1. Advertising acts to control consumers in such a way that the advertiser has command over the consumer's mind and buying actions. In this line of reasoning, any monopoly that results would stem from a control of demand rather than of supply.
2. A more strongly supported position which related advertising to monopoly examines the ways in which advertising may act to limit the number of firms competing in a specific industry. The large companies can spend heavily on advertising to make their products appear different for all other products. This win helps them to take over sizable part of the market. In this way, advertising creates a barrier to new firms and a high level of concentration result. High monopolistic prices result in high monopoly profits.

Advertising is said to breed monopoly by restricting open competition. Advertising aim at enjoying monopoly powers to introducing a separate trade mark for their products. The reputation attached to a, trade mark does not increasingly involve advertising although advertising can play an important role. If people desire to have a rational trade mark, they must invariably buy from the marker. A manufacturer with brand of product

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differentiated from all other brands in the same business enjoys monopoly of that brand. He fully controls the supply and sells it at a profit. He tries to build large and stable following for his brand.

A manufacturer who has been able to build a substantial market may tend to hold his prices somewhat rigid. To the extent that he can, he will compete on the basis other than price but he cannot avoid price competition altogether. No manufacturer with or without advertising has been able to obtain monopoly position for himself. Because of this fact, no manufacturer can successfully manipulate supply price at will

Product differentiation, a phenomenon of imperfect competition, would continue to exist even if there were no advertising. In the absence of advertising, consumers might still be induced to pay more because of product differentiation. However, advertising occupies its important status in bringing product differentiation to the attention of consumers. There should be no objection about this if the advertising is truthful and informative. If there were monopoly in advertising i.e., if advertising were available to only one manufacturer, it would be a different matter.

#### **SOCIAL ASPECT**

Product differentiation, a phenomenon of imperfect competition, would continue to exist even if there were no advertising. In the absence of advertising, consumers might still be induced to pay more because of product differentiation. However, advertising occupies its important status in bringing product differentiation to the attention of consumers. There should be no objection about this if the advertising is truthful and informative. If there were monopoly in advertising i.e., if advertising were available to only one manufacturer, it would be a different matter.

#### **ETHICS**

Ethics is a branch of philosophy which seeks to address questions about morality; that is, about concepts such as good and bad, right and wrong, justice, and virtue

#### **WHAT IS ETHICS IN ADVERTISING ?**

Ethics in advertising means a set of well-defined principles which govern the ways of communication taking place between the seller and the buyer

#### **UNETHICAL ADVERTISING**

Advertisement is considered unethical in the following situations:

- When it has degraded or underestimated the substitute or rival's product.
- When it gives false or misleading information on the value of the product.
- When it fails to give useful information on the possible reaction or side effects

of the product. And When it is immoral

## FORMS OF UNETHICAL ADVERTISING

### 1. EXAGGERATION

Using False Claims In The Advertisements About The Product



## FORMS OF UNETHICAL ADVERTISING

### 2. MISUSE OF TESTIMONIALS

A testimonial is a statement given by a popular personality or any other person claiming the superiority of the brand .



## FORMS OF UNETHICAL ADVERTISING

### 3. FREE GIFTS, DISCOUNTS AND CONTESTS

Some advertisers offer free gifts, discounts and attractive prizes for winning some contest. Most of such advertising is another trick to fool the innocent customers



## FORMS OF UNETHICAL ADVERTISING

### 4. TOTAL LIES

Some of the advertisers blatantly lie in their ads to trick customers.



## FORMS OF UNETHICAL ADVERTISING

### 5. COMPARATIVE ADVERTISING

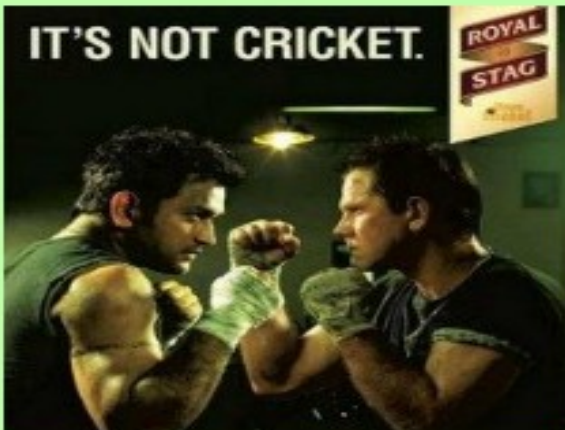
These days , advertisers make unhealthy brand comparison for sales promotion . Such comparisons confuse the consumers in making a choice.



## FORMS OF UNETHICAL ADVERTISING

### 6. SURROGATE ADVERTISING

Surrogate advertising is used to promote banned products, like cigarettes and alcohol, through another product carrying the same brand name .



## FORMS OF UNETHICAL ADVERTISING

### 7. ADVERTISING TO CHILDREN

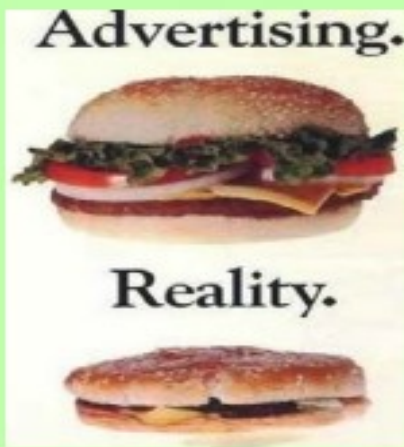
Advertisers try to exploit children . Many products which adversely affect their health are advertised . At times, advertisements develop inferiority complex amongst children for not using the advertised brand .



## FORMS OF UNETHICAL ADVERTISING

### 8. MISREPRESENTATION

Competing brands with similar names & some sellers may claim that their product is of export quality, to fool the innocent consumers.



## FORMS OF UNETHICAL ADVERTISING

### 9. FALSE STATISTICS

There are advertisers who make use of false statistics to substantiate the superiority of their brands



## FORMS OF UNETHICAL ADVERTISING

### 10. PUFFERY ADVERTISING

It is a form of advertising in which a product or service is praised as being superior without any evidence to back up the claim. This is done for the sole purpose of attracting buyers that might not otherwise give the product any attention.



## IMPACT OF ADVERTISING ON INDIAN VALUES AND CULTURE

Advertising has close relationship with the cultural values. Advertising can be made effective by using various aspects of cultural background and values. Similarly, advertising can also harm and degrade our cultural background and value system. Critics of advertising argue that advertising is encouraging materialistic values at the cost of cultural values while supporters of advertising feel that advertising is supporting and strengthening our cultural heritage.

### Does advertising degrade our cultural values It is argued that advertising:

- a) Advertising supports materialistic values. They support enjoyment, selfish attitude for material gains, extensive use of money power for worldly pleasures, and utter disregard to work culture.
- b) Large number of advertisements show the permissive society of the west. It influences the people to adopt westernized way of life.
- c) There are many advertisements that are restricted by law e.g. liquor, cigarette is put in surrogate advertisement form. For example, Bagpiper Soda.

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- d) Advertisements of harmful goods are shown in very attractive manner. For example, Tobacco, Pan Parag, Cigarettes which are harmful to health and life.
- e) Extensive advertising leads to severe competition among rival producers.
- f) In many advertisements woman is given passive role. It lowers the dignity of women.
- g) Undue importance is given to sex and nudity. Such advertisements create bad effects on younger generation and lead to crimes among the youth.
- h) Some advertisements show depict scenes of murder, rape and other acts of violence. This leads to harmful effects on the audience, particularly younger generation, and also harms our social and cultural values.

**Supporters of advertising argue that:**

- a) Some advertisements promote social welfare and social values. For example the advertisements related to AIDS, Family Planning, Drug abuse and Environment.
- b) Some advertisements support role of women in our society. For example, advertisements of medicines and washing powder show the care of mother for cleanliness and health of a child
- c) Many advertisements support herbal medicines. For example, advertisement of VICCO Toothpaste etc.
- d) Some advertisements create favourable attitude for women. For example, Amul Ghee shows a man making a surprise breakfast for his wife who is in bed.
- e) Some advertisements support equal importance of male and female child. This develops healthy social outlook on women.
- f) Advertisements related to Joint family and prominent role of women in the family and child care supports family life.

Some advertisements support sports and cultural activities and even sponsor such events.

## Importance of Truth in Advertising



## PRO BONO ADVERTISING

Social Advertising is also called as Pro Bono.

Pro Bono is a shortened version of Latin phrase – **Pro Bono Publico** – which means '**For the Good of Public**'.

- Professional work undertaken voluntarily and without payment or at a reduced fee as a public service .
- It is used as a tool for creating social awareness .
- It is aimed for social benefit.
- Advertising messages are designed to educate or motivate members of the public to engage in voluntary social activities .
- Such advertisements are primarily designed to inform and educate rather than sell a product or service.

**Some of Social Issues Highlighted in ads are :**



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**AIDS**  
**AWARENE**  
**SS**



**ENVIR**  
**PROT**

**Ham do**  
**Hamare do**  
**New Policy**  
**for**  
**Govt Job**



**FAMILI**  
**PLANNI**

**PURPOSE**

To create awareness among the masses in respect of various social issues & concerns that affect the welfare of the society

**AREA COVERAGE**

The Pro Bono advertising can be done throughout the nation & also in a particular region or area depending on the nature of the campaign

**TARGET AUDIENCE**

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The campaigns are targeted to the masses . It can also be targeted to all the members of the society belonging to different age groups, gender, income , occupation etc

**PERSONALITIES**

The advertisers may use personalities or celebrities to create a better impact on the audience . For instance, the Gov. of India selected **Mr. Amitabh Bachchan** for the ‘Pulse Polio Campaign

**MEDIA USED**

Any media can be used Example : ‘**Don’t Drink & Drive** ‘ can be placed in radio , newspapers , tv, etc. The media mix depends on the availability of funds with the sponsors

**TYPE OF COPY**

Mostly hard sell copy is used to convey the social message to the audience . The ad may highlight the –ve aspects of certain customs , traditions or practices. For instance , an **anti-noise** pollution campaign can highlight the negative aspects of noise on the society & on the environment

**TYPES OF SOCIAL ADVERTISING**

- Public Service Campaigns
- Social Cause Advertising

**SPONSORS OF SOCIAL ADVERTISING**

Anyone who has the funds & inclination towards social good can undertake Social Advertising . Normally large firms like **TATA** Group take social Ad

Amitabh Bachchan reveals DD Kisan campaign was 'pro bono'



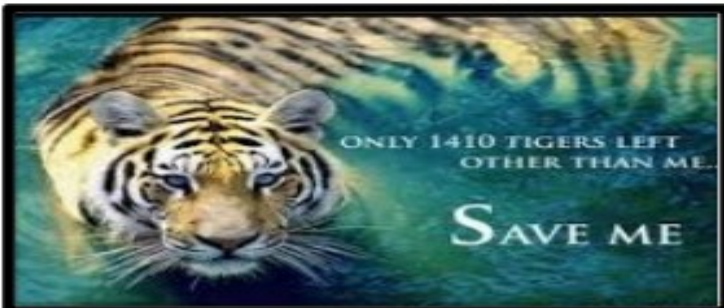
[Amitabh Bachchan](#) said he did not enter into "any contract" with Doordarshan to endorse its channel [DD Kisan](#), contrary to reports.

