



*Advertising
Management:*
Theory & Practice



Dr. Mahendra Kumar Padhy

ADVERTISING MANAGEMENT: THEORY AND PRACTICE

By

Dr. Mahendra Kumar Padhy

Assistant Professor

Deptt. of Mass Communication and Journalism

Babasaheb Bhimrao Ambedkar University

(A Central University)

Govt. of India

Lucknow

UNIVERSITY SCIENCE PRESS

(An Imprint of Laxmi Publications Pvt. Ltd.)

BANGALORE • CHENNAI • COCHIN • GUWAHATI • HYDERABAD
JALANDHAR • KOLKATA • LUCKNOW • MUMBAI • PATNA
RANCHI • NEW DELHI

Published by :
UNIVERSITY SCIENCE PRESS
(An Imprint of Laxmi Publications Pvt. Ltd.)
113, Golden House, Daryaganj,
New Delhi-110002
Phone : 011-43 53 25 00
Fax : 011-43 53 25 28
www.laxmipublications.com
info@laxmipublications.com

Copyright © 2011 by Laxmi Publications Pvt. Ltd. All rights reserved with the Publishers. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise without the prior written permission of the publisher.

Price : ₹ 175.00 Only

First Edition : 2011

OFFICES

℄ Bangalore	080-26 75 69 30	℄ Chennai	044-24 34 47 26
℄ Cochin	0484-237 70 04, 405 13 03	℄ Guwahati	0361-251 36 69, 251 38 81
℄ Hyderabad	040-24 65 23 33	℄ Jalandhar	0181-222 12 72
℄ Kolkata	033-22 27 43 84	℄ Lucknow	0522-220 99 16
℄ Mumbai	022-24 91 54 15, 24 92 78 69	℄ Patna	0612-230 00 97
℄ Ranchi	0651-221 47 64		

UAM-9618-175-ADVERTIS MGMT : THEO PRAC-PAD

C—

Typeset at : Monu Printographics, Delhi

Printed at : Ajit Printers, Delhi

Contents

<i>Chapters</i>	<i>Pages</i>
1. Introduction	1–18
1.1 Introduction	1
1.2 Methodology	6
1.3 Review of Literature	7
1.4 The Research Problem	12
1.5 Scope and Objectives of the Study	13
1.6 Hypotheses	13
1.7 Sample Design	13
1.8 Classification and Tabulation of Data	14
1.9 Analysis and Interpretation of Data	14
1.10 Definition of Concepts	14
1.11 Experiences of the Investigator	15
1.12 The Questionnaire	15
1.13 Statistical Techniques Used	16
1.14 Data Collection	17
1.15 Chapter Division	17
1.16 Limitations of the Study	17
2. Advertising: A Conceptual Framework	19–58
2.1 Introduction	19
2.2 Nature and Scope of Advertising	20
2.3 Definitions	21
2.4 Historical Perspective	24
2.5 Effect of Urban Growth on Advertising	25
2.6 Advertising: Its Role and Importance in the Modern Business World	25
2.7 Defining Advertising Goals for Measured Advertising Results (DAGMAR)	26
2.8 Advertising in Marketing Mix	28
2.9 Market Segmentation	32
2.10 Advertising Process	33
2.11 Effectiveness of Advertising	36

2.12	Media Selection for Advertising	39
2.13	Need and Importance of Media Planning	40
2.14	Media Selection	42
2.15	Media Research	44
2.16	Print Media and Advertising	45
2.17	Broadcast Media and Advertising	47
2.18	Creativity in Advertising	48
2.19	Creativity in Communication	49
2.20	Advertising Appeals	50
2.21	Creating and Producing an Advertisement	53
	<i>Summary</i>	58
3.	Socio-Economic Implications of Advertising	59–70
3.1	Introduction	59
3.2	Economic Effects of Advertising	59
3.3	Explicit Role of Advertising	61
3.4	Indirect Role of Advertising	64
3.5	Critical Analysis of Advertising	65
3.6	Social Issues in Advertising	66
3.7	Controversial Effects of Advertising	68
3.8	Concluding Comments	69
4.	Advertising: Truth, Ethics and Social Responsibility	71–77
4.1	Introduction	71
4.2	Ethics and Morality	71
4.3	Advertising and Social Responsibility	72
4.4	Obligation to Value System and Lifestyle	74
4.5	Legal Aspects of Advertising	75
	<i>Summary</i>	77
5.	Advertising and Consumer Behaviour Research	78–112
5.1	Introduction	78
5.2	Consumer Behaviour	78
5.3	Consumer Research	82
5.4	Motivation and Consumer Behaviour	84
5.5	Social Class Lifestyle and its Influence on Consumer Behaviour	86
5.6	Decision Process	89
5.7	Types of Purchase Decision Behaviour	91
5.8	Model of Buyer Behaviour	91

