

## **SYLLABUS**

## **B.B.A. V SEM**

## **Subject - Advertising & Brand Managing**

UNIT – I	Advertising industry: advertisers, agencies, media companies and other organizations. The communication model: communication process, stages and challenges. Economic, social, ethical and regulatory aspects of advertising. Demand creation role or advertiser in primary and secondary demand. How advertising works" Hierarchy of effects model advertising
UNIT – II	objectives, routes to persuasion.  Customer behavior and advertising: segmentation, motivation analyses, and
ONII – II	value proposition. Advertising message: message objectives, recall, attitude,
	emotions and feelings. Message tact creative approaches. Copy writing
	Creative aspects of advertising: copy writing, advertising artwork, copy in
	conventional media and Cyberspace.
	ves, VAGLAR, iia Clanting to
	vir nec.
	s; Branc mea sing: I and waning; traverand aud. brand
	And positiving, Reportion g by The page her

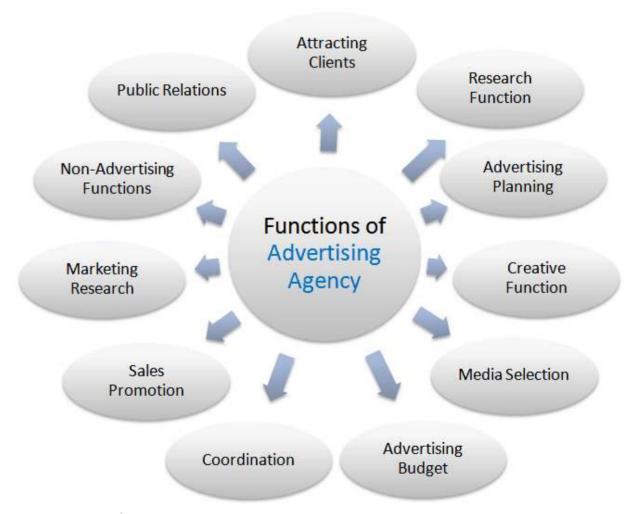


#### Unit 1

#### **Advertising Agencies**

An **advertising agency**, often referred to as a creative agency, is a business dedicated to creating, planning, and handling advertising and sometimes other forms of promotion and marketing for its clients. An ad agency is generally independent from the client; it may be an internal department or agency that provides an outside point of view to the effort of selling the client's products or services, or an outside firm. An agency can also handle overall marketing and branding strategies <u>promotions</u> for its clients, which may include sales as well.

#### **Functions of Advertising Agencies**



## Advertising Model

## The DAGMAR Model

DAGMAR is an acronym for defining advertising goals and measuring advertising results. Each of these words stands for goals that are of the utmost importance to a business attempting to reach and make an impression on their target audience. The model also specifies five phases that potential customers pass through as they are made aware of your business or product: unaware, aware, comprehension, conviction and, finally, action. With both the goals and the audience's cycle in mind, a business can apply the theory as a framework for developing its advertising and promotional mix. Ideally, when the theory of the model is



Subject- - Advertising & Brand Managing

used, the target audience moves smoothly through the five phases, which are based in psychology and common decision-making patterns people follow when deciding whether or not to buy something.

#### The AIDA Model

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

#### **Ehrenberg Model**

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

#### The DRIP Model

The DRIP advertising model relies on the theory that repeated, carefully planned contact with the customer will increase sales. DRIP is an acronym for differentiate, remind, inform and persuade. Advertising based on the DRIP model uses repeat contact to stand out from the competition, remind potential customers of your company's existence, inform your target market about what you do and sell and then finally, convince them to buy from you. Experts say the DRIP model is most effective if you, the seller, have some research and insight into your target market's buying cycle.

#### **Advertising communication model**

**Advertising communication models** are theories about "how **advertising** works." These theories or **models** attempt to explain and describe, at the individual buyer or consumer level, the process by which **advertising** communicates with and effectively persuades individuals to take action.

Advertising is the broad and direct communication that introduces your brand to the public, educates about your products and services, prompts people with an interest to take action and provides urgency when you convey special promotions. In fishing for business, branding is the pole because it reflects the character of the fisherman; marketing is the line because it conveys the message to the appropriate area of the pool of customers and advertising is the hook that carries the bait.

#### **Branding**

The first objective of advertising is to introduce a brand to a broadly-targeted market. Through the use of regional newspapers, radio and television, online and mobile device targeting and event sponsorship, advertising presents a psychologically-crafted message to a broad group of potential customers. Colors, shapes, slogans and other sensory triggers are used to arouse an image in the minds of the viewers. That image governs how they relate to the company introduced in the advertising and products.

A classic example of branding through advertising is the Coca-Cola commercial that showed an ethnically, age and gender-diverse group of people on a hill singing "I want to teach the world to sing in perfect harmony." Of course, the image of Santa Claus in his red and white snowsuit is from a 1930s Coca-Cola ad in the Saturday Evening Post.

#### **Education**

Advertising also introduces the product and conveys information regarding that product. Again, Coca-Cola's classic bottle with condensation that a smiling and clearly refreshed person is holding is an example how, in a print ad, Coca-Cola gets across the value of its product as a cold, refreshing drink that makes the consumer



Subject- - Advertising & Brand Managing

happy. Predominant red and white colors recall the good feelings of previous branding and the distinctive bottle shape identifies the product as Coca-Cola, even if the label is not readable.

#### **Call to Action**

Are you ready to drink a Coca-Cola right now? That is the call to action. When you see a smiling person drinking one, it reminds you that you would like to drink one too. The tag line "The pause that refreshes" validates your feeling and creates urgency. In fact, by the time you have seen a few years of Coca-Cola advertising, you are psychologically primed to respond to the red and white colors, the bottle shape and the brand name. You immediately consider whether you want to buy a Coca-Cola.

