

ROLES OF ADVERTISING

TRANSCRIPT OF VIDEO LECTURE

ADVERTISING AS A MARKETING TOOL

In the marketing mix there are four Ps namely Product, Price, Place and Promotion. In order to have an effective, efficient, successful and profitable business it is important to take into consideration all these four Ps. Advertising, as a part of the promotion mix, is one of the most important basic elements of promotion within the marketing mix. Advertising is a form of communication which aims at persuading an audience to take some action with respect to products, services or ideas. Although political and ideological advertising is also common, but advertising mainly aims at driving consumer behavior towards commercial offerings. Advertising messages are usually paid for by sponsors and viewed via various traditional media like newspapers, magazines, television commercials, radio advertisements, outdoor advertising etc. or direct mail or new media such as websites and text messages.

Commercial advertisers often intend to generate increased consumption of their products or services through branding. Advertising, in fact, is a subset of marketing activities the primary purpose of which is to increase sales. Therefore, advertising is considered as the basic instrument for enhancing sales among the public. Commercial Advertising primarily focuses on two different goals of advertising for a company. If the goal is a product or a service for a company, then advertising for increase of sales is called Product advertising. On the other hand, if the goal of a company is to promote its image, then it is called institutional advertising. Large scale advertising is often undertaken with the objective of creating or enhancing the goodwill of the advertiser. This in turn increases the market receptiveness towards the company's product. Non commercial advertisers aim to advertise items other than a consumer product or service. This includes political parties, interest groups, religious organizations and governmental agencies.

ADVERTISING AS AN ATTITUDE BUILDING COMMUNICATION

The ultimate purpose of any marketing communication is to motivate the consumers to behave in the way that is desired by the marketer. The marketer tries to get the consumers to

visit the store to try a product, purchase it regularly and recommend to family members, friends and relatives. To fulfil this objective the marketer is required to gauge the attitude of consumers towards his products. Attitude shows the disposition and behavioral tendencies of people towards the particular product. Although attitudes are long lasting, communication plays a very effective role in shaping the attitudes of people. With the help of marketing tools, information can be communicated to consumers for changing their knowledge and belief about a product. Emotions can be useful in influencing feelings, while incentives can be effective in changing the consumers behavior. And as a result, an overall attitude towards a product is built-up. The characteristics of the target audience, message source, message characteristics, cognitive route adopted for persuasion, etc., play significant roles in attitude building.

ADVERTISING AS A FACILITATOR IN PURCHASE DECISION MAKING

Marketers are also interested in understanding the purchasing decisions of consumers. A number of companies conduct independent researches to know the stages of the buying process of the products. Experts have developed a five stage model of consumer buying process. The stages of the model are problem recognition, information research, evaluation of alternatives, purchase decision and post purchase evaluation.

A consumer's buying process starts when a consumer experiences an unsatisfied need that creates a drive to act. A want is a felt need that is directed towards a specific object. Unlike a need, a want is not a basic human requirement. Advertising communication plays an important role at the problem recognition stage, by influencing needs and wants, and helping consumers to analyze the problem. Thus, communication can provide the much needed cues that propel a person to convert a drive into action. Once the problem has been identified by the consumer, he/she begins searching for information about the product that can solve the problem. Consumers perform external search if the internal search does not provide enough information. External sources of information include personal sources such as family and friends; commercial sources such as advertisements, point of purchase displays, sales presentations, etc. Advertising communication can be used to create top-of-the-mind awareness among consumers. In implementing purchase decisions, consumers are required to

decide when to buy, where to buy, how much to buy and how to pay for it. Thus, communication managers must provide adequate information regarding their product for gaining the consumers' trust, by displaying awards, getting certified by industry associations and quoting favourable research etc. The communication manager's role is not over with the purchase of the product by the consumer. The communication manager should use reassuring aids, personalized reinforcement through sales people or various other means of communication to reinforce consumer decision in having purchased their brands.

ADVERTISING AS A TOOL FOR CONSUMER WELFARE

Most consumers feel that advertising is a powerful tool for benefiting marketers, by creating a demand for their products. Consumers have nothing to gain, or many a times they are befooled or deceived by the advertisements. Consumers also have no absolute faith in the messages communicated to them through the advertisements. In fact, people have a predetermined impression that advertising is a very powerful tool of marketing therefore the characteristics of the products can be exaggerated for the profit of the manufacturer and not for the benefit of the consumer. But the reality is different. Advertising is useful not only for consumers but also for industrial purchasers. It communicates information about new products, their prices, new developments and researches. It increases competition also. Since advertising is creative it brings out artwork of the finest quality and design. Although most advertisements are quite routine, there are some which have enough aesthetic appeal for millions of eyes.