5.9	Post-Purchase Behaviour	93
5.10	Marketing Research	94
5.11	The Rational Consumer	97
5.12	Presentation of Consumer Behaviour in Models	99
5.13	Interdisciplinary Contributions to Marketing Thought	102
5.14	Models of Buyer Behaviour	104
5.15	Cultural Context of Consumer Behaviour	107
5.16	Consumer Behaviour and Advertising	107
	<i>Summary</i>	111
6.	Advertising and Lifestyle Communication	113–148
6.1	Introduction	113
6.2	Lifestyle and Communication	114
6.3	Values and Lifestyle Survey	115
6.4	Social Class Lifestyles	116
6.5	Social Class and Income Related to Lifestyle Patterns	117
6.6	Lifestyle Marketing	118
6.7	Lifestyle and Psychographic Segmentation	120
6.8	Effects of Advertising on Lifestyles	125
6.9	Communication and Attitude Change	128
6.10	Types of Communication	131
6.11	Barriers to Communication	132
6.12	Mass Communication	134
6.13	Advertising and Communication	136
6.14	Advertising Communication System	138
6.15	Advertising Exposure Model	140
6.16	Mass Communication Research	141
6.17	Attitude Modification	143
6.18	Behavioural Change	144
6.19	Comprehension and Recall Tests	144
6.20	Attitude Change	144
	<i>Summary</i>	146
7.	Impact of Advertising on Consumer Behaviour	149–185
7.1	Introduction	149
7.2	Magazine/Newspaper Readership	149
7.3	Television Watching Pattern	150
7.4	Popular Programmes in Television	151

7.5	Exposure to Advertisement	152
7.6	Viewing Pattern of Television/Magazine/Newspaper Advertising	152
7.7	Usefulness of Advertising	153
7.8	Truthfulness in Advertising	153
7.9	Influencing Buying Decision	154
7.10	Nature of Advertisement	154
7.11	Preferable Medium of Advertising	155
7.12	Advertising in Shaping Brand Image	156
7.13	Advertising Resulting in Incremental Cost of Products and Services	157
7.14	Informative Value of Television Advertising	158
7.15	Influence of Television on Consumer Behaviour and Lifestyle	159
7.16	Television Advertising and Purchase Behaviour	159
7.17	Television Advertising and Brand Switching	160
7.18	Cell Phone User	160
7.19	Frequency of Internet Chatting	163
7.20	Feeling towards Internet Chatting	164
7.21	Browsing Porno Web-site on Internet/Reading Pornographic Magazine	165
7.22	Computer Use	166
7.23	Tele Shopping/Online Shopping	167
7.24	Readymade Dress Buying	167
7.25	Purchase of Car and Motorbike	168
7.26	Consumption of Cold Drinks and Fast Food	169
7.27	Drinking Water Preference	170
7.28	Participation in Social Drink	170
7.29	Invitation for Drink	171
7.30	Participation in Disco Dancing	171
7.31	Appearance of Girls with Tight Jeans and Skimpy Dresses	173
7.32	Beauty Contest	175
7.33	Condom Advertisement on AIDS	176
7.34	Advertisement of Sanitary Napkins	177
7.35	Products/Services without Advertisement	178
7.36	Advertisement and its Impact on Younger Generation	178
7.37	An Opinion on Break Time for Advertisement	179
7.38	Celebrity Endorsement of Products and Consumer Preference	180
7.39	Influencing Factor for Leading Modern Lifestyle	180
7.40	Development of a Model for Consumer Behaviour	182
	<i>Summary</i>	184