Bachchan, 72, said his campaign for the new channel was "[pro bono](#)" and happened many days ago.

"I wish to state that I have not entered into any contract with Doordarshan, on the [endorsement](#) of their Channel DD Kisan, and neither have I received any money from them. I worked with the [advertising](#) agency [Lowe Lintas](#) on the campaign for DD Kisan, and have not entered into any contract with them either, nor have I received any money from Lintas, as being stated," he said in a statement.

"My 'deliverables' on this campaign have been executed by me many days ago. I work pro bono on various issues and DD Kisan Channel is one of them."

## EXAMPLE OF PRO BONO ADVERTISING



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The Directorate of Advertising & Visual Publicity (DAVP) is the nodal agency to undertake multi-media advertising and publicity for various Ministries and Departments of Government of India.

- Some of the Autonomous Bodies also route their advertisements through DAVP.
- As a service agency, it endeavors to communicate at grass roots level on behalf of various Central Government Ministries.

**THE CHANNELS OF COMMUNICATION USED ARE :**

- **Advertisements** - Release of press ads
- **Exhibitions** - Putting up exhibitions
- **Outdoor Publicity** - Display of hoardings, kiosks, bus panels, wall paintings, cinema slides, banners etc.
- **Printed Publicity** - Booklets, folders, posters, leaflets, calendars, diaries etc.
- **Audio & Visual Publicity** - Spots/Quickies, jingles, sponsored programmes, short films etc.
- **Mailing of publicity material** - Distribution of publicity material

It has been instrumental in creating awareness amongst masses on socio- economic themes, seeking their participation in developmental activities and for eradication of poverty and social evils

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**Some of the important subjects publicized by the government through DAVP**

**include :**

- Health & Family Welfare
- Drug Abuse & Prohibition
- Women & Child Development
- Upliftment of Girl Child
- Education ◦ Adult Education
- Non-Conventional Energy Sources
- Mahila Samridhi Yojana
- National Integration & Communal Harmony
- Creating public opinion against dowry, female infanticide, child labour, beggary etc.
- Food & Nutrition
- National Social Assistance Programmes
- Employment Assurance Scheme
- Blood Donation
- AIDS Awareness
- Consumer Protection
- Safe Drinking Water

**SPECIAL CAMPAIGN ON 2<sup>ND</sup> OCTOBER**



An SMS message on “Power of Non - Violence” was sent to all mobile subscribers of MTNL through their Network on Gandhi Jayanti. MTNL has done this free of cost. Telecast and broadcast campaigns launched for disseminating the message of power of Non - Violence.

During the national integration week a nationwide telecast campaign on “Bharat Meri Pehchan ” was launched The 66 day exhibition on ‘Mahatma Gandhi, his Life and Vision’ was organized at Chennai “Be the Change You Want To See” Print ad campaign launched to about 4500 empanelled Publications



**SELF REGULATION LAWS AND CONSUMER PROTECTION AND WELFARE**

In nearly all the countries, advertising regulation happens on many (many) levels. ... The Consumer Protection from Unfair Trading Regulations is a regulation designed to protect consumers against aggressive sales techniques, false or deceptive ad messages, as well as intentionally incomplete information. In order to prevent misuse of advertising media, self regulation is considered vitally important in the absence of legislative control on advertising

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profession. There must be standards/ codes that provide guidelines to undertake ethical advertising. “Advertising and marketing self-regulation is a system by which the advertising, marketing, agency and media industry set voluntary rules and standards of practice that go beyond their legal obligations. Self-regulatory organizations (SROs) are responsible for enforcing industry's commitment to these rules.” The purpose of the Advertising Standards Code (Code) is to ensure that every advertisement is a responsible advertisement. All advertising must be legal, decent, honest and truthful and respect the principles of fair competition, so that the public can have confidence in advertising.

**Objectives of self-regulation:**

- A. Protecting the consumers
- B. Cancellation of accreditation of members who do not follow the code of conduct.
- C. Discouraging unethical advertisements. For example, vulgar and indecent advertisements .
- D. Taking action against the advertisers who advertise products hazardous to human health and life.

**Scope of Advertising regulations**

Some of the principle concepts of advertising and marketing law include truth in advertising and unfair trade practices. Here are several laws in India that relate to advertising. A snapshot of some of these enactments is provided here under

1. Consumer Protection Act, 1986- Section 6 of the Act grants consumers the right to be informed about the quality, quantity, potency, purity, standard and price of goods or services, as the case may be so as to protect the consumer against unfair trade practices. Section 2(r) of the Act, under the definition of the term “unfair trade practice”, covers the gamut of false advertisements including misrepresentations or false allurements. Redress against such unfair trade practices pertaining to false advertisements may be sought under the Act;
2. Cigarettes and other Tobacco Products (Prohibition of Advertisement and Regulation of Trade and Commerce, Production, Supply and Distribution) Act, 2003- Section 5 of this Act, inter alia, prohibits both direct & indirect advertisement of tobacco products in all forms of audio, visual and print media;
3. Cable Television Networks (Regulations) Act, 1995 and Cable Television Networks (Amendment) Rules, 2006- Section 6 of the Cable Television Networks (Regulations) Act, 1995 provides that no person shall transmit or re-transmit through a cable service any advertisement unless such 104 advertisement is in conformity with the advertisement code prescribed under the Cable Television Networks (Amendment) Rules, 2006. Rule 7 of the Cable Television Networks (Amendment) Rules, 2006 lays down the “Advertising Code” for cable services which are formulated to conform to the laws of the country and to ensure that advertisements do not offend morality, decency and religious susceptibilities of the subscribers;
4. Doordarshan/ All India Radio (AIR) Advertisement Code Doordarshan and AIR, both under the control of Prasar Bharati (a statutory autonomous body established under the Prasar Bharati Act), follow a comprehensive code for commercial advertisements which control the content and nature of advertisements that can be relayed over the agencies;
5. Food Safety and Standards Act, 2006- Section 53 of this Act provides a penalty of up to Rs. 10 lakhs for false and misleading advertisements relating to the description, nature, substance or quality of any food;

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6. Indecent Representation of Women (Prohibition) Act, 1986- This Act is aimed at prohibiting indecent representation of women through advertisements or in publications, writings, paintings, figures or in any other manner and for matters connected therewith or incidental thereto (Section 3 and 4 of the Act). Needless to say, the foregoing laws are in addition to applicable IPR laws and other relevant laws in general.

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**The Advertising Standards Council of India (ASCI)** is a voluntary [self-regulatory organization](#) of the [advertising industry](#) in India. Established in 1985, ASCI is registered as a [non-profit](#) company under section 25 of the Company Act.<sup>[5]</sup>

ASCI is committed to the cause of self-regulation in advertising, ensuring the protection of the interest of consumers. ASCI seeks to ensure that advertisements conform to its Code for Self-Regulation, which requires advertisements to be legal, decent, honest and truthful, and not hazardous or harmful while observing fairness in competition. ASCI looks into complaints across ALL MEDIA such as Print, TV, Radio, hoardings, SMS, Emailers, Internet/web-site, product packaging, brochures, promotional material and point of sale material etc. ASCI's role has been acclaimed by various Government bodies including the [Department of Consumer Affairs](#) (DoCA), [Food Safety and Standards Authority of India](#) (FSSAI), [Ministry of AYUSH](#) as well as the [Ministry of Information and Broadcasting](#). The association with these Government bodies is to co-regulate and curb misleading and objectionable advertisements in the respective sectors. In January 2017, the Supreme Court of India in its judgement also affirmed and recognized the self-regulatory mechanism as an effective pre-emptive step to statutory provisions in the sphere of advertising content regulation for TV and Radio in India. ASCI is a part of the Executive Committee of International Council on Ad Self-Regulation (ICAS). Among several awards bestowed by the European Advertising Standards Alliance (EASA), ASCI bagged two Gold Global Best Practice Awards for the Mobile App "ASCIonline" (2016) and for reducing the time taken to process complaints (2013).

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**Origin**

The four main constituents of advertising industry, viz. advertisers, advertising agencies, media and allied professions came together to form ASCI. The aim of ASCI is to maintain and enhance the public's confidence in advertising. Their mandate is that all advertising material must be truthful, legal and honest, decent and not objectify women, safe for [consumers](#) - especially children and last but not the least, fair to their competitors.

**Self-Regulation**

Almost all professional fields have self-regulatory bodies governing their activities. For the advertising [fraternity](#), until 1985 there was none. Due to this, there was a lot of false, misleading, and offensive advertising. This led to consumers losing faith in advertising and hence resenting it. It was decided that if this continued it would not take time for statutory regulations such as censorship to be imposed on advertising content.

In 1985, the ASCI adopted a Code for Self-Regulation in Advertising. With the introduction of the code, the aim is to promote honest and decent advertising and fair competition in the industry. It will also ensure the protection of consumer interests and all concerned with the ad industry - advertisers, media, advertising agencies and others who help in the creation or placement of advertisements.

As the fraternity starts accepting the code, it will result in fewer false claims, fewer unfair advertisements and increased respect for advertisers.

**Need for ASCI**

When an advertiser is creating an ad, the consumer is his audience. The feedback from a consumer is important to the advertiser so he can be assured if his message has been correctly conveyed. If a consumer feels that a particular advertisement is in bad taste or is false in its claims, they need a body or council to whom they can air their grievances and who will take any appropriate action, if necessary. ASCI as a self-regulatory body governing advertising content is the ideal medium as its purpose is to serve both the advertisers as well as the consumers.