#### Urgency

Advertising also spreads the word of special promotions that create urgency. When you see an ad that proclaims a Memorial Day sale on items you want to buy, you know you must buy on the day of the sale if you want to get the attractive price. Ads with coupons provide the same sense of urgency. Not only does the coupon generally have an expiration date but it psychologically represents someone giving you the money to buy the advertised item. It creates a priority to spend the coupon on acquiring the item, even if its purchase had not been a priority before receiving the coupon.

#### **Demand Creation Role In Advertising of Primary and Secondary Demand**

#### **Primary Demand Stimulation**

Primary demand stimulation refers to advertising messages that promote the merits of an entire product category rather than a particular brand. It can be thought of as growing the overall pie, rather than taking a bigger piece of the pie from competitors.

The major purpose of primary demand stimulation is either to inform customers about a brand new product or technology that they are unfamiliar with, or to persuade customers that they haven't recognized the benefits of a given product. Primary demand is typically used in one of two scenarios: to launch a completely new product category or to garner more attention to an under-appreciated category. The idea behind new product primary demand is that before a pioneer can promote its benefits, the product category must be explained to target customers. This is especially true in complex categories like technology, where innovative leaders must inform audiences about the new product category before investing in secondary demand stimulation.

General guidelines to use primary demand stimulation is if you meet the following criteria: (1) you own significant market share, (2) all or most of the growth will go to you, or (3) if your are advertising on behalf of a trade association.

#### **Secondary Demand Stimulation**

Secondary demand stimulation, also called selective demand stimulation, is the better recognized form of traditional marketing. Secondary demand stimulation ads try to take a bigger piece of the pie from competitors by distinguishing the products unique advantages.

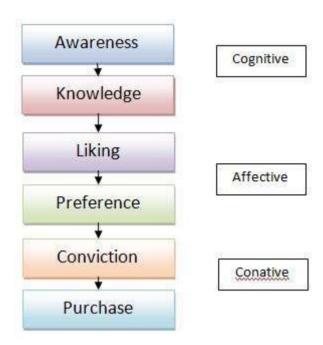
#### Social, Economic and Ethical Issues in Advertising

.....

#### **How Advertising Works? Hierarchy of Effects Model**

The hierarchy of effects model is a model which tells advertisers to make an advertisement in such a way that the customer goes through all these six stages namely awareness, knowledge, liking, preference, conviction and purchase. It is created by Robert J Lavidge and Gary A Steiner in 1961, the hierarchy of effects model suggests six steps to consumer buying behavior.





#### **Hierarchy of Effects Steps**

The steps are defined as below:

**1. Awareness:** This is the most crucial step and the starting point for purchase. Brands must make sure that the consumer is aware of the presence of your brand in a particular product segment.

For example, if Tina wants to buy a toothbrush, and you as the marketing manager of Coolgate wants her to buy your brand's toothbrush, you have to make sure that you advertise well so that she is aware of the existence of such a brand for toothbrushes.

**2. Knowledge:** This is where your product will be evaluated against other brands by the consumer. Make sure enough (positive) knowledge is available about your product – through the internet, retail stores and the product package itself.

For example, now Tina, aware that there is a Coolgate brand will try figure out what unique features and benefits you are offering over any other brand like Colgate and Oral-B.

**3. Liking:** This is where the consumer builds a liking to your product. This is where your product is being considered for its emotional benefits; be sure to make them prominent.

For example, now Tina has evaluated the pros & cons of buying a Coolgate brush but might not like the colour of it, or might feel that this brush is for the elderly. As the marketing manager of Coolgate, you have to make sure that these features, that leave emotional impact, are taken care of properly in the marketing communication program.

**4. Preference:** By this time consumer may be convinced to try out your product, but may like other brands of toothbrush too. So what is it that will make her prefer Coolgate over the other brands? These points of differentiations or unique selling points need to be highlighted to make sure that the consumer likes your brand more than the others in her consideration list.

For example, Tina now may be actually considering buying a Coolgate toothbrush. But is she thinking that she'll buy it to try it only or is she thinking that the next buy will also be a Coolgate brush?

**5. Conviction:** This is the stage where the doubt in consumers' minds about buying the product of your brand needs to be converted into action. Marketers can aid in this step by giving out free samples, test drives



#### Subject- - Advertising & Brand Managing

etc. This step should also decide if the consumer will stick to your brand i.e. actually buy your brand, or switch after testing the sample.

For example, Tina tried the brush you gave her for a month and then when time came to buy one, she bought an Oral-B one. Make sure that doesn't happen and that trial builds loyalty. Incorporate such unique features in your brand that will encourage purchase.

**6. Purchase:** The last and the most crucial stage of the consumer buying cycle is the purchase. You need to make sure that purchase experience is easy and perhaps even enjoyable for the consumer. Some of the ways to encourage purchase is by keeping simple and multiple paying options, making the product available easily, easy to understand usage instructions, offers etc.

For example, now that Tina has decided to buy your brand after trying it out for a month, make sure she knows where to buy it from and how she can pay. You may also give her a tube of toothpaste free to delight her.

The main aim of this tool that serves as a marketing communication tool is to encourage consumers to go through the six steps that end in purchase of product. It is not necessary that consumers always go through all the six steps but the aim is to land a purchase.

#### **Hierachy of Effects Consumer Behaviour Stages**

Lavidge and Steiner further grouped these six stages into three main stages of consumer behaviour:

- 1. Cognitive
- 2. Affective
- 3. Conative
- 1. Cognitive: Also called the "thinking" stage, this is where the consumer gathers knowledge about the product and becomes aware of it. This can be said to be a rational step where pros and cons, product specifications etc. of a product are evaluated.
- 2. Affective: Also called the "feeling" stage is when the consumer starts developing a liking for the product, and may even develop strong positive (or negative) feelings toward it.
- 3. Conative: This is the "behaviour" stage of the process. This is when the consumer, after weighing the pros and cons, and deciding his/her preference actually buys the product.

The model is named so because of the fact that the buying process is a step by step process where the number of people willing to participate at each level keeps decreasing. Say you started with 10 people who are aware of your brand; 5 people who considered buying it and only 2 of those 10 actually bought the product.