Although commercial advertising is not capable of creating a social influence, but it is capable of reflecting the value system of the society. If an advertiser knows the attitudes, beliefs and motives of the target audience, and selects the appropriate media, advertisement messages can create favourable responses from the target audience. Favourable responses from the target audience are possible only when products and services that fit into their value system are offered in the form of advertisements. Advertising promotes consumer welfare by encouraging competition, improvements in product quality and reduction in price. Very specifically, commercial advertising is helpful to consumers in many ways. These are:

1. Advertising equips consumers with the facts that they need to make an intelligent choice.

2. It impels consumers to aspire for a better standard of living.
3. It saves the shopping time of consumers.
4. Advertising communicates to consumers about the place where they can obtain the goods that they require.
5. Advertising tells consumers about products or product category, their quality, price and availability.
6. Advertising communicates to consumers the various offers to replace worn out goods and exchange offers.
7. Advertising educates the audience in terms of information dissemination, development of values and developing behavior.
8. Advertising assures of uniform quality and lower product price.
9. New products need introduction because potential customers have never used such a product earlier. Advertisements prepare the ground for the new product.

Advertising serves a very useful role for consumers everywhere by providing useful product information, irrespective of their countries' political systems or the level of economic development. During 1950s, China had prohibited foreigners from advertising because then advertising was considered politically inappropriate. But in 1980s China changed its policy because of the view that the Chinese population could be informed of availability of various products like people in any other industrially advance and modern society.

ADVERTISING AS A BUSINESS PROMOTER

With the help of advertising the continual and healthy growth of the business can be maintained. The branding of the business in the minds of potential clients becomes difficult without effective advertising. Advertising helps the business in various ways, like:

1. Even a small advertisement published in newspapers on a regular basis creates familiarity of the client with the advertised product or service.
2. Advertising develops a good image of the brand in the minds of the client. If advertisements are good enough to communicate the message, image and attitude of the business to the target audience, a closer relationship between the business and the audience will be built.

3. It is expected that the investment incurred in advertising must yield financial returns. No business wants to waste money for the development of print and electronic media advertisements and purchase space in newspapers and magazines and time slots in radio and television channels but an effective advertising can attract quite a good number of customers and ultimately business gains and generates more money.
4. An effective advertisement not only draws the attention of the client but also gives sufficient information to communicate about how a particular business is competent enough to solve problems or fulfil needs of the client.
5. Advertising communicates not only the expertise of the business but the years of experience and existence.
6. Sometimes it is seen that some words or slogans used in the advertisements are memorized by people, and whenever they get an opportunity they repeat these words, phrases or slogans to communicate their own messages. In this way, because of advertising, people come closer to the business.
7. The main objective of advertising is to create a favourable climate for maintaining and improving sales. Customers are to be reminded about the product and the brand. It may induce new customers to buy the product by providing information about the qualities of the product because it is possible that some customers may change their brand.

In nutshell it may be concluded that an excellent, creative and well designed advertisement plays a significant role in the promotion of business.

ADVERTISING AS MANUFACTURER'S IMAGE BUILDER

Advertising of products and brands enables a manufacturer to give a choice by extending relevant information to the consumers. Advertising helps in creating a competitive environment which gives opportunities to manufacturers for the improvement of the quality of the products at fair prices. In fact, advertising creates a debate in which manufacturers put forth the arguments about their products, with an intention to pursue the consumers. Advertising helps manufacturers in many ways, for example:

1. It makes distribution inexpensive. There is no dependence on a middleman. Manufacturers secure leadership.

2. It widens the market because it creates steady demand of the manufacturer's product at a reasonable price and hence, increased sales is possible.
3. With the help of advertising manufacturers communicate with the consumers, retailers and distributors about any change in products and services.
4. It helps manufacturers to create new customers and establish goodwill with customers. Because of advertising quick turnover with smaller inventories is possible.
5. Advertising creates customers for the product from a wider area.
6. With the help of advertising a back-up can be provided to make the sales personnel's job easier.
7. Advertising helps the manufacturers to control the buying habit of the consumers.
8. With the help of advertising manufacturers maintain and control wholesale and retail prices.
9. Advertising helps manufacturers to save time in marketing the products and services.
10. Advertising increases sales volume by creating attraction towards the product.
11. It helps easy introduction of new products by the same manufacturer, into the market.
12. It helps to create an image and reputation of the product as well as of the producer or advertiser. Through this it creates goodwill for the manufacturer.
13. It bridges the gap between the manufacturer and the consumers.
14. It saves the products from seasonal fluctuations by discovering newer applications of the product.
15. It develops a highly responsive market and thereby quickens the turnover that results in lower inventory.
16. Selling cost per unit is reduced because of increased sales volume.
17. Advertising gives a feeling of pride to the employees in their jobs and to be in the service of such a concern of repute. Therefore, the efficiency of the executives and the employees is enhanced.