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The Advertising Standards Council Of India

## CODE



### SOME OF THE ADS WHICH WERE DEEMED AS UNFIT & PULLED UP BY ASCI



The ad was pulled up on the grounds of having misleading content for the claim 'the fastest network ever' & 'if your network is faster, we will pay your mobile bills for free'

The Ad claims, " A firmer & younger skin in just 7 days", " In 4 weeks 96% of users have agreed that effects of ageing are almost gone ", were inadequately substantiated



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The ad claim, “No pimples, No blackheads“. “Kyunki (pimples/blackheads) hai hi nahi” is an absolute claim & was not a adequately substantiated with efficacy data for this product . “har la dki ki skin problem ka ek hi upa ay” was misleading .

The claim in the advertisement by CNBC, “No. 1 TV channel in India” was not substantiated & was found to be misleading.



Popular Food Panda delivery App Food Panda had its as pulled up by ASCI for false claims. It claimed in the advertisement , “Upto 50% off”, which ASCI said was fake & was not substantiated with evidence of customers who have availed this offer



In the ad the Indian guard helped his counterpart by mending his shoe . The ad was launched before the Indian-Pakistan match during the ICC World Cup 2015. The ad was criticized as being “anti-national” & an ‘insult’ to the Indian soldier

## MODULE 4: BRAND BUILDING

### HISTORY OF BRANDING



The word BRAND is derived from the old Norse brand meaning “to burn,” which refers to the practice of producers burning their mark (or brand) onto their products

In ancient times, in order to identify the owner of the live stock , cattle breeders used hot ironing in order to identify the owner of the cattle and differentiate it from others

#### According to AMA (American Marketing Association)

A brand is “name,term,sign,symbol, or design or a combination of them intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competition”

Brands are different from products in a way that brands are “ what the consumers buy” , while products are “ what concern/company make”,. Brand is a promise that the product will perform as per customer’s expectations. It shapes customer’s expectations about the product.

Brand usually have a trademark which protects them from use by others. A brand gives particular information about the organization, good or service, differentiating it from others in marketplace. Brand carries an assurance about the characteristics that make the product or service unique. A strong brand is a means of making people aware of what the company represents and what are it’s offerings

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**Box 7.1: What a Brand is and What it does?**

A brand is a name, symbol, design or a combination thereof.



*McDonald's*: is a name  
*Golden Arches*: is a symbol or sign which is trade marked (it is the exclusive property of McDonald Corporation)  
*Combination*: A unique art work that combine all elements of brand

Any outlet that displays this sign achieves two objectives immediately in the prospects mind:

1. The prospect is easily able to identify that this outlet is McDonald Corporation. Hence he knows what to expect from this outlet.
2. The brand differentiates. The prospect upon seeing the above sign is able to differentiate this outlet from the others which also sell similar kind of products or services (it is not Wimpy's).

Branding is not easy. It is not just about giving a name or an attractive logo or slogan. It is one of the most challenging tasks a manager's faces.

### **Branding Challenges**

1. Knowledgeable customers
2. Brand proliferation (explosion)
3. Media transformation
4. Decreasing brand loyalty in many categories
5. Increased competition
6. Increased costs
7. Greater accountability

### **Branding Challenges - Knowledgeable Customers**

In this day and age, consumers can consult a vast number of sources of information (for example Google). This has become one of the prime challenges of the marketing environment.

It is a strong belief that it's become tougher than before to convince consumers with conventional communications like print ads, outdoor ads, and TV ads. Having more knowledge and experience in marketing has made consumers increasingly demanding. A brand's fate is actively affected by an empowered customer.

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**Example - Customers interacting with Tesla CEO Elon Musk**

Concerns and queries of Tesla customers on Twitter, are responded to by Elon Musk, the CEO of the company.

One driver complained on Twitter that his children became overheated in the back of a Tesla due to poor airflow and asked Musk for ideas.

Put the kids in the rear of my in-laws' Tesla S & went for a 20 min drive. Air was set as cold as possible, but the kids were dehydrated & drenched in sweat after the drive. It turns out there's no air circulation back there. @elonmusk Any ideas? Love the car, but that's dangerous.

Elon Musk responded to the query himself and advised the driver to change the settings of the airflow.

If there is anyone in the third row, turn off air recirculation. Third-row cooling happens by air entering from the front and exiting through the vents in the rear bumper.

**Branding Challenges - Brand Proliferation [Explosion].**

- There has been a constant rise in brand extensions.
- This has resulted in an explosion of new brands and products, which has been an important change in the branding environment.
- Now, “a number of different products” with various levels of similarities can be the identifying factors of a brand.

Example – Samsung Smartphones

- Samsung has many phone brands like – A, J, Note, M, Galaxy, etc.
- This can see sometimes get confusing.
- Now that a lot of brands are expanding, selling places have become congested.
- Just getting a product on the shelf of a retail store can cause fights between brands.

**Branding Challenges - Media Transformation**

There has been a divide between conventional advertising media and the rise of interactive and non-conventional media. Marketers are willing to spend more on non-conventional forms of communications.

New forms of communications like sports and event sponsorship, product placement in movies, interactive digital media, mini billboards in transit vehicles, and in store advertising, are on the rise.

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Example – Red Bull Stratos

- Austrian skydiver Felix Baumgartner was involved in a high-altitude diving project called The Red Bull Stratos.
- On 14 October 2012, he flew approximately 39 kilometers (24 mi) into the stratosphere over New Mexico, United States,
- He flew up in a helium balloon, before free falling in a pressure suit and then parachuting to Earth.
- According to the Austrian media, more than €50M (\$64.8M) was invested in the event by Red Bull.

### **Branding Challenges - Decreasing Brand Loyalty**

Every product and service category has a large number of sellers. This creates problems like a decrease in brand loyalty among customers.

Example

#### 1. Services

A lot of brand switching happens in the airline and hospitality industry.

#### 2. Product

Declining brand loyalty is the beginning of E-commerce players in every product category.

### **Branding Challenges - Increased Competition**

- The market has become increasingly competitive.
- This has forced marketers to use a lot of discounts or financial incentives.
- The increase in demand has been made possible because of both the demand and the supply-side factors.

A number of factors have led to new competition on the supply side

#### 1. Globalization

1. Globalization has initiated new markets and new potential sources of income and profits.
2. At the same time, the number of competitors has increased in the same existing markets.
3. This threatens the established current revenue sources.

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Example – Gillette facing competition from smaller brands

- Almost 14 years ago, P&G acquired Gillette for \$57 billion.
- As the grooming habits changed, buying a high-margin, market-dominating brand proved to be a good deal.
- The Dollar Shave Club, a direct-to-consumer start-up with the most appeal for Millennials, was the biggest threat to them.
- The competitive company shipped to customers razors for the whole month at just \$1.
- This price was a major discount when compared to Gillette.
- According to the Wall Street Journal, in 2010, Gillette dominated 70% of the market share of the US.
- They cited a data-tracking firm Euromonitor while making these observations, which also said that in 2016, Gillette fell down to 54%.

2. Low-priced competitors

- “Private labels” and “low price clones” have entered the market.
- Imitation of the product leaders of the market has increased worldwide.

*Private Label*

- Like many other large retail and grocery chain stores, Walmart, Inc., gives the customers the option of private brands.
- They are also called house brands or store brands.
- These are lower-priced alternatives for branded products.
- Almost 84% of Walmart customers purchase private label products.
- According to these statistics, four out of five shoppers regularly pick in-house Walmart products over big-name brands.
- Walmart’s Great Value brand earns more than \$27 billion yearly.

*Low Priced Clones*

- Micromax has always imitated Samsung Galaxy products through its Canvas range of Smartphones.
- Xiaomi also made clones of Apple products and gave the company some competition.
- 

### **Branding Challenges - Increased Costs**

With an increase in competition, the cost of launching a new product or supporting a pre-existing one has gone up drastically. This has made it harder to match the investment and support levels that brands were receiving in their previous years.

Example: Super Bowl Ad Rates

- During Super Bowl LIV, in 2020, \$5.6 million was reportedly the rate for a 30-second TV commercial on Fox.

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- In 2019, during the championship match-up between the Los Angeles Rams and New England Patriots, CBS charged \$5.25 million for a 30-second slot.
- It could amount to \$175,000 per second, roughly.
- In 2018, the price was approximately \$5.2 million.
- This was one million more than the cost to air a commercial during the 2014 Super Bowl.
- In 2008, the average ballpark figure for a 30-second ad was \$2.69 million, according to Nielsen Media Research.
- In only two years, the price of a Super Bowl ad almost doubled.

## **Branding Challenges - Greater Accountability**

Marketers may find themselves accountable for meeting large-scale short-term profit targets. This was because of the financial market pressure and Senior management pressures. This may result in a dilemma of having to make decisions with short-term benefits but long-term costs. Such as cutting advertising expenditures.

## **Brand Positioning**

[Brand Positioning](#) can be defined as the positioning [strategy](#) of the brand with the goal to create a unique impression in the minds of the customers and at the marketplace. Brand Positioning has to be desirable, specific, clear, and distinctive in nature from the rest of the competitors in the [market](#).

Effective brand positioning enables a firm's brand to be readily distinguishable from competing brands in the marketplace. Distinguishing the brand from other brands can be in terms of associated [brand attributes](#), benefits to users, and/or [market segment](#) emphasis, among other factors. Effective brand positioning further emphasizes elements of superiority along one or more distinguishing dimensions which are valued by consumers.

## **Steps to create Brand Position**

### **1) Identify the current standing**

If the brand is new to the market, then this first step doesn't apply to the new entrants to the market but if the brand is already an established player in the market and wishes to resurrect its Brand Positioning and the

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overall [brand architecture](#), then it is vital for the management of the company and the [branding](#) department to carefully understand and identify the current positioning of the brand and have an analysis how is it working in the favour of the brand and its attainment of the overall business aims and objectives.

If the answer is no, then the management of the company [needs](#) to figure out the loopholes in the current Brand Positioning and check if there is a need for the [repositioning](#) of the brand.