The hierarchy of effects model is a model which tells advertisers to make an advertisement in such a way that the customer goes through all these six stages namely awareness, knowledge, liking, preference, conviction and purchase.

Hence, this concludes the definition of Hierarchy of Effects Theory along with its overview.

Advertising is one of the most creative fields and is a part of Marketing. In fact, Advertising has become so big that many <u>people</u> get confused about the differences between marketing and advertising. Nonetheless, the objectives of Advertising are completely different from Marketing.

In summary, it is the objective of advertising to carry out communications between the <u>brand</u> and the customer. Before the adoption of digital marketing and advertising, most of the communication between the brand and the customer was one way. However, nowadays even digital advertising like sponsored ads are a chance of two-way communication.



#### Page Contents [show]

Without further ado, we present to you the 11 objectives of advertising and the goals which advertising can achieve for an organization.

11 Objectives of Advertising

OBJECTIVES OF ADVERTISING		
1 Introduce a Product	7 Positioning	
2 Introduce a Brand	8 Increase Sales	
3 Awareness Creation	9 Increase Profits	
4 Acquire Customers	10 Create Desire	
5 Differentiation	Call to Action	
6 Brand Building		

#### 1) Introduce a product

The most common reason Advertising is used is to introduce a new <u>product</u> in the market. This can be done by existing brands as well as new brands. Have a look at the latest iPhone in the market or a Samsung smartphone and you will find a lot of advertisement for these new products. The objective of advertising here is to tell customers – "Here is the new product we have launched"

#### 2) Introduce a brand

There are many startups in the market today and many of them are services. Services are generally marketed as a brand rather than marketing their <u>individual</u> service product. Thus, <u>Uber</u> will market its own brand and introduce that Uber has started servicing customers in a new market. Same goes for Oracle or Accenture – Companies which market their brand and their presence in the market rather than marketing an individual product.

3) Awareness creation



#### Subject- - Advertising & Brand Managing

According to the AIDA model, the most important job of advertising is to get attention which is nothing but Awareness creation. Advertising <u>needs</u> to capture the attention of people and make them aware of the products or their features in the market.

Example – Most of the Bank ads that you see are awareness campaigns. The ads that advertise the benefits of savings / mutual funds or benefits on credit and debit cards are all awareness creation ads.

## 4) Acquiring customers or Brand switching

One of the major objectives of advertising and the first objective of many advertising campaigns is to acquire more customers. This is also known as making the customers switch brands. This can happen by passing on a strong message so that the potential customer leaves the brand which he is tied up with and comes to your brand.

Example – Most telecom companies launch plans and strategies just to acquire customers and then advertise these strategies in the market so that the customer switches brands. There is hardly any differentiation in the telecom market – thus advertising is a major way to acquire customers. The  $\underline{\text{Vodafone}}$  Zoozoo campaign was just that – Influence the customers and create passion in such a way that they do  $\underline{\text{brand switching}}$ ,

#### 5) Differentiation and value creation

A most important aspect of Advertising is to <u>differentiate</u> the product or the service from those of the competitor. A customer can only differentiate between services based on the value the firms provides over that of competitors.

If a competitor is just advertising the features, whereas your firm advertises the promises and commitments that it will keep, naturally more customers will "trust" your brand over others. This is the reason that advertising is used commonly to create value and to differentiate one brand from another.

<u>Coca cola</u>, <u>Toyota</u>, <u>Amazon</u> are some of the most trusted brands in the market. It is no doubt that these brands are also amongst the top advertisers in their respective segments. These brands <u>target</u> value creation as well as differentiation via their advertising campaigns.

#### 6) Brand building

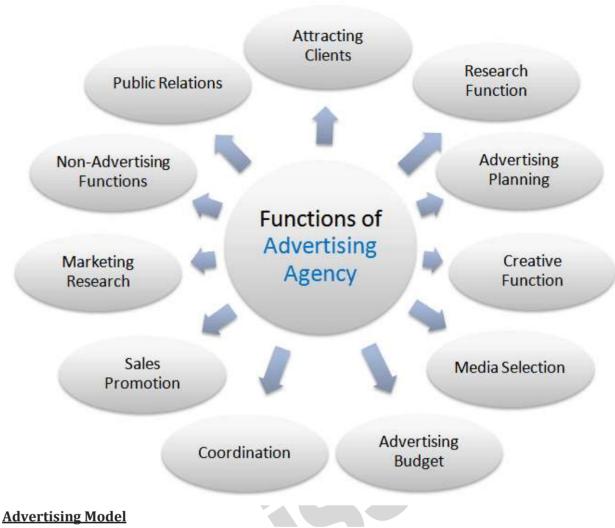
When a brand regularly advertises and delivers quality products and fulfills the promises it makes, automatically the value of the brand is built. However, there are many other aspects of brand building. One of the first ones is to advertise via ATL and BTL campaigns etc.

#### **Advertising Agencies**

An **advertising agency**, often referred to as a creative agency, is a business dedicated to creating, planning, and handling advertising and sometimes other forms of promotion and marketing for its clients. An ad agency is generally independent from the client; it may be an internal department or agency that provides an outside point of view to the effort of selling the client's products or services, or an outside firm. An agency can also handle overall marketing and branding strategies <u>promotions</u> for its clients, which may include sales as well.

#### **Functions of Advertising Agencies**





# The DAGMAR Model

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

#### The AIDA Model

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



Subject- - Advertising & Brand Managing

#### **Ehrenberg Model**

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

#### The DRIP Model

The DRIP advertising model relies on the theory that repeated, carefully planned contact with the customer will increase sales. DRIP is an acronym for differentiate, remind, inform and persuade. Advertising based on the DRIP model uses repeat contact to stand out from the competition, remind potential customers of your company's existence, inform your target market about what you do and sell and then finally, convince them to buy from you. Experts say the DRIP model is most effective if you, the seller, have some research and insight into your target market's buying cycle.

#### Advertising communication model

**Advertising communication models** are theories about "how **advertising** works." These theories or **models** attempt to explain and describe, at the individual buyer or consumer level, the process by which **advertising** communicates with and effectively persuades individuals to take action.