8. Lifestyle Communications Through Print and Electronic Advertisements	186–206
Part–A : Print Presentation of Lifestyle	
8.1 Introduction	186
<i>Summary</i>	195
Part–B : Electronic Presentation of Lifestyle	
8.2 Introduction	196
<i>Summary</i>	205
9. Advertising in the Age of Economic Liberalization	207–215
9.1 Introduction	207
9.2 Branding Strategies in India	209
9.3 Advertising Management in a Global Scene	213
10. Conclusions, Major Findings and Recommendations	216–219
10.1 Introduction	216
10.2 Major Findings of the Study	216
10.3 Testing of Hypotheses	218
10.4 Practical Utility of the Research Study	219
10.5 Future Extension of the Study	219
Case Studies	220–225
Appendices	
Appendix—I : Bibliography	226–232
Appendix—II : Product and Service Advertisements	233–246
Appendix—III : Questionnaire	247–252
Abbreviations	253
Index	255–260

Preface

The world is full of expressions—natural and man-made. Nature is creative and man tries to follow her and thus originates civilisation with its inventions, art, craft, and knowledge, which are communicated from generation to generation and within the existing community. This art or science of communication has also its inventiveness and creativity, particularly in the field of advertising.

Advertising comes to people mostly uninvited, touching their subconscious. It soothes the burden of life and often takes them to a joyous dreamland. Although a business proposition, it mystifies, astounds, delights, tickles and amazes the purely logical in a bid to motivate people in a desired way.

Advertising has witnessed a rapid growth during the past few decades. Behind the glamour and glitter of advertising world, there is planning, organising, staffing, directing and controlling of a number of tasks—creative as well as non-creative which contribute to the attainment of the marketing objectives of the sponsoring organisations. Advertising is an art as well as a science and therefore its study has to be based on two approaches; a graphical and structural approach and a managerial approach, which are blended together to generate a result oriented advertisement copy or advertisement campaign.

The objective of advertising is not only confined to moulding consumer's choice of brands/ services, but also at creating awareness about products and services among the consumers. From the marketer's point of view, the effect of advertisement upon the consumers is of crucial importance because the survival or the exit of their operations depend a lot on how well the message reaches the target consumers and how well it is received.

As the research study is based on Advertising and Lifestyle Communication: An Assessment of Media Impact on Consumer Behaviour, this can be better understood only when consumer behaviour itself is well understood.

Consumer behaviour research is a very important aspect of marketing research since consumers' together only forms the market. To effectively perform the business activities that direct the flow of goods and services from producer to the ultimate consumer or user, the needs, motives and desires of the consumer must be understood well. These are the areas, which form the bulk of the domain of consumer behaviour research. These are the factors of 'Attitude', 'Attention', 'Brand', 'Comprehension', 'Intention' and 'Action', which are so important in measuring the effectiveness of advertising, are studied in depth through various sophisticated models in consumer behaviour research. In fact, advertising or for that matter any marketing activity can be more effectively practised when there already exists an abundance of knowledge in the buyer behaviour process.

Consumer behaviour is defined as the acts of individuals directly involved in obtaining and using economic goods and services, including the decision process that precede and determine these acts.

Lifestyle is related to consumer's values and personality that represent internal states or characteristics. Lifestyles are manifestations or actual patterns of behaviour. In particular, they are represented by a consumer's activities, interests, and opinions (AIOs). What one does in one's spare time is often a good indicator of one's lifestyle. Lifestyle research in this project work is more specific on product usage and patterns. This enables marketers to gain a better understanding of how their product fits into the consumer's general patterns of behaviour. Advertising messages and promotions are often designed to appeal to certain lifestyles. Often marketers can develop new products and service ideas by uncovering unfulfilled needs of certain lifestyle segments. General lifestyle items that correlate well with product usage might well explain characteristics of the markets' activity, interest and opinions to the seller. Such findings could give the marketer some direction for product, promotion channel and pricing decisions.

Against such a backdrop, the present research study is an attempt to examine media impact on consumer behaviour, and also to study and assess how advertising communicates lifestyles to the ultimate consumers. It is advertising that communicates lifestyles through projection of different celebrities and top-class models. The research study is an attempt to assess the role of media in moulding consumers' behaviour.

—**Author**

Foreword

The need for and the acceptance of Advertising as both a business and a societal force is now a days seldom questioned. Contrasted with earlier days, this is a change of quantum magnitude.