## **2) Identify the direct competition**

The next step in the line of creating the Brand Positioning is identifying the brands in the marketplace that pose a direct threat to the brand. The brand needs to analyze and understand the core value, brand strengths, nature of [products](#) and services offered, ethos, and fundamentals of the competitive brands plus spot their unique selling propositions and the factors that make them different and unique in the market and in the minds of the customers.

## **3) Understand the standing of the competitor brands**

The further step involves understanding the positioning of the competitor brands, basically figuring out their [vision](#) statement, [mission](#) statement, core [values](#), brand fundamentals, and the entire brand architecture. It is very important to intricately study the positioning and [brand strategies](#) of the competitor brands in order to come up with the positioning that is unique and distinctive giving a competitive edge in the market.

## **4) Identify the uniqueness of the company**

This step involves the in-depth introspection of the brand within and identify the core values, fundamentals on which the brand is formulated, strengths, [value propositions](#), long-term vision, and the features and attributes that make the brand unique and different from the rest of the brands in the market offering the similar lines of products and services.

## **5) Develop the unique selling propositions**

In continuation to the previous step, the next stage to the Brand Positioning encompasses developing the unique selling propositions depending on the features, objectives, attributes, core values, and strengths of the brand that will give the brand a unique and distinctive identity in the market and in the customer's minds.

## 6) Formulate the messaging statements

Next on the line is working on the messaging statements such as [mission statement](#), [vision statement](#), and the tagline or the brand slogan that is attached with the official logo of the brand. All the messaging statements should be clear, crisp, and unique in line with the attributes and inherent nature of the brand.

### Importance of Brand Positioning and strategy :



### 1) Market differentiation

The unique and creative Brand Positioning not only clears the clutter from the market but also gives the factor of [differentiation](#) to the brand as compared to its direct and [indirect competitors](#). It makes the brand stand out in the market as well as in the customer's mind with the unique selling proposition and the strong attributes of the brand getting ingrained in their minds working as a recall factor.

### 2) Justifies the pricing strategy

Yet another benefit of the Brand Positioning is that it helps the management of the company to justify the [pricing strategy](#). If the [pricing](#) of the products offered by the brand is high owing to the feature of quality and class, and the Brand Positioning is formulated in such a way that showcases the factors of quality and class, the pricing part gets automatically justified in the minds of the customers. The same is applicable for the products that are reasonable and affordable in nature and the [positioning strategy](#) is planned and executed accordingly.

### 3) Competitive advantage

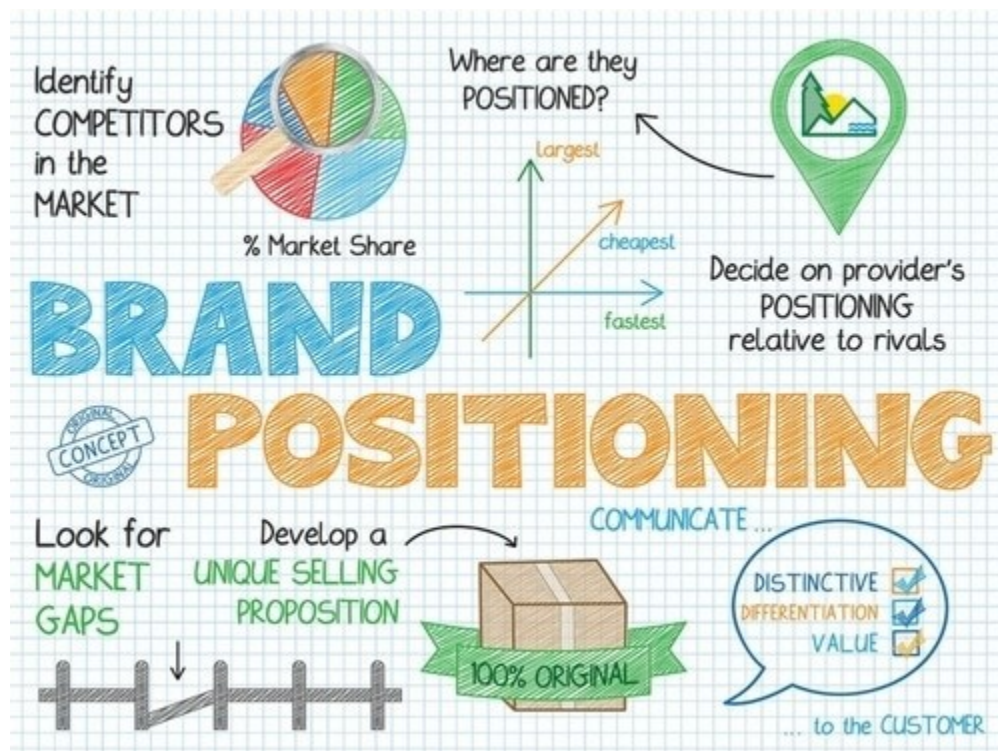
A [strong Brand](#) Positioning that tactfully and strategically highlights the core values, strengths, attributes, and the unique selling propositions of the brand enjoys the facet of [competitive advantage](#) that results in accomplishing the objectives of higher sales, increased [market share](#), customer loyalty, attracting the new set of customers, and elevated profits.

### 4) Makes the brand more creative

There are quite many brands in the market offering the similar lines of products and services to the same [target market](#) and audience but it is the Brand Positioning that makes one brand different and unique from the other. And if the brand is able to come up with the innovative and novel positioning strategy and execution, the brand is adorned with the tag of the creative brand.

A good Brand positioning helps customers to resonate with the values and concepts of brand and helps them to associate with it on a deeper level which is beyond buyer and seller relationship. A positive positioning helps the brand to stand out amongst competitors and gain competitive advantage along with the added market share.

## 8 Types of brand positioning strategies



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1) Value-based Brand positioning

Value-based positioning has two approaches and both are based are very much dependent on the quality of the [product](#). They use a psychological approach which exploits the belief that more expensive something is, the better it is. This increases the value in the minds of the customer and the product is positioned as expensive and useful and good.

Alternatively, you can also position your brand as providing high quality and high value-priced products or services. It is essential in value positioning that the company should first establish the values of the product in the market for themselves to sell.

An excellent example of a strategy would be Southwest airlines which are offering affordable flights to [people](#) along with free check-in luggage. Thereby Southwest airlines establish its value in the minds of the customer.

2) Quality based Brand positioning

Positioning with the help of an important parameter like quality can be a very challenging positioning strategy. Although it can be combined with other strategies and positioned easily. Every business in the market nowadays is trying to establish quality and its commitment to maintain it.

One unique way to distinguish your products amongst the competitors would be to narrow the focus to a particular area of expertise and use that as branding strategy in terms of quality positioning. For example, when it comes to audio everybody knows that [Bose](#) audio is the best, they have positioned themselves in that way. There worked only on one parameter significantly rather than working on all parameters simultaneously.

This makes them specialized in one feature thereby ensuring proper focus on the quality of that particular feature. Another example would be [BlackBerry](#) mobile phones which used by selective few in the market but seen as one of the best phones when it comes to security.

3) Competitor based positioning

Since the competition has increased companies are taking this strategy to demonstrate the superiority amongst all other available competitors in the market. Right from insurance companies to mobile phones every company establishes its supremacy by comparing their products or services to other companies or [direct competitors](#).

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The messages are usually straight, clear and address the competition directly although some may use an indirect [reference](#) to their competitors. An example would be, in 2017 iPhone X was launched with the notch in the mobile for the first time in the industry. [Samsung](#) mocked [Apple](#) by creating an ad in which a person if the notch stands in the line to buy new Apple iPhone while a person who just switched from Apple to Samsung is depicted to be happier. This was an indirect reference to Apple and its new phone while mocking its shortcomings.

In 2018, [Google](#) launched Pixel 3 with a premium feature called Night Sight. To promote that feature during the launch [event](#) of the phone the company experts compared of pictures clicked by phone then directly and side by side with a picture clicked by Google pixel 3 with night sight. This would be an example of direct competitor-based positioning.

#### 4) Benefit positioning

Working with the benefits of attributes and communicating those benefits to the customer has been an old strategy followed by many brands. The strategy highlights the benefits of the product or service to the customers and claim that no competitor can copy them since their unique to that particular brand. Sensodyne is an example which uses benefit positioning and today is a premium toothpaste in the market of oral dentistry and oral hygiene. It has positioned itself as an oral medical solution provider which customer can use on a day-to-day basis to get rid of oral problems.

While other kinds of toothpaste focus on whitening and reducing the bad breath Sensodyne has focused on medical aspects of oral hygiene which is a unique benefit in the market and that has helped them to stand out.

#### 5) Problem and solution positioning

Many brands present themselves as a solution provider to the problems of the customers. The ideology behind such positioning is to demonstrate that this particular brand can help you solve your problems instantly and efficiently. Banks, Insurances, and loans have started themselves to a position as a solution provider.

Often advertised as ‘Need a loan? Contact us and we will get the loan Approved within Minutes or Seconds with minimum documentation’ is the claim which is followed by many banks thereby acting as a solution provider to the financial problems of the customer.

#### 6) Price Positioning

As much as quality plays an important role in the product success price is an equally important factor which determines the enormity of success of a particular brand. Why is there are expensive brand positioning

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themselves as unique and niche, the appeal to a very limited segment of customers who can afford to purchase them? There still remains a major bulk order chunk of customers who are not able to purchase those nice products or services. It is to appeal to these customers that price positioning is done by many Brands. One such example of price positioning is Air Asia, which is the South Asian airline service, whose [operations](#) are based in Malaysia.

The airline has successfully positioned itself as an [economic](#) service appealing to the middle class and lower middle class and making foreign tours possible for them. While they may compromise on the quality sometimes, the fact still remains that they are seen as the first choice by every first-time flight travellers who cannot afford to travel by a luxury brand like [American airlines](#).

7) Celebrity-driven positioning:

Using celebrities as a spokesperson to endorse a particular category of product or services has been a popular way for a long time. The aim of [celebrity](#)-driven positioning is to get the attention of people and increase [brand awareness](#) and recognition by associating the product or a brand with the glamorous personality of the particular celebrity. This is often an expensive affair for the companies but they knowingly choose this method of splurging because of the fact of familiarity and popularity of the celebrity.

This association of celebrity with the brand inspires many buyers who follow the celebrity to buy the same brand and make them feel psychologically associated with the celebrity.