Advertising is the broad and direct communication that introduces your brand to the public, educates about your products and services, prompts people with an interest to take action and provides urgency when you convey special promotions. In fishing for business, branding is the pole because it reflects the character of the fisherman; marketing is the line because it conveys the message to the appropriate area of the pool of customers and advertising is the hook that carries the bait.

## **Branding**

The first objective of advertising is to introduce a brand to a broadly-targeted market. Through the use of regional newspapers, radio and television, online and mobile device targeting and event sponsorship, advertising presents a psychologically-crafted message to a broad group of potential customers. Colors, shapes, slogans and other sensory triggers are used to arouse an image in the minds of the viewers. That image governs how they relate to the company introduced in the advertising and products.

A classic example of branding through advertising is the Coca-Cola commercial that showed an ethnically, age and gender-diverse group of people on a hill singing "I want to teach the world to sing in perfect harmony." Of course, the image of Santa Claus in his red and white snowsuit is from a 1930s Coca-Cola ad in the Saturday Evening Post.

#### **Education**

Advertising also introduces the product and conveys information regarding that product. Again, Coca-Cola's classic bottle with condensation that a smiling and clearly refreshed person is holding is an example how, in a print ad, Coca-Cola gets across the value of its product as a cold, refreshing drink that makes the consumer happy. Predominant red and white colors recall the good feelings of previous branding and the distinctive bottle shape identifies the product as Coca-Cola, even if the label is not readable.

#### Call to Action



Subject- - Advertising & Brand Managing

Are you ready to drink a Coca-Cola right now? That is the call to action. When you see a smiling person drinking one, it reminds you that you would like to drink one too. The tag line "The pause that refreshes" validates your feeling and creates urgency. In fact, by the time you have seen a few years of Coca-Cola advertising, you are psychologically primed to respond to the red and white colors, the bottle shape and the brand name. You immediately consider whether you want to buy a Coca-Cola.

#### **Urgency**

Advertising also spreads the word of special promotions that create urgency. When you see an ad that proclaims a Memorial Day sale on items you want to buy, you know you must buy on the day of the sale if you want to get the attractive price. Ads with coupons provide the same sense of urgency. Not only does the coupon generally have an expiration date but it psychologically represents someone giving you the money to buy the advertised item. It creates a priority to spend the coupon on acquiring the item, even if its purchase had not been a priority before receiving the coupon.

## <u>Demand Creation Role In Advertising of Primary and Secondary Demand</u>

### **Primary Demand Stimulation**

Primary demand stimulation refers to advertising messages that promote the merits of an entire product category rather than a particular brand. It can be thought of as growing the overall pie, rather than taking a bigger piece of the pie from competitors.

The major purpose of primary demand stimulation is either to inform customers about a brand new product or technology that they are unfamiliar with, or to persuade customers that they haven't recognized the benefits of a given product. Primary demand is typically used in one of two scenarios: to launch a completely new product category or to garner more attention to an under-appreciated category. The idea behind new product primary demand is that before a pioneer can promote its benefits, the product category must be explained to target customers. This is especially true in complex categories like technology, where innovative leaders must inform audiences about the new product category before investing in secondary demand stimulation.

General guidelines to use primary demand stimulation is if you meet the following criteria: (1) you own significant market share, (2) all or most of the growth will go to you, or (3) if your are advertising on behalf of a trade association.

## **Secondary Demand Stimulation**

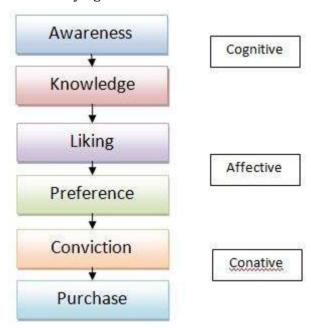
Secondary demand stimulation, also called selective demand stimulation, is the better recognized form of traditional marketing. Secondary demand stimulation ads try to take a bigger piece of the pie from competitors by distinguishing the products unique advantages.

#### Social, Economic and Ethical Issues in Advertising



#### **How Advertising Works? Hierarchy of Effects Model**

The hierarchy of effects model is a model which tells advertisers to make an advertisement in such a way that the customer goes through all these six stages namely awareness, knowledge, liking, preference, conviction and purchase. It is created by Robert J Lavidge and Gary A Steiner in 1961, the hierarchy of effects model suggests six steps to consumer buying behavior.



#### **Hierarchy of Effects Steps**

The steps are defined as below:

**1. Awareness:** This is the most crucial step and the starting point for purchase. Brands must make sure that the consumer is aware of the presence of your brand in a particular product segment.

For example, if Tina wants to buy a toothbrush, and you as the marketing manager of Coolgate wants her to buy your brand's toothbrush, you have to make sure that you advertise well so that she is aware of the existence of such a brand for toothbrushes.

**2. Knowledge:** This is where your product will be evaluated against other brands by the consumer. Make sure enough (positive) knowledge is available about your product – through the internet, retail stores and the product package itself.

For example, now Tina, aware that there is a Coolgate brand will try figure out what unique features and benefits you are offering over any other brand like Colgate and Oral-B.

**3. Liking:** This is where the consumer builds a liking to your product. This is where your product is being considered for its emotional benefits; be sure to make them prominent.

For example, now Tina has evaluated the pros & cons of buying a Coolgate brush but might not like the colour of it, or might feel that this brush is for the elderly. As the marketing manager of Coolgate, you have to



#### **Subject-** – Advertising & Brand Managing

make sure that these features, that leave emotional impact, are taken care of properly in the marketing communication program.

**4. Preference:** By this time consumer may be convinced to try out your product, but may like other brands of toothbrush too. So what is it that will make her prefer Coolgate over the other brands? These points of differentiations or unique selling points need to be highlighted to make sure that the consumer likes your brand more than the others in her consideration list.

For example, Tina now may be actually considering buying a Coolgate toothbrush. But is she thinking that she'll buy it to try it only or is she thinking that the next buy will also be a Coolgate brush?