When and why did the change in attitude occur? It was, I believe, the socially turbulent decade of the 60's that saw advertising move from the periphery to the centre of business and social action. The 60's—a time when the media posture became more aggressive towards all institutions in our society, business as well as government. The investigative reporter moved from city hall to corporate board room. Business became as frequent a subject for review and criticism as the broad way stage.

The 60's—a time when advertising came of age- a time of maturation: a time of acceptance of involvement as an effective tool for management and motivation. Now some 50 years later, we are no longer called on to explain or justify ourselves as advertising practitioners. Rather, we called on to be accountable, to show that what we do really contributes to the achievement of our target audience's goals to demonstrate through research and other measurement techniques that what we do is effective.

We are called on, to demonstrate that we, as advertising practitioners can meet out audience expectations. Coupled with these rising expectations is a near explosion in demand for advertising and public relations services. Business, governments at all levels, not for profit institutions ranging from schools to hospitals to social agencies-all are calling on advertising and public relations to contribute substantially to their missions.

The fact is that today the demand for professional advertising and public relations practice are increasingly aware of the need for people with the special skills underpinning the effective practitioner and they are intensifying their efforts- although, perhaps not enough- to educate, train and develop the public relations and advertising men and women of tomorrow.

A greater emphasis on basics and practicality is one step in the right direction. Through its history, advertising , principles, case studies and problems, now in this book has recognized the need to expose future practitioners to real life situations. It has served as a starting point for the exploration and inquiry that is the basis of effective advertising program and its implementation. Hopefully, this process will continue throughout the professional careers of those men and women who gain their first exposure to advertising from this textbook.

Professor (Dr.) Dasarathi Mishra

Chapter 1 INTRODUCTION

PART-A

INTRODUCTION TO THE STUDY

1.1 INTRODUCTION

Advertising today is a worldwide phenomenon. The modern world without advertising is something virtually inconceivable. Advertising is a measure of the growth of civilisation and an indication of the striving of the human race for betterment and perfection. Advertising has both forward and backward linkages in the process of satisfaction across the entire spectrum of needs. The explicit function of advertising is to make the potential audience aware of the existence of the product, service or idea which would help them fulfil their felt needs and spell-out the differential benefits in a competitive situation. Advertising is the best and the most convenient route to reach the consumer's mind. To make their ventures successful, advertisers spend money, time and resources at their disposal in order to dissect the intricacies of the human mind and to understand where the individual vulnerability lies.

Advertising is an inescapable part of our social lives. This is because it is rooted in the activity of persuasion, which is fundamental to the way in which we communicate with and relate to others in society. In the contemporary world, advertising has gained further significance because it provides us with a major cultural need—the need for images, icons and simulacra. We are surrounded by images in print, photographs, films, television and finally multimedia.

The important function of advertising is to introduce a wide range of goods, services to the prospective buyers, thus to support the free market economy. Advertising has become a vital marketing tool as well as a powerful communication force. It is the action of calling something to attention of the people especially by paid announcements. It is a message designed to make others known what we have to sell or what we have to buy. By using various channels of information and persuasion, it can help sell goods, services, images and ideas.

Peter Drucker has stated that the purpose of a business is to create a customer. It is the customer who is the foundation of a business and keeps it in existence. If the purpose of business is to create and keep a customer, it is imperative that he must be the focal point of all business

2 ADVERTISING MANAGEMENT : THEORY AND PRACTICE

activities. The central theme of the marketing concept is that the objective of business is to identify, anticipate and satisfy customer needs and desires. The rationale of marketing concept implies that the company management makes all decisions in terms of marketing-orientation, which begins with a customer. The concept recognises that the dictator of market success or failure, the customer, is of key concern in determining company policies and actions. All other activities of the business are integrated and balanced in terms of what is best for the company in the market place.¹

It cannot be gainsaid that under the marketing concept the focus is on the customer—his needs and requirements—rather than on the product. The old homespun philosophy that, “If you make a better mousetrap, the world will beat a path to your door” or “we will give them any colour car they want—as long as it is black” has to be replaced by new customer logic like, “We are more interested in pleasing a customer than in making a sale”, “I do not run a soap company, I run a marketing organisation”. Marketing begins with the customer and ends with the customer.