8) Leader-based positioning

Very few companies have opted for this route since to declare a [market leader](#) you would require your brand to be the best and unique in the market. Many companies start with this positioning but as competition increases, they fall out and the strategy needs to be revamped. The best examples of long-term leadership-based positioning are done by [Facebook](#). In the segment of social media, Facebook is unique in terms of the services it provides and has the greatest number of users associated with it.

Why there are other players like Instagram which is owned by Facebook, [Twitter](#), Snapchat, none of the services overlaps in the category of services provided by Facebook with Facebook, on the other hand, provides part of services that all of these provisions. With recent acquiring of Instagram and WhatsApp Facebook has become the unrivalled leader in the industry of social media.

BRAND REPOSITIONING

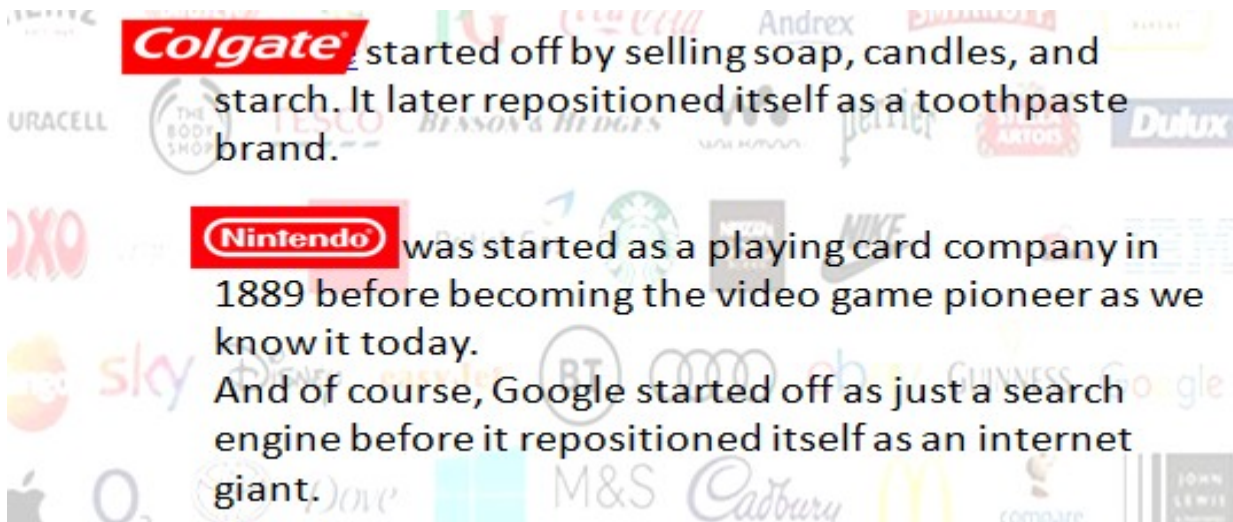
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**What if I told you that Java failed during its initial days?**

The language was originally designed for interactive television but was [too advanced](#) for the digital cable television industry in 1991.

Its positioning was faulty. The founders realised it quite early and ‘repositioned’ the brand to serve web browsers in 1996, and the rest is history.

**This is just one example of repositioning. The list is never ending –**



**Colgate** started off by selling soap, candles, and starch. It later repositioned itself as a toothpaste brand.

**Nintendo** was started as a playing card company in 1889 before becoming the video game pioneer as we know it today.

And of course, Google started off as just a search engine before it repositioned itself as an internet giant.

So, what exactly is repositioning and why do companies reposition themselves? Well, here’s a guide to explain everything.

**What Is Repositioning?**

Repositioning refers to the process of altering the existing space a brand occupies in the brains of the customers.

In simple terms, it is a process of changing how the [target market](#) perceives the brand or its offering with respect to its –

- Features, and
- Competitors.

With repositioning, the business tries to change the way the customer view the brand without always altering the bond between the customer and the business. It involves changing the brand’s promise and personality with an updated or refreshed –

- [Marketing mix](#),

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- [Brand identity](#),
- Target customer, and
- [Brand essence](#).

When a company sees a decrease in sales over time and/or major changes coming down the line, they know it is time to implement changes within the company. **Brand repositioning** is when a company changes a brand's status in the marketplace. This typically includes changes to the marketing mix, such as product, place, price and promotion. Repositioning is done to keep up with consumer wants and needs.

### **Reasons For Repositioning**

A brand would want to change the customer perception because of innumerable industry related, brand related, future related, competition related, and customer related reasons. Some of them are –

- **Increased Competition**

Often times, increased competition in the market results in the lack of perceived differentiation of the brand compared to its competitors. This requires the brand to reposition itself in order to highlight its particular advantages.

- **Faulty Existing Positioning**

There are cases when a brand is –

**Under-positioned:** The existing positioning is too weak or vague to make customers associate emotions, traits, feelings, and sentiments with it.

- **Over-positioned:** The existing positioning is too narrowly defined which restricts its growth.

Either condition is bad for the brand and requires it to reposition itself.

- **Evolved Products**

When the business invests in a substantial product improvement, it is likely to offer additional benefits and cater to a wide audience. This often requires the brand to reposition itself.

- **Changes In Macro Environment**

The macro environment of the business includes factors that are not in its hands, like –

Industry level changes,

Changes in government policies,

Economic conditions,

Technological advances, etc.

These changes often force the business to reposition its brand(s).

- **Failed Extensions**

**Brand extension** (also called brand stretching) is a marketing strategy where the company makes use of its existing established brand name for a new product or a new product category.

Sometimes, these brand extensions fail, affecting the existing brand image negatively. This requires the brand to reposition itself to change the perception.

- **Future Plans**

The future plans of the business also act as triggers to make it reposition its brand.

**Acquisition Plans:** The brand has plans to acquire and expand, or being acquired by a bigger business.

**Opportunity Capitalisation:** The brand sees an opportunity that can be more profitable in future.

**Threat Aversion:** The brand is expecting some threats in the future that require it to change its positioning strategy.



This made McDonald's draft a strategy to reposition itself. This is how it went –

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- The company repositioned itself as a modern, progressive burger company and changed its philosophy from “billions served” to “billions heard.”
- It included various digital kiosks within the stores and unveiled a program called “Create your Taste” where customers could build their own burgers using digital kiosks.
- It even launched a mobile application to enhance the digital customer experience.

All this was supported with aggressive marketing to target the ‘younger audience’.

The company also executed a repositioning strategy in the late 2010s where it launched a completely new format for McDonald’s franchises. This format is called the “to-go” location, which is a stripped-down version of McDonald’s dedicated to takeout orders. This new format doesn’t include tables and chairs but is full of touch screens for customers to order. And since the ordering is done only digitally, all of the human employees work on fulfilling the orders, which results in faster order processing. Even the menu is streamlined only favourite items like fries, chicken nuggets and the classic Big Mac.



**Starbucks Repositioning**

Starbucks failed when it tried to penetrate the coffee industry in Australia in the early 2000s. The company launched its first store in 2000 and tried to penetrate by taking its existing brand promise of ‘coffee as a service’ to an existing matured market. Starbucks didn’t fit the Australian’s tastes. The company charged more than the local cafes and served sweeter coffee options than the locals preferred. As a result, the company saw its losses go up to **\$105 million** in the first seven years and had to close **70 percent of its underperforming locations** by 2008.

The infographic features the Starbucks Siren logo in the center, surrounded by various brand logos including LEGO, Habitat, Benetton, Heinz, Coca-Cola, Andrex, Smirnoff, Hovis, Oxo, Carrot, Netflix, Macmillan Cancer Support, Amazon, and The Guardian.

Here’s why it didn’t work out for the brand –

- The market was already saturated and the company offered nothing new – in-store furnishings, magazines, music and wi-fi were already provided by the other local brands.

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- The actual brand value proposition was built on friendliness but the company spaced away from it by focusing more on generating steady customer turnover. The employees used automatic machines and were so busy with work that they hardly conversed with the customers or provided them with a different experience.
- And Starbucks followed the same menu and strategies in Australia that it followed for other countries, ignoring what actually was desired in the market. It even followed its no advertising strategy which backfired.

This called for repositioning. So in 2014, when the Withers family (who own the 7-Eleven stores) [bought the Australian license for Starbucks](#), they repositioned the brand to be more ‘Australian’. The menu was changed [according to the Australian tastes](#), the coffee was made more of an experience, and stores were reopened strategically with the focus shifted to cater to the tourist population than the locals.

### **Brand extension strategy**

Let us discuss few of the methods of creating a brand extension:

A similar product can be formed into a different form from the original parent product. For example, snickers created into snickers ice cream bars.

Having a different flavor, component or ingredient to the existing product to create a new product. For example Hershey’s chocolate milk.

Adding a new feature or benefit to the existing product. For example, Febreeze is a brand that caters to household odor. It [extended](#) the product to car air freshener which made the good impact on the business.

### **Types of brand extension**

Brand extension can be categorized into the following:

#### 1) Companion product extension

Companion products are a form of an extension which is very popular in the market with the customers. the ultimate aim behind company product extension is to materialize or capitalize the complementary products, customers view both of them as together or jointly and therefore it offers a scope of brand extension. For example, getting a [Google](#) cloud drive free with Gmail.

#### 2) Product form extension

Line extension is when the brand is launched in a different form from the present form. If the different product formed is an entirely new product category, it will be termed as a brand extension rather than a product from the extension. For example, Google is extended now to mobile phones industry and called as Google Pixel.

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3) Extension of company expertise

The extension can take a different form of product category since the expertise remains the same the new product category also is equally good terms of quality. the expertise of a particular company is extended to a new product category or a brand category is called an extension of company expertise. For example, [Sony](#) which started out as a player in Walkman is now serving mobile phones, Smartwatches, speakers, headphones and other extended product categories.

4) Customer franchise extension

When a specific customer group has specific [needs](#) for the product the range which is extended is called customer franchise product range. Customer franchise focuses on the needs of the customer and ensures that [customer satisfaction](#) is obtained from the group. For example, [Johnson and Johnson](#) have offerings for all ranges of customers like baby products, baby shampoo etc.