**5. Conviction:** This is the stage where the doubt in consumers' minds about buying the product of your brand needs to be converted into action. Marketers can aid in this step by giving out free samples, test drives etc. This step should also decide if the consumer will stick to your brand i.e. actually buy your brand, or switch after testing the sample.

For example, Tina tried the brush you gave her for a month and then when time came to buy one, she bought an Oral-B one. Make sure that doesn't happen and that trial builds loyalty. Incorporate such unique features in your brand that will encourage purchase.

**6. Purchase:** The last and the most crucial stage of the consumer buying cycle is the purchase. You need to make sure that purchase experience is easy and perhaps even enjoyable for the consumer. Some of the ways to encourage purchase is by keeping simple and multiple paying options, making the product available easily, easy to understand usage instructions, offers etc.

For example, now that Tina has decided to buy your brand after trying it out for a month, make sure she knows where to buy it from and how she can pay. You may also give her a tube of toothpaste free to delight her.

The main aim of this tool that serves as a marketing communication tool is to encourage consumers to go through the six steps that end in purchase of product. It is not necessary that consumers always go through all the six steps but the aim is to land a purchase.

#### **Hierachy of Effects Consumer Behaviour Stages**

Lavidge and Steiner further grouped these six stages into three main stages of consumer behaviour:

- 1. Cognitive
- 2. Affective
- 3. Conative



#### **Subject-** – Advertising & Brand Managing

- 1. Cognitive: Also called the "thinking" stage, this is where the consumer gathers knowledge about the product and becomes aware of it. This can be said to be a rational step where pros and cons, product specifications etc. of a product are evaluated.
- 2. Affective: Also called the "feeling" stage is when the consumer starts developing a liking for the product, and may even develop strong positive (or negative) feelings toward it.
- 3. Conative: This is the "behaviour" stage of the process. This is when the consumer, after weighing the pros and cons, and deciding his/her preference actually buys the product.

The model is named so because of the fact that the buying process is a step by step process where the number of people willing to participate at each level keeps decreasing. Say you started with 10 people who are aware of your brand; 5 people who considered buying it and only 2 of those 10 actually bought the product.

The hierarchy of effects model is a model which tells advertisers to make an advertisement in such a way that the customer goes through all these six stages namely awareness, knowledge, liking, preference, conviction and purchase.

Hence, this concludes the definition of Hierarchy of Effects Theory along with its overview.

Advertising is one of the most creative fields and is a part of Marketing. In fact, Advertising has become so big that many <u>people</u> get confused about the differences between marketing and advertising. Nonetheless, the objectives of Advertising are completely different from Marketing.

In summary, it is the objective of advertising to carry out communications between the <u>brand</u> and the customer. Before the adoption of digital marketing and advertising, most of the communication between the brand and the customer was one way. However, nowadays even digital advertising like sponsored ads are a chance of two-way communication.

#### Page Contents [show]

Without further ado, we present to you the 11 objectives of advertising and the goals which advertising can achieve for an organization.

## 11 Objectives of Advertising



# OBJECTIVES OF ADVERTISING 1 Introduce a Product 7 Positioning 2 Introduce a Brand 8 Increase Sales 3 Awareness Creation 9 Increase Profits 4 Acquire Customers 10 Create Desire 5 Differentiation 11 Call to Action 6 Brand Building

## 1) Introduce a product

The most common reason Advertising is used is to introduce a new <u>product</u> in the market. This can be done by existing brands as well as new brands. Have a look at the latest iPhone in the market or a <u>Samsung</u> smartphone and you will find a lot of advertisement for these new <u>products</u>. The objective of advertising here is to tell customers – "Here is the <u>new product</u> we have launched"

## 2) Introduce a brand

There are many startups in the market today and many of them are services. Services are generally marketed as a brand rather than marketing their <u>individual</u> service product. Thus, <u>Uber</u> will market its own brand and introduce that Uber has started servicing customers in a new market. Same goes



Subject- - Advertising & Brand Managing

for <u>Oracle</u> or <u>Accenture</u> – Companies which market their brand and their presence in the market rather than marketing an individual product.

## 3) Awareness creation

According to the AIDA model, the most important job of advertising is to get attention which is nothing but Awareness creation. Advertising <u>needs</u> to capture the attention of people and make them aware of the products or their features in the market.

Example – Most of the Bank ads that you see are awareness campaigns. The ads that advertise the benefits of savings / mutual funds or benefits on credit and debit cards are all awareness creation ads.

## 4) Acquiring customers or Brand switching

One of the major objectives of advertising and the first objective of many advertising campaigns is to acquire more customers. This is also known as making the customers switch brands. This can happen by passing on a strong message so that the potential customer leaves the brand which he is tied up with and comes to your brand.

Example – Most telecom companies launch plans and strategies just to acquire customers and then advertise these strategies in the market so that the customer switches brands. There is hardly any differentiation in the telecom market – thus advertising is a major way to acquire customers. The <u>Vodafone</u> Zoozoo campaign was just that – Influence the customers and create passion in such a way that they do <u>brand switching</u>,

## 5) Differentiation and value creation

A most important aspect of Advertising is to <u>differentiate</u> the product or the service from those of the competitor. A customer can only differentiate between services based on the value the firms provides over that of competitors.

If a competitor is just advertising the features, whereas your firm advertises the promises and commitments that it will keep, naturally more customers will "trust" your brand over others. This is the reason that advertising is used commonly to create value and to differentiate one brand from another.

<u>Coca cola</u>, <u>Toyota</u>, <u>Amazon</u> are some of the most trusted brands in the market. It is no doubt that these brands are also amongst the top advertisers in their respective segments. These brands <u>target</u> value creation as well as differentiation via their advertising campaigns.

## 6) Brand building

When a brand regularly advertises and delivers quality products and fulfills the promises it makes, automatically the value of the brand is built. However, there are many other aspects of brand building. One of the first ones is to advertise via <u>ATL</u> and BTL campaigns etc.