‘Philip Kotler’ succinctly comments, “The marketing concept is a customer-orientation backed by integrated marketing aimed at generating customer satisfaction as the key to satisfy organisational goals”.²

Advertising consists of all the activities involved in presenting to a group a non-personal, oral, or visual, openly sponsored message regarding a product, service, or ideas; this message, called an advertisement, is dissemination through one or more media and is paid for by an identified sponsor.³

Advertising is a highly public mode of communication. Its public nature confers a kind of legitimacy to the product and also suggests a standardized offering. Because many persons receive the same message, buyers know that their motive for purchasing the product will be publicly understood.

Advertising provides opportunities for dramatising the company and its products through the artful use of print, sound and colour. Sometimes the tools very success at expressiveness may, however, dilute or distract from the message. As a non-personal tool, advertising in spite of being public, pervasive, and expressive, cannot be as compelling as a personal salesman. The audience does not feel obligated to pay attention or respond. Advertising is only able to carry on a monologue, not a dialogue, with the audience.

Advertising plays a vital role in the society, in general, and in the business, in particular. It is a technique of modernism. ‘Aaker’ and ‘Myers’ believed that advertising can be considered a mirror of society.⁴ Advertising not only plays a vital economic role in the scheme of national development, but it has an important educational, cultural and social part to play as well.

¹ Ferdinand F. Mauser, *Modern Marketing Management - An Integrated Approach*, McGraw Hill, 1981, p. 8.

² Kotler, Philip, *Marketing Management - Analysis, Planning and Control*, Prentice Hall of India Pvt. Ltd., New Delhi, p. 17.

³ William J. Santom, *Fundamentals of Marketing*, McGraw Hill, New York, 1991, p.535.

⁴ Aaker A. David and Myers, G. John, *Advertising Management*, Prentice Hall of India, New Delhi, 1991, p. 3.

Advertising stimulates demand of a product. It appeals to various motives of consumers so as to develop their predisposition towards the product being advertised. It supplements salesmanship and sales promotion and thus contributes to the success of the overall marketing strategy. Repeated advertising of a particular brand or service helps to develop a brand preference. It helps in increasing the sales volume, the cost per unit decreases, at least up to a certain level. It leads to increase in profits of the company. By delivering psychological utilities, advertising enhances consumer satisfaction. It boosts the image of the company and helps it in facing the keen competition prevailing in the modern business world.

Marketing is more than just distributing goods from the manufacturer to the final consumer. It comprises all the stages between creation of the product and the after-market, which follows the eventual sale. One of these stages is advertising. The stages are like links in a chain, and the chain will break if one of the links is weak. Advertising is, therefore, as important as every other stage or link and each depends on the other for success.

The product or service itself, its naming, packaging, pricing and distribution, are all reflected in advertising, which has been called the lifeblood of an organisation. Without advertising, the products or services cannot flow to the distributors or sellers and on to the consumers or users.

A successful national economy depends on advertising promoting sales, so that factory production is maintained, people are employed and have spending power, and the money goes round and round. When this process stops there is a recession. Similarly, prosperous countries are those in which advertising does its job. In Third World countries, economies are poor and advertising is minimal, especially when a large proportion of the population are young non-earners.

Most of the people seem to have quest for materialism and instant gratification. Advertising encourages the possession of material, tangible goods. The person endeavours to get more and better things, so that his ego is boosted by these acquisitions and he enjoys a higher social status partly as a result of it. This attitude is responsible for developing a sense of instant gratification that takes the human mind away from the artistic and finer things of life that are mental stimulants such as art, poetry, nature, etc.

Advertising as it is, raises a number of questions that affect the moral and aesthetic fibre of our society. Has advertising been responsible for eroding our morality? Are violence and permissiveness the outcome of advertising messages? Some advertising messages may contribute to such cultural lag and decay.

Advertising affects interpersonal attitudes, both in a positive and negative manner. Advertisements about better opportunities in life as also about better products, services and gadgets exercise an upward pull helping many people to improve their living standards. On the other hand, advertisements about air-conditioned cars, which are intended for the economically elite may breed resentment and frustration among the less affluent people. Similarly, advertisements which coast women in stereotype roles of housewives or sex objects evoke protests from women's organisations. Emphasis on youth and youthful looks may be viewed as disrespectful to the elderly and thus resented.