5) Extension of brand prestige

When new products are introduced into unrelated and entirely new product categories, under the brand extension, it is termed an extension of [brand image](#) or brand [prestige](#). The same popular name is used for a range of unrelated products. usually, the names have been associated with the different product for a long-time recharge now been extended with a new product category but using the same old name. [Allen Solly](#) has a range of garments for men and women but when it extends into footwear it would be termed an extension of brand prestige or brand image.

6) Extension of brand distinction

Brands have been unique in terms of an attribute or in terms of the benefit that they offer. And it is this uniqueness that attracts the customer to the brand. The company that works backwards to launch a different product and obviates this distinction.

Example [Apple](#) has always promoted security and they have achieved this distinction by launching a variety of products with amplified security. Apple tries to leverage new products on the same brand distinction. Some might argue that [innovation](#) has been the brand extension of Apple but that was true until 2017.

7) Component brand extension

**A brand develops a close association with taste. since it is been in the market for a long time it enjoys the proprietary association of the brand with the unique and distinctive taste. and this is the property that the brand could leverage on in other products as well. example [head and shoulders](#) shampoo which now comes in different flavours.**

8) Customer base extension

The customer base is something that brands acquire over a long period of time and it is easier to extend that base to new product categories. This is effective when the customer base is huge and captive to some extent. Example launch of Prepaid ForEx cards by [Thomas Cook](#) for its travellers. The customer base, in this case, is extended to the new product.

### Example where brand extension is success



Consider the brand [Dove](#). It was mainly known for soaps. But now it is extended to many products like shampoo, deodorant and body wash. The brand extension of the dove for the new products has been a great success.



Consider [Adidas](#). The company started its brand of shoes. Later they launched many products related to footwear, clothing, accessories, and sports.



Consider [Titan](#). The company started its brand for watches, later positioned itself into the Titan house of jewelry, watches, eyewear and leather products.

### Example where brands extensions is failure

[Colgate](#) Kitchen items – This brand extension was a failure as it was not accepted to associate Colgate with meal as it was associated with oral and personal care.



Consider new Coke. Coco-cola could not become successful in case of Coke.

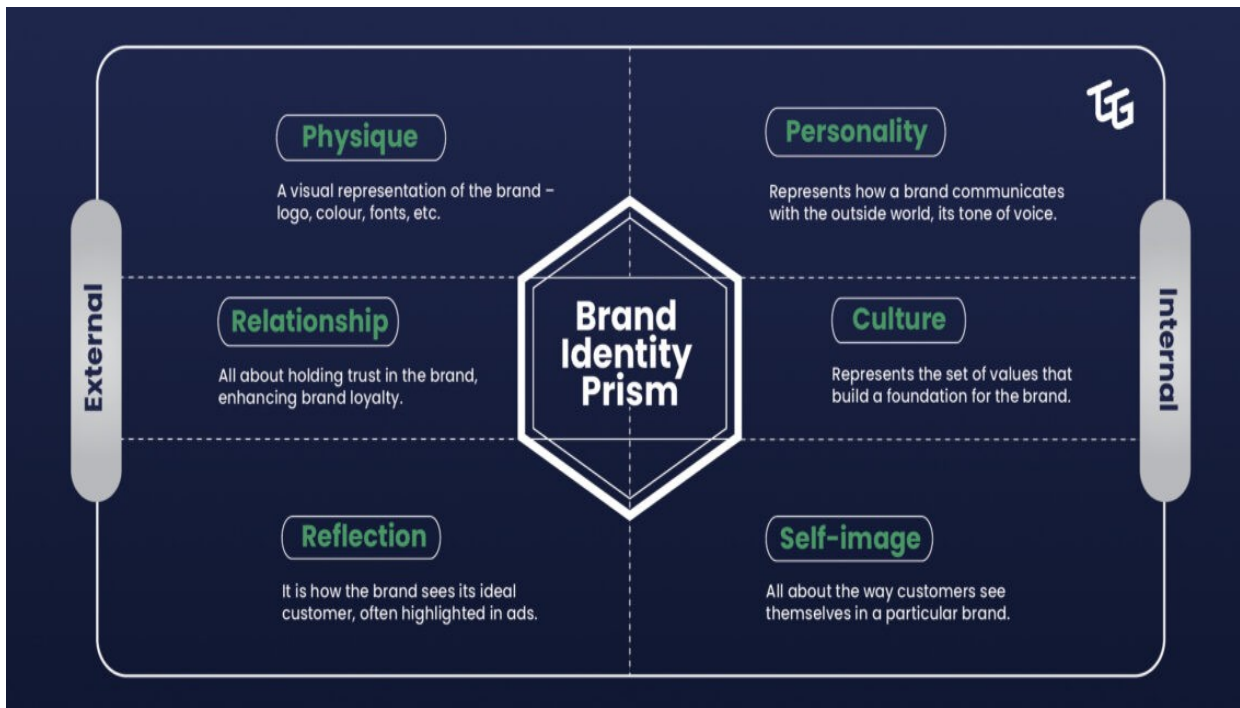


Rasna Ltd is one of the famous soft drinks. When it tried to change it product to its fizzy drink Oranjolt, it could not succeed.



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KAPFERER BRAND IDENTITY PRISM



WHAT IS KAPFERER BRAND IDENTITY PRISM?

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- An idea first introduced by J. Kapferer way back in 1986, the brand identity prism, sometimes called the Kapferer Brand Identity Prism.
- It is a concept for describing a brand's identity through its characteristics.
- The prism diagram is a useful visualization for identifying not only a brand's core characteristics, but how they relate to one another.

According to Kapferer, the strongest brands weave all six elements together seamlessly into a cohesive brand identity and message – with all six facets relating to the brand's core essence

In the words of Kapferer-

*“Strong brands are capable of weaving all aspects [of the prism] into an effective whole in order to create a concise, clear, and appealing brand identity.”*

Kapferer's Brand Identity Prism places six elements- physique, personality, culture, relationship, reflection, and self-image in relation to each other. While doing this, brands need to consider their position in between the brand (Sender) and customer (Recipient) and vice versa.

The six parts of the brand identity prism are carefully explained below-

### 1. Physique

Physical characteristics of the brand are the very first element of the brand identity prism. It is something that someone who purchases the [product](#) or opts for service can notice about the brand.

This type contains the logo, style guide, symbolic representation, color palette, and result or goods created presentation. All in all, it talks about everything that your audiences can visually experience when they use the brand. Airbnb brand, for example, provides a service rather than actual goods, and therefore their ads should emphasize their physique by showing the end result that their users might get after using their service.

Different physical characteristics are also shown by iPhones, as their ads emphasize attributes like sleek, modern, and minimalistic design.

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## 2. Personality

If someone's body is one's brand's face, their personality is its voice. One's [brand personality](#) addresses not just what they say but also how they say it, and it is not just restricted to verbal communication.

Brand personality influences everything from font selection to communication tone. It should provide an answer to the question, "Who are they?" What would a person see, hear, and say to the brand if they were in the same room as it?

For example, Coca-Cola opts for its iconic typeface and the color red for sharing happiness and the moments of joy associated with the brand's core values. Another example can be of [Nike](#) and its consistency in expressing its "swoosh." It is confident, competitive, bold, and athletic. Nike's [brand image](#) is consistent due to the athletes it chooses to represent its positions, the typeface it utilizes, and the simple, powerful language it employs.

## 3. Culture

Culture is the genesis narrative of the brand. It sets the foundation of the brand. It tells where did any company get its start? What are the brand's core values?

"Culture" is one of the key aspects of newer, more creative businesses. It adeptly conveys how a firm lives its [mission](#) statement on a regular basis, and it connects both the employees and the consumers who engage with the product.

The most important question to address while determining someone's business culture is, "What does their brand live for?" Culture helps in expressing the brand a meaning that is just beyond the product.

For example, brand [Toyota](#) has the culture associated with its guiding principles i.e. "The Toyota Way" that comprise the Japanese cultural concepts like "heijunka" which suggests to "work like the tortoise, not like the hare."

## 4. Relationship

Relationship talks about the interaction between a brand and its target audiences. Brands should consider how they can maintain a positive relationship with their clients from the very first interaction through post-purchase messaging and relationship building.

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A successful relationship might range from social media interactions to personalized in-store help. All in all, a strong relationship is defined as something that exceeds consumer expectations and optimizes [brand loyalty](#).

For example, [Ferrari](#)'s relationship with its customers is highly serious and exclusive. [Apple](#) is also an excellent example of a brand that values customer relationships. They have their [products](#)' UI designed for usability, plus their stores also let their customers the best service and experience.

## 5. Reflection

It refers to who the brand [wants](#) its consumer to be. Who would the brand like to reach out to the most?

Reflection talks about the set of stereotypical beliefs or attributes of a brand's [target market](#) that a brand tries to highlight in its advertisements, messaging, and communications.

For instance, Coca-Cola considers its consumer base as fun, youthful and friendly teenagers.

## 6. Self-Image

A customer uses the self-image to picture his or her ideal self. When brands understand such inclinations of their customers, they provide better and more personalized service to their consumers. Brands can think about how customers' purchases and interactions can add value to their lives.

Both the brand and the audience benefit from aspirational self-image. Most of the users want to perceive themselves positively, and the brand may collaborate with them to assist them in achieving their objectives.

As evidenced in their [advertising](#) campaigns, Ralph Lauren's company is well-known for crafting a story where customers may feel like characters: rich, healthy Americans enjoying the outdoors.

By mastering these six components of brand identity, anyone can correctly position their business, establish equity, gain new consumers, and retain existing ones.

The six parts of the brand identity prism are separated but grouped in the 4 categories listed below.

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1. Picture of Sender

The sender's image relates to how the brand portrays itself. This category includes Physique and Personality.

2. Picture of Receiver

The term "Image of the Receiver" relates to how clients perceive the brand. This category includes reflection and self-image.