ADVERTISING AS A TOOL FOR RETAIL PROMOTION AND PUBLIC WELFARE

Commercial advertising is not only a tool for providing information about the products, and the availability of different retail locations, but it also serves as a very important link in the retail sector between the advertiser and the receiver of the message. Its importance has also increased significantly in this era of globalization and liberalization around the world. Advertising plays a significant role not only in favour of manufacturers and traders but for retailers also. In retail advertising not only the products but also the complete retail environment, along with its peripherals like the store ambiance, packaging, promotions, communication skills of sales personnel go together in making the brand image of the retail store. Since retailers are in direct contact with the end consumers, therefore advertising is very much helpful to develop and maintain relationship between retailers and end consumers for a longer time.

Public service advertising aims to create a value oriented society. It is managed for non-profit reasons by associations, organizations or government agencies to create public awareness. Family planning messages by the Family Planning Department or anti-smoking messages by non government organizations or "Drive carefully", "Wear Helmet" by Mumbai Traffic Police are some of the well known examples of public service advertising.

ADVERTISING AS A CAREER OPTION

In the world of advertising we can find a variety of career options. Primarily, these options can be categorized into two - Executive or strategic and creative. The executive category includes positions like client servicing, market research and media research. The creative category includes copywriters, script writers, visualizes, photographers, film makers, typographers. The strategic department is responsible to generate leads and find new business, liaison with clients to understand their requirements, handle relationships, negotiate finances, manage schedules and budgets, plans, and buy media, etc. The creative department is responsible for producing the advertisements. At present thousands of people are involved in the advertising profession, where they are not only earning their livelihood but are also serving the society and mankind with the talents and creativity.

ADVERTISING AS A BUILDER OF NATIONAL PROSPERITY

Advertising is helpful in creating an international brand image and hence in increasing the sales of the brand in the foreign markets. In this way, a country earns foreign currency and finally the prosperity of the country is enhanced on the global screen. Here we can take the example of the advertising campaign INCREDIBLE INDIA. The eye catching promotions to be seen at airports, on buses and in busy streets in international locations such as London, New York, Paris, Zurich, Amsterdam, Dubai and Singapore are parts of the Incredible India Campaign. This campaign was launched by the Ministry of Tourism, Govt. of India, in a bid to take advantage of the vast, untapped potential of India as a tourist destination. This campaign was initiated in September 2001 when the entire travel industry of India had gone into a slump. The Incredible India campaign aims to differentiate India from competing destinations by developing a unique up-market image. The campaign, in its various phases, has focused on Himalayas, wildlife, yoga, ayurveda, festivals as well as spiritual therapy that uniquely indentify brand India. The results of this campaign have been incredible for the country. As a result of this campaign, in 2006, there was a 15% increase in the tourist traffic, as opposed to the targeted 10%. The Indian tourism industry is much better compared to its global counterpart. A remarkable increase has taken place in per capita tourism foreign exchange earnings and as a result India now is only second to US in this regard. The Incredible India campaign has won several awards including the highly coveted EURO EFFIE award, which was a first for India.

A correlation has been found to exist between advertising expenditure and a country's GDP and the level of economic development. As a country become more industrialized, the expenditure of advertising tends to increase as well. Therefore, advertising should not be considered as wastage. Today it has become investment which gives short term and long term returns.

Today advertising is not only creating profits for the business world but it is benefiting society in all aspects and respects. Knowingly or unknowingly, to some extent, or to a large extent, the public is influenced by advertising messages. Many a times people think that advertising is a waste of money and time but when they come across with an advertisement

that communicates about a new product or an improved version of an existing product, they pay attention to the message of the advertisement and observe the information provided. Sometimes, people are not motivated to receive the messages communicated, even though they enjoy and appreciate the creativity reflected in the advertisements. The beauty of today's advertisements is such that they are capable of entertaining the audience along with playing the various roles for which they have been produced and are being transmitted.