Subject- - Advertising & Brand Managing

Brands have different objectives of Advertising. Brands like P&G and <u>HUL</u> regularly invest funds in building a good brand value for the parent brand. By doing so, even if one brand is affected, the parent brand is untouchable.

Recently we observed the problems of <u>Maggi</u> in India where Maggi was banned completely due to high lead content. However, this did not affect the parent brand <u>Nestle</u> much and neither affected its other brands like <u>Nescafe</u> which had done their own brand building and were independent of the parent brand. This brand was built by good products and constant advertising towards building brand equity and making a connect with the audience.

## 7) Positioning the product – Product and brand recall

One of the key factors in the actual purchase of a product is the products recall and the <u>brand recall</u> at the time of purchase. Amongst the objectives of advertising, one objective is to correctly position the brand in the minds of the customer.

Examples include premium brands like Ralph Lauren, <u>Gucci</u>, Hermes or others which are clearly positioned premium. This position is achieved by first having a very premium <u>product line</u> which is high priced but it is also achieved by buying premium advertising and placing the ads in media vehicles which are very premium.

Besides premium marketing, we can also look at niche marketing. <u>Kent</u> is a company which has focused all its advertising on its purification capability. They claim they are the masters of water purifiers. Their repeated advertising creates a high product and brand recall in the minds of the customers thereby <u>positioning</u> them as the top purchased brand in the water purifier segment.

# 8) Increase sales

Naturally, with so many steps being taken to advertise the product, it is no doubt that one of the objectives of advertising is to increase sales. Many a times this objective is achieved via advertising. However, if the campaign is improper or the audience is not targeted properly, then advertising can fail in its objective.

Nonetheless, there are many seasonal products wherein an immediate increase in sale is observed due to advertising. The best example is Ice cream brands which advertise heavily during the summer months because they know that advertising will immediately influence the sales figures. They do not waste money in advertising during the winter season at all.

Similarly, you will see many ads of raincoats during rainy season and ads of winter wear during winter seasons. All these ads are placed to increase the sale of the product immediately.

## 9) Increase profits

With the value being communicated and the brand being differentiated as well as sales being increased, there is no doubt that advertising can contribute a lot to increasing profits. Advertising should never be looked at as an expense or a liability. In fact, it is an investment for a firm just like a brand is an investment.



Subject- - Advertising & Brand Managing

Look at the likes of <u>Siemens</u> or <u>Bosch</u> – Brands which have invested heavily in positioning themselves on the basis of their German engineering. As a result, today they <u>demand</u> high profits in whatever segments they operate in or whatever products they sell.

## 10) Create Desire

Again, referring to the AIDA model, one of the key factors in advertising is to create a desire for the product so that the customer wants the product. Brands which are known to do this are <u>BMW</u>, <u>Audi</u>, <u>Harley Davidson</u>, <u>Adidas</u> and others. These brands are master of advertising where they create so much desire for the product that the customer absolutely wants a product even if he doesn't need it.

There are many stories of Harley Davidson as a brand wherein customers have saved money for years to buy a particular bike of Harley Davidson. Same stories can be heard about an Audi or a BMW. A unique example in this case are the bottles of <u>Absolut</u>Vodka. Absolut Vodka is so famous for its bottles that there are collectors who desire to collect all different bottle types of Absolut Vodka. Such desire creation is an effect of advertising + brand building + the fan following over time.

## 11) Call to action

One of the most common objectives of digital advertising and digital marketing is to get a call to action. Brands invest in banner ads, link ads as well as <u>social ads</u> to get their potential customers to take an action. This action can be filling up an Email form, clicking on a link, watching a video, giving a survey or what not.

There are brands which have done ATL advertising and shown half the ads and then attracted customers to their <u>YouTube channel</u> so that they could track their viewers and get them to take some action. Call to actions are also one of the objectives of advertising in which case the actions differ from time to time based on what the marketer wants to achieve.

The above are the different types of Objectives of Advertising. Naturally, a firm can have 2-3 objectives for advertising their products or services.

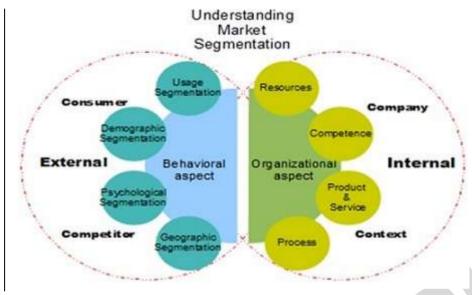
Some of these objectives might be short term like advertising to increase seasonal sales whereas other objectives might be long term like Brand building and increasing profits. Depending on the current standing of the firm in their market, they can choose their advertising objective and come up with an advertising campaign.



#### **UNIT II**

## Consumer Behavior - Market Segmentation

Market segmentation depends on two levels – the **strategic level** and the **tactical level**. At a strategic level, it has a direct link with the decisions on positioning. At a tactical level, it relates with the decision of which consumer groups are to be targeted. We will discuss here the parameters based on which a market can be segmented.



# Geographic Segmentation

Prospective customers are in local, state, regional or national marketplace segment. If a firm is selling a product such as a farm equipment, the geographic location will remain a major factor in segmenting the target markets because their customers are located in specific rural areas.

In case of retail stores, geographic location of the store is one of the most important considerations. Here, urban areas are preferred.

Segmentation of customers based on geographic factors are -

- **Region** Segmentation by continent / country / state / district / city.
- Size Segmentation on the basis of size of an urban area as per the population size.
- **Population Density** Segmentation on the basis of population density such as urban / sub-urban / rural etc.

# **Demographic Segmentation**

Market segmentation can be done based on demographic factors such as Age. For example, Rico watches have segmented their product portfolio according to different age groups of people.

# **Psychographic Segmentation**



Subject- - Advertising & Brand Managing

Psychographic Segmentation focuses on group customers according to their life-style and purchasing psychology. Many businesses offer products based on the attitudes, beliefs and emotions, ideas, and perceptions of the target market. Psychographic segmentation includes variables such as Activities, Interests, Opinions, Attitudes, and Values.