3. Externalization

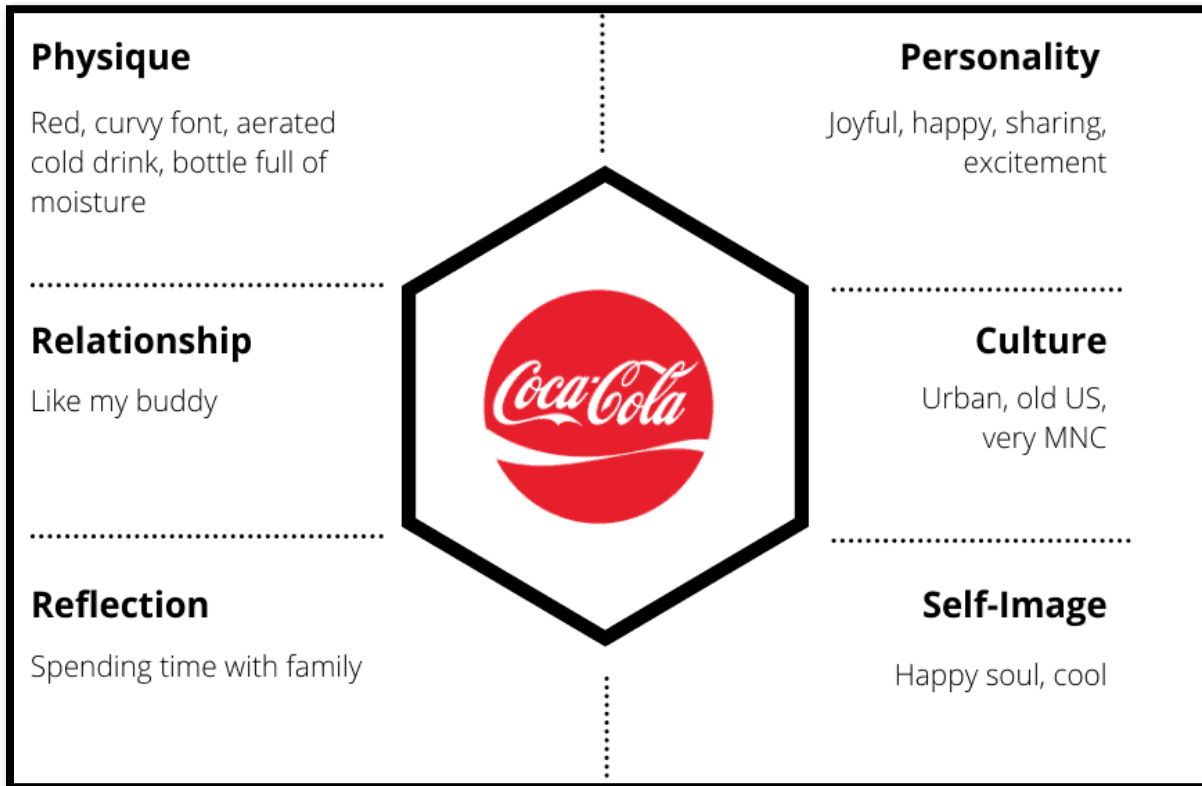
Externalization includes everything of the output of the brand that will be visible to customers. This includes the logo, advertising, goods, and services and is thus represented by the brand's Relationships.

4. Internalization

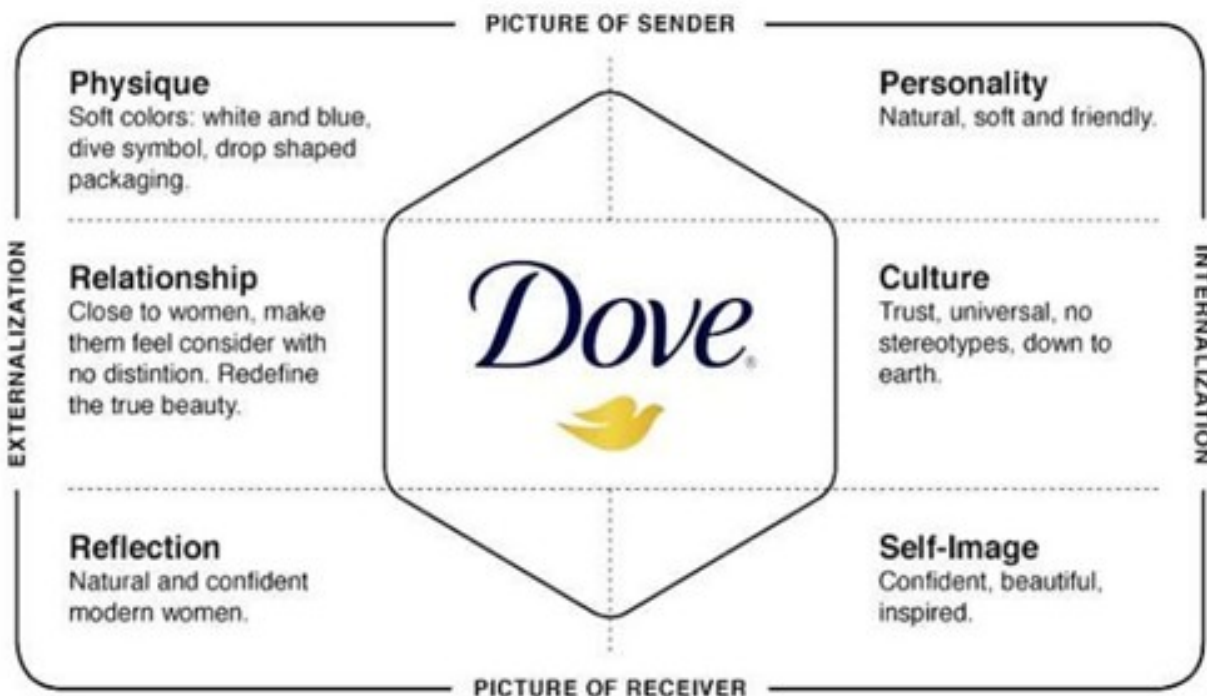
Internalization encompasses values, human resource policy, management, and so on, and it tackles Culture directly.

These areas, when combined, complete the Brand Identity Prism and give a road map for one's brand to connect with their target audience successfully.

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**BRAND IDENTITY PRISM**



## **AIDA MODEL**

It is a model used in marketing that describes the steps a customer goes through in the process of purchasing a product. The AIDA model has been in use since the late 19th century. It has been reviewed and modified multiple times over the years, both in marketing and public relations.

### **Who created the AIDA model?**

The AIDA model was developed by the American businessman, E. St. Elmo Lewis, in 1898. The original main purpose was to optimize sales calls, specifically the interaction between seller and buyer concerning the product.

Lewis can be considered a pioneer when it comes to the use of scientific methods for designing advertising and sales processes. At the same time, it was very important for Lewis to view advertising as a type of “training” that assisted the beneficiary. Lewis’s theoretical explanations of advertising theory rested on extensive experience. He was, for example, marketing head at various companies and advised organizations as well as companies involved in the conception of advertising measures and campaigns. He has shared his knowledge in the form of various publications — both in written form and in seminars at US universities. His AIDA model can be perceived as an important legacy, because the formula is still used more than 100 years after its first appearance, for example in digital marketing.

### **What is the AIDA approach?**

The AIDA model is based on four individual stages that attract interested parties who are deciding on a product or service.

1. Attract attention: The product must attract the consumer's attention. This is done via the advertising materials. It is a type of “eyecatcher.”

Examples: a window designed in a striking way, a sensational YouTube clip, or a themed newsletter, or a graphic on a [landing page](#).

2. Maintain interest: In the first phase, the attention of the potential customer is piqued; their interest in the product or service should be aroused.

Example: detailed information on the product is presented, for example, the product description on a website, a product brochure or flyer, photos, or video clip of the product.

3. Create desire: If interest in the product is aroused, it is the seller’s task to persuade the customer that they want to own this product. In the best-case scenario, the advertisement or the product itself creates the desire to purchase.

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Example: the seller provides clear examples of the advantages of the product or service, taking into account the daily lives of the target group. In the online shop, a bullet point list can generate the desire to buy. This desire to buy can also be awakened by an advertising medium that specifically addresses the emotions of the customer.

4. Take action: As soon as the desire to buy is aroused, this must be transferred into an action, that is, the purchase.

Example: In the case of online shops, this would ultimately be the shopping cart process, in which a customer is lead to a [conversion](#). The customer can be encouraged to buy the product with a call-to-action.

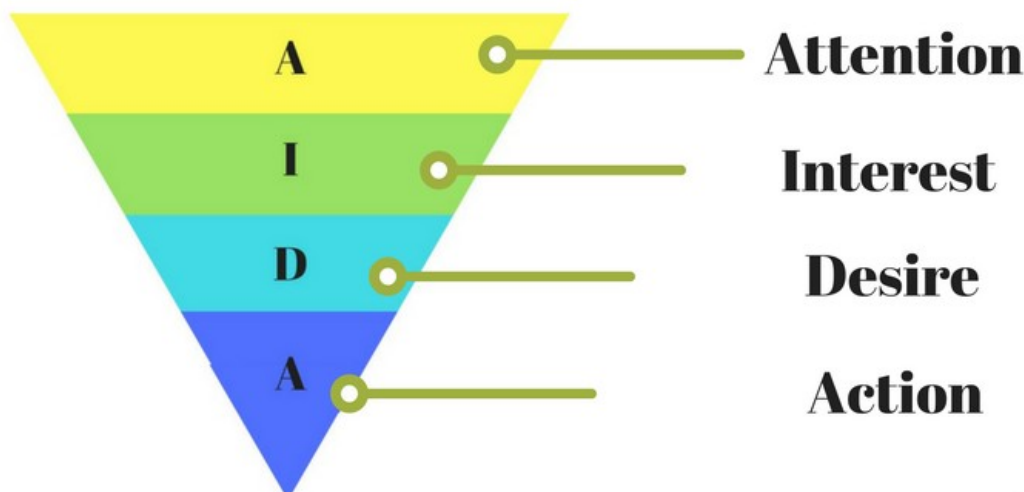
Nowadays, the AIDA formula is frequently supplemented with an “S” for "satisfaction", because the product has to ultimately satisfy the consumer. Customer satisfaction does not lie solely with the advertising but rather with the product itself. Therefore, the basic constellation of the four phases is only the prerequisite for the sale.

With the insertion of the “confidence” (trust) factor, a sixth element can also be added. Many marketers also work with the AIDCAS model to optimize sales processes and advertising.

**How is AIDA used?**

The AIDA model has shaped the views on marketing and sales strategies for over 100 years. The formula can still be found in current standard marketing textbooks. Beyond that, AIDA is also used in PR to plan and analyze the effectiveness of PR campaigns, and still provides valuable information for the analysis of [advertising messages](#). The benefit of this simple formula can be found in its simplicity and flexible application possibilities in areas other than store-based or stationary sales. In [e-commerce](#) for example, the effectiveness of the product presentation in an online shop could be analyzed using the four aspects of the AIDA formula.