How does advertising affect the attitudes of our children? Does it affect our children in a negative manner, which is unacceptable to our established society? Does advertising encourage our

4 ADVERTISING MANAGEMENT : THEORY AND PRACTICE

children to behave like adults before time? Does it help put peer pressure and induce habits like smoking and taking drugs or promiscuity? Do some of the messages promote individuality so much that it results in parental disrespect? Are the young children competent enough to comprehend and process information contained in television commercials accurately? Such questions involve moral and ethical values that need research and investigation.

As the research study is based on Advertising and Lifestyle Communication: An Assessment of Media Impact on Consumer Behaviour, this can be better understood only when consumer behaviour itself is well understood.

Consumer behaviour research is a very important aspect of marketing research since consumers' together only forms the market. To effectively perform the business activities that direct the flow of goods and services from producer to the ultimate consumer or user, the needs, motives and desires of the consumer must be understood well. These are the areas, which form the bulk of the domain of consumer behaviour research. These are the factors of 'Attitude', 'Attention', 'Brand', 'Comprehension', 'Intention' and 'Action', which are so important in measuring the effectiveness of advertising, are studied in depth through various sophisticated models in consumer behaviour research. In fact, advertising or for that matter any marketing activity can be more effectively practised when there already exists an abundance of knowledge in the buyer behaviour process.

Consumer behaviour is defined as the acts of individuals directly involved in obtaining and using economic goods and services, including the decision process that precede and determine these acts.

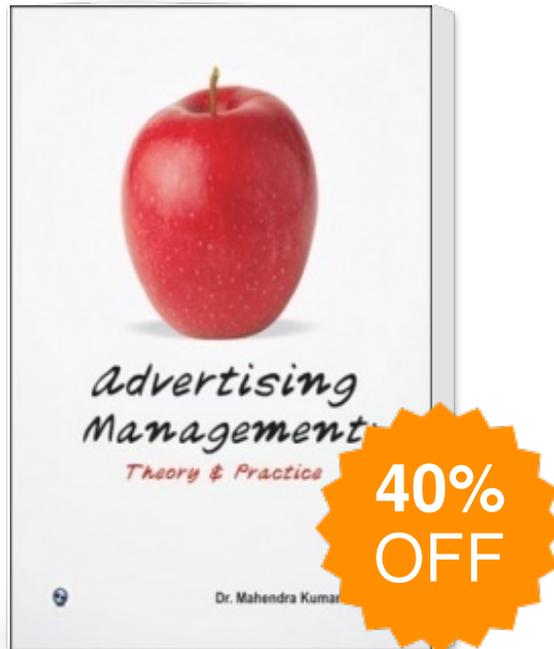
Advertising communicates lifestyle through projection of high-class models, celebrities, such as film stars and sports stars. The concept of lifestyle is related to consumers' values and personality that represent internal states or characteristics. Lifestyles are manifestations or actual patterns of behaviour. In particular, they are represented by a consumer's Activities, Interests, and Opinions (AIOs).

Another important influence on consumer behaviour is lifestyle that is largely derived from the influence of the family. In many ways, the term is closely akin to individual differences. The term describes a distinctive mode of living. The concept goes far beyond the characterisations that result from a person's social class. This describes how people go about their daily routines. It is how people allocate their time on different activities of daily life, rather than how they spend their money, although the two problems are interrelated in many instances. What is important to individuals may be reflected by their actions. We may see that two persons belonging to the same social class and possessing the same demographic characteristics are very different in their lifestyle.

The lifestyle research can be very useful in designing and development of advertising strategy and copy. It provides data dealing with such demographic variables as sex, age and income or studies of consumer behaviour about the product and its use.

Thus, the advertising strategist attempts to learn as much as possible about the social and cultural influences on target consumers' behaviour. It will help much in designing and preparing the advertisement copy and the appeal in the right perspective effectively. By studying social and cultural

Advertising Management Theory and Practice By Dr. Mahendra Kumar Padhy



Publisher : Laxmi Publications ISBN : 9789380856896

Author : Dr. Mahendra
Kumar Padhy

Type the URL : <http://www.kopykitab.com/product/3294>



Get this eBook