## Behavioralistic Segmentation

Markets can be segmented on the basis of buyer behavior. It is because the buying behavior of consumers differ based on the geographic, demographic and psychographic factors. Marketers often find practical benefits in using buying behavior as a separate segmentation basis in addition to factors like geographic, demographics, and psychographics.

# **Motivation - Capturing Consumers' Attention**

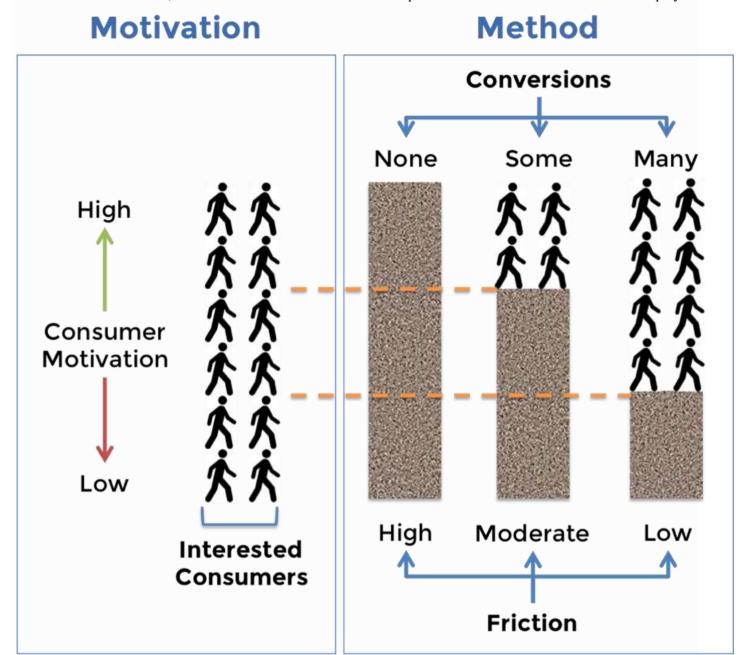
Physics tell us that an object at rest will remain at rest unless a force acts upon it to create movement. Thus it is with consumers. They will go on merrily, not buying your product or service unless motivated to do so. The first step is to motivate action. This involves advertising creative that breaks through the clutter and captures consumers' attention. It also includes targeting the right consumers, at the right times, through the right channels. But, it doesn't stop there.

Again, like in Newtonian physics, you can motivate a consumer to move in the direction of a product purchase, but another force, friction, may block the conversion. What many people don't recognize or simply ignore in marketing is the friction to conversion. Friction in conversion is the extra effort required to complete the transaction. A lightly motivated consumer cannot overcome a lot of friction, such as remembering an 800 number or URL or driving an hour to a retail store to later claim an advertised offer.

Beyond motivating consumers, advertisers must ensure that friction to conversion does not exceed the motivation level. All advertising will reach consumers that represent a spectrum of motivation. Some will be highly motivated by the offer, while others will be lightly motivated or somewhere in between. The lower the



level of friction to convert, the more of those consumers will be captured. This is where method comes into play.

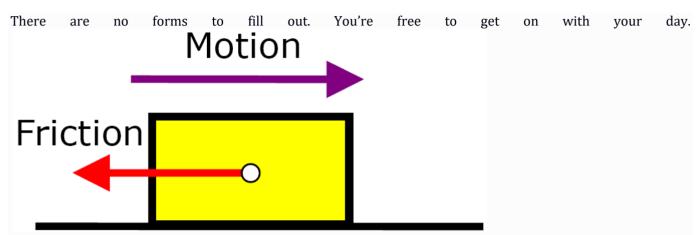


# **Method - Reducing Friction for Conversions**

Amazon is famous for both motivation and method. It motivates purchases by showing how popular specific items are, providing reviews that offer consumer endorsements on products and suggesting items that may fit a consumer's interests. However, Amazon is also laser focused on methods to reduce friction. The most famous of these is <u>one-click ordering</u>. The subject of a controversial patent, one-click ordering is designed for spontaneity and convenience. If you want something, a single click will execute a purchase and begin the shipping process.



Subject- - Advertising & Brand Managing



Conversion methods are less exciting to marketers than the creative process and often involve other stakeholders to execute them effectively. With that said, conversion friction is ignored at your peril. High friction in the conversion process reduces customer acquisition. The question for every marketer should be: "What methods are you employing to reduce conversion friction?"

In audio advertising, conversion friction remains high. For terrestrial radio, the only way for a consumer to engage with an advertised offer is to stop what they are doing and consciously take a step to do something else suggested by the ad. Internet radio reduces this friction somewhat by having an on-screen tile to click. However, with 79% of listeners now using smartphones, consumers still must take the smartphone out of their pocket or purse, key in their PINs, open the app and then click. It is not exactly convenient or spontaneous.

XAPP Ads provide audio advertisers the lowest level of conversion friction available by enabling "voice clicks." If a consumer is interested in an ad, they simply say the prompted phrase and the offered connection is delivered. Whether it is an app download, a coupon, a streamlined purchase or a phone call, it is automatic and instantaneous. The connection is made hands free and eyes free.

# **Reducing Friction and Measuring Results**

We introduced XAPP Ads to reduce conversion friction and make consumer interaction simple, spontaneous and convenient. XAPP Ads are a tool for marketers and agencies to take great audio ad creative and deliver higher conversion rates through reduced friction. By measuring the results, you can also determine which creative is having the biggest impact by channel or which ads need to be replaced. Whether you are using XAPP Ads or other ad formats, make sure you consider how to reduce conversion friction when planning your next campaign. Otherwise you may be cheating yourself out of new customers.

#### **Definition: Advertising Message**

The underlying message or point that the customer should get upon seeing the ad is called the advertising message.

Advertising messages tend to have the following common components:

**The Appeal** – It is the component that captures the attention of the consumer. It may be humorous like in Mentos ads, adventurous like in Thums-Up ads or emotional as in insurance ads etc.

**The Value Proposition** – This component includes the basic value proposition offered to the consumer. This forms the main part of the advertising message.