## The AIDA Model



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### **1) Attention**

Gaining attention is a skill and just like any skill, gaining attention can be improved upon with practice. A common phrase applicable over here is “[First impression](#) is last impression”. The initial attempt of the [sales person](#) must be to put the customer completely at ease. Casual conversation is one of the best openers after which the sales person can gain [customer attention](#) by leading him onto the sale. to know more about gaining attention read my post on [how to gain customer attention](#).

### **2) Interest**

Once you have gained attention, it is very important to maintain interest. Some sales [people](#) are very good in the opening but as the technicalities take over, they become uncomfortable while explaining the product. Whereas others who are strong in the product department might open bluntly but create interest in the second stage. Maintaining interest is a crucial part of the [sales process](#) and hence is included in the AIDAS theory. Read more on [how to maintain customer interest](#).

### **3) Desire**

Have you seen the commercials wherein you just have to get out of your house and get the product? Perhaps a car, an ice cream or a house. The same has to be done by the sales person in personal selling. He has to create enough desire in the customers mind such that he immediately has to buy the product. Imagine an [aquaguard](#) sales man or a [tupperware](#) sales person. They highlight the product in such a manner that you might be thinking “Why didnt i buy this product before”. Thus kindling that desire becomes an integral part of the AIDAS selling theory. Read more on how to create desire for the product

### **4)Action**

Although there may be desire for the product, the customer might not act on it. He might want to buy the product but he might NOT buy it. In such cases the customer [needs](#) to be induced. There are various ways to induce the customer such that he buys the product. It is important for the sales person to understand whether to directly induce the customer or whether to push subtle reminders that you are there for a sales call ;) . Both methods work, but you need to know your customer.

## THE COMMUNICATION PROCESS IN ADVERTISING

**Advertising** is an audio-visual form of marketing that engages an open, non-personal message to promote a product or a service. Advertisers are mostly businesses looking for the promotion of their goods.

Advertisements are communicated through various mass media, such as newspapers, magazines, television, radio, and the internet. The actual presentation of a particular message in some medium is called advertisement.

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**Communication process** refers to the interchange of information between two or more people. For the communication to triumph, both the parties must be able to exchange and understand the information. If the flow of information is obstructed or hindered for some reason, the communication process fails.

**Advertising communication** can be defined as a perception process of the source, a message, a communication channel, and a receiver. A receiver might sometimes become the source of information by communicating the message to family and friends. This kind of communication is called word-of-mouth communication, which involves social interactions between two or more people.

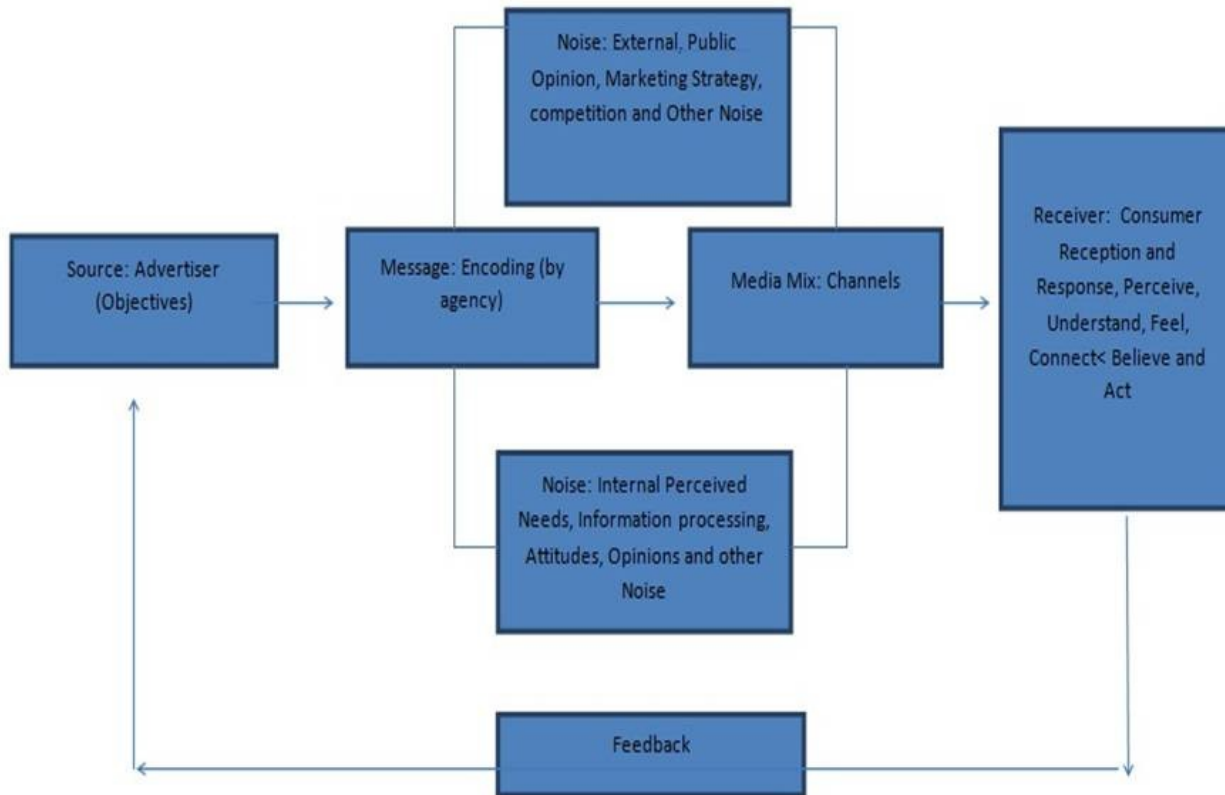
Advertising communication includes

- Any material published using any medium or activity undertaken by or on behalf of the advertiser over which the advertiser has minimal control.
- Something that attracts the attention of the public in a way to promote directly or indirectly a product or a service.

It does not include

- Labels or packaging on the products.
- Corporate reports including public affair messages in the press release and other media statements and annual reports.

## ADVERTISING COMMUNICATION MODEL



The model explains the key factors in an effective advertising communication process. The sender must be aware of his target audience and the kind of responses he wants. They must be skilled enough to encode the messages and consider how the audience usually decodes the message. The communication process in advertising involves sending or passing on a message from the source or the sender to the receiver or the audience through a channel.

### 1. SOURCE:

- Advertising communication process begins with the sender, who is also called the communicator or the source. A source is an origin or the point at which the message originates in an advertising communication system.
- The person who initiates the communication process is normally referred to as the source. The source or the sender develops ideas, encodes and transfers them to the receiver.
- The source must transmit the message through efficient media that reach the target audience.
- The sender must encode the message in a form that can be understood and then transmit it to the receiver.
- Senders must also develop channels for feedback.

### 2. MESSAGE:

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- Message refers to the content, idea, thought, feeling or the opinion that the sender wants to convey to the receiver.
- It is a key that triggers the recipient, to respond to the sender.
- The sender must ensure that the message conveyed must be clear and specific. The message can be conveyed to the receiver in some ways, like humour or fear.

### **3. MEDIA:**

- Media refers to the various channels or a medium that is used or to be used to convey your message.
- Medium is the means by which a message is transmitted to the receiver.
- The medium may include verbal channels like telephone or a word-of-mouth communication or a non-verbal communication such as e-mail or text messages.
- Each channel has its pros and cons.
- Written communication may be used to convey messages to a small group of people whereas oral or verbal communication means can be chosen to convey messages to a large group of people.
- The channels in the advertising communication system include television, radio, newspapers, magazines, billboards, e-mail, online advertising and so on. The impact and intensity of communication may differ from one media to another.

### **4. RECEIVER:**

- The receiver or the interpreter in an advertising communication system refers to the target audience or the person to whom the message is directed.
- The receiver can be defined in terms of audience segmentation variables like lifestyle, demographics, benefits sought and so on.
- The characteristics of the receiver, his demographics, psychological and social features furnish the foundation for understanding communication process.
- To understand the information from the sender, the receiver must first be able to receive the information and then decode or interpret it.

### **5. FEEDBACK**

- Feedback is a significant element of the communication process, as it empowers the sender to measure the efficiency of the message.
- It enables the sender to analyse the exact interpretation of the message by a decoder.
- The communication process reaches its end goal when the message has been successfully transmitted, received and understood.
- Feedback may be direct, such as a written or oral feedback, or it may also take the form of an action in response.

### **6. OTHER FACTORS**

The communication process is not always smooth and simple. The above elements affect how information is transmitted, received and interpreted, but there can be some interruptions while the communication is going on

### **NOISE**

- Noise can be any kind of interference that affects the message being sent, received or understood.
- Noise is something that distracts the receiver from receiving the message.
- Noise can be a result of too many messages.

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- Noise can also be generated when your message is too similar to that of your competitors. If the receiver cannot differentiate between your product and the competitor's product, which already exists in the market, then the receiver will not buy your product.

**ENCODING**

- Encoding of a message is the creation of the message.
- It is a system of coded meanings.
- In the communication process, the communicator or the encoder gives a shape to the message. The encoder encodes the message rightly in his mind and transmits it to the receiver.
- The receiver interprets this message according to his experience and understanding.
- Without the encoder or the source, there is no concept of communication.

**DECODING**

- Communication is a continuous process. Successful decoding of a message is a skill. Decoding refers to the interpretation of the message encoded by the source according to his understanding and experience.
- If the message is simple and clear, the encoded details will be easily decoded by the receiver. It is important that the encoded message should be clear, accurate, simple, and meaningful so that the message is not misinterpreted at any point of time.

**7. CONTEXT:**

This is the platform or a situation in which the communication takes place. Like noise, context can have an influence on the effective exchange of information. It can possess a social, cultural or a psychological aspect to it.

The communication model doesn't stop at the receiver, it qualifies the possibility that the receiver might engage in a word-of-mouth communication. The receiver then becomes a temporary source and the destination becomes the receiver again. Word-of-mouth communication resulting from advertising can become a significant part of the campaign. The word-of-mouth communication possesses great credibility. Advertising can stimulate the word-of-mouth communication, even if it cannot stimulate it, the information and understanding of its effectiveness can be of immense help.

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