#### Subject- - Advertising & Brand Managing

The Tagline / Catchphrase - Every good ad campaign has a tagline, slogan or catchphrase that is repeated across all the different media in order to place firmly the product in the consumer's mind.

Browse the definition and meaning of more terms similar to Advertising Message. The Management Dictionary covers over 7000 business concepts from 6 categories.

#### CREATIVITY IN ADVERTISING

Advertising has a very important and vital role in the image building and marketing of products and or services in this rapidly changing competitive world. In this lecture we will explain the creativity in advertising, its meaning aspects and different steps in the creative process. Simultaneously we will also explore the concept of research along with how to create major selling ideas and style of selling. This will help in understanding various creative stages and their importance

#### **CREATIVITY IN ADVERTISING**

Creativity is at the heart of everything we do our ability to transform strategic thinking into ideas enables us to develop creative communications that work in the market whether it is print, radio or television add, a corporate broacher or an annual report creativity makes our work

Creativity means being novel and appropriate. It is the ability to generate fresh unique and appropriate ideas that can be use as solution to communication problem.

There are three difference stages of creativity in advertising namely, create, creation and

**CREATE:** It means to bring something in to being and originate a new and unique idea. **CREATION:** After the process of creating or originating a new idea be created original product of human invention or imagination leads to creation.

**CREATIVE:** In order to understand the creativity or being creative can be translated into seeing same thing as everybody else but thinking differently.

#### Three aspects are most accepted:

For advertising being creative three aspects are universally most accepted these are the creative process, creative person and in this perspective the creative situation. These aspects are explained below:

The creative process. It means receiving most of attention, focusing on mechanism & phases involved during the process one partakes in a creative act.

The creative person. This relates to the personality traits of creative people who are responsible and central to this process.

The creative situation. In this situation the criteria & characteristics of creativity are considered to provide workable, acceptable and practical aspects of the situation.

#### Four Rules of Creativity:

There are generally four basic rules to be kept in mind during the creativity process these are mentioned below:

- 1. Make the product relevant to customer.
- 2. It should be promise to the customer.
- 3. Don't let it stand alone.
- 4. Always put product in the centre of the commercial

#### VU

#### THE CREATIVE PROCESS

To understand the creative process it is essential that the different avenues and steps of this may be identify and understood there are five different steps in the effort of the creative process:

**IMMERSION** This tantamount to gathering raw material information through background research and immersing yourself in the problem.

**DIGESTION** -- This means taking the information, working with it and thinking about

INCUBATION This step helps you to put the problem out of your conscious mind



Subject- - Advertising & Brand Managing

and putting the information to do the work.

.

**ILLUMINATION** As a result of first three steps the birth of an idea takes place.

**VERIFICATION** Basically the purpose of this step is to study the idea to see if its still looks good or solve the problem and subsequently shapingthe idea for practical benefit

#### **Copy writing**

Copywriting is the skill of choosing the right words and technique of arranging them smartly to promote business, product, service, idea, or a person. The selection of words and its presentation largely depends upon the media through which it is planned to convey. For example, depending on whether it is a newspaper, magazine, hoarding, radio, television, or internet, the script will vary accordingly.

However, whatever is the type of media, the purpose of copywriting is the same i.e. promotion. Therefore, it should be persuasive enough to be instantly attention grabbing.

## Elements of Copywriting

Copywriting has some essential elements required to develop a convincing ad. Following are the significant elements –

- **Heading** Headline gives the first impression and lasts on readers' mind, therefore, it should be eye-catching. Heading should tell what it is all about your ad in a very few words, ranging from 3 to 30 words.
- **Body copy** Write body copy in such a way that it seems as the continuity of the heading. Provide details of all the features and benefits that you are claiming for. The language should be promising and trustworthy.
- **Slogans** Think of "The ultimate driving machine" (BMW); "Just do it" (Nike); "Because I'm worth it" (L'Oréal), what comes to your mind? The moment, you hear the slogans, you link it with the respective brand not only because you have heard it many times, but rather it works. A well-written and effective slogan is a trustworthy brand representative. However, your slogan should be small and crispy giving meaning to your brand.
- Taglines Taglines are usually used for literary products to reinforce and strengthen the audience's memory of a literary product. For example, "she went in search of answers, and discovered a love she never expected,' Book Name "Faithful" and Writer Janet Fox. Thus, tagline tells the gist of the products for marketing purpose. Like, a slogan, it should be small and eye-catching.
- **Jingle Lyrics** More often accompanied with background music, iingle lyric is a short slogan, tune, or verse written to be easily remembered (especially used in advertising). For example, Fanta: "Wanna Fanta, Don't You Wanna?" It should be small, crisp, and rhythmic (like a song) so that it registers with people at once and they remember it.
- **Scripts** (for audio and video ad) –Scripts are the descriptions of an ad that narrates the dialogues, actions, expression, and movements of characters. Since, script is a complete guidelines of an ad; therefore, it should be written meaningfully, orderly, and nicely.
- **Others** (White Paper, Press Release, & other written material such as emails, articles, and blog (for the internet)): These are all promotional write-ups written purposefully to promote a particular product/service. So, while writing white



#### Subject- - Advertising & Brand Managing

paper, press release, articles, blog, or even an email you need to focus or emphasize ONLY on one product that you want to promote. You need to describe all features and offers of the respective product in simple and plain language.

# **Copywriting Techniques**

Following are the techniques of persuasive copywriting -

- Use Action Words Such as watch, look, ask, get, etc.
- Use of Buzzwords Normally, buzzwords are eye-catching such as now, today, etc.
- **Use Exciting or Emotive words** Such as amazing, wonderful, beautiful, etc.
- Use Alliteration Use meaningful words of similar sound. For example, Don't be vague, ask for Haig.
- Use Colloquial words Colloquialisms in copywriting is pretty popular and effective. For example, 'Pick 'n Choose.'
- **Use Punctuation** Proper use of punctuations and grammar is an important aspect so that you can pass the right message.