



# Advertising in Contemporary Society

Atish Singh



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# **Advertising in Contemporary Society**

**(As per the Revised Syllabus of T.Y. BMM w.e.f. 2016, Semester V,  
University of Mumbai)**

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## Preface

It gives me immense pleasure to present this first revised edition of **Advertising in Contemporary Society** to the teachers and students of BMM Fifth Semester. The objective of this subject as per University of Mumbai guidelines is to understand the environment in contemporary society – to understand liberalisation and its impact on the economy – to study contemporary advertising and society.

The revised BMM syllabus came in to effect from June 2016. The syllabus is divided into seven modules. The topics are discussed in a detailed and simple manner. Possible questions are given at the end of each paper. I hope this edition will be useful to the teachers and students.

I wish to thank our Principal, Colleagues, Librarian, Lab Assistant and my wife Pooja Singh for their support and encouragement. Special thanks to *Vaneeta Raney* BMM Course Coordinator, SIES College of Arts, Science and Commerce for reviewing this book and valuable solution for book content. All ideas and positive criticisms are most welcome and will be appreciatively accepted.

I am also grateful to Himalaya Publishing House Pvt. Ltd. for giving me an opportunity to write a book.

**Author**

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4. Retail Advertising
5. Industrial Advertising
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**MODULE VII:** **(04)****Internet**

1. Digital Marketing

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# **Chapter 1**

## **Change in Environment**

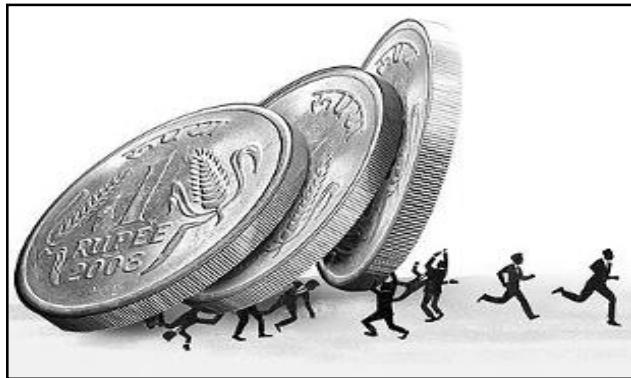
### **POLICY POST-INDEPENDENCE**

#### **Introduction**

The Indian financial system at the time of Independence showed all the signs of stagnation. About 47% of the population was under the poverty line in 1951. These numbers go up in 1964-65, came down and again go up in 1977-78. At the time of independence 72% of the work strength was employed in agriculture and it contributed to nearly 50% of the national income. Industrialization was at an extremely low level with only 2% of the work force employed in industries. In adding up to this there was hardly any investment in industries. The only industries which existed were cotton and jute industries. They also suffered a major slow down, as at the time of partition major jute producing areas goes to Pakistan and as a result there was a shortage of raw material. Thus, at the time of Independence, low agriculture output, little industrialization, low figure of national income, high poverty and unemployment, slow economic progress were the features of India's economy.

The government in our first Prime Minister Pandit Jawaharlal Nehru was focused on development of home-grown industries which had been completely destroyed under the British Rule. The stress was on state control in finance, a strong public sector and import exchange. Pandit Nehru was intent by the Soviet Union's Piatiletka or Five-year plan and tried implementing the same for the Indian economy. He wanted India to have the best grouping of socialism and capitalism and tried to put into practice Democratic Socialism in India. Annual expansion rate of the Indian economy averaged around 3.5% from 1950-1980.

With Rajiv Gandhi coming to power many changes underway taking place. There was stress on De-licensing. Under P.V. Narsimhan Rao's Regime economic liberalization policies came into force in 1991. Now the focal point was on Privatization and Globalization. Most industries didn't require government consent and were thrown open to the private sector. Since 1991 the Indian economy has been growing continuously except during a few phases.



## **India's Post-independence Economic Strategy**

The vision of the Indian economic regime erected in the 1950's emerged from the freedom struggle. The economy had been subjugated by metropolitan capital and metropolitan commodities in the pre-independence period. Freedom meant freedom from this domination; and this could not be ensured without giving the State in Independent India a major role in building up infrastructure, increasing and support the industrious base of the economy, setting up new financial institutions and regulating and co-coordinating economic activity.

In terms of the policy elaborated at that time, the State would not simply ensure a sharp increase in the rate of savings in the system, but also an improved allocation of that savings to the heavy industrial sector in general and machine tools in particular, so as to diminish the economy's dependence on International capital and commodity markets. This was essential for building capitalism itself, while some no doubt entertained the fond hope that all this would add up to a transition to socialism. State capitalism and State intervention in other words were crucial instruments for the development of a comparatively autonomous Indian capitalism, displacing metropolitan capital from the pre-eminent location it had occupied in the colonial economy.

The expression of the State at present, inclined no doubt by pressures from the International Financial Institutions, and is that the only direction to growth and development in the current world order is dependence. Any attempt to reserve domestic economic space for domestic welfare, to directly influence the pace and pattern of domestic development or to improve the in equalizing tendencies characteristic of backward capitalism, only forecloses growth opportunities and spells stagnation. Tethering oneself to the powers that control the international economic command and allowing the "animal spirits" of the private financier free play are the main mechanisms to stimulate growth.

## **The Planning Process of India and Five-Year Plans (From 1951-52 to 1955-56 to 1985-90)**

On 15th August 1947 when India became Independent politically, the country stands at the doorstep of a new era.

The country at this phase was under-developed and its people were on the edge of poverty. Its vast possessions, agriculture and raw materials were unexploited due to lack of proper direction. Planning presented the only way to attain a rapid and balanced growth observance the national

priorities in mind. The state was now accepted to play an active part in economic and social development. The achievement of such planned development in both agrarian and industrial sector in the USSR also played a part in popularizing the concept of planned development.

After the implementation of a new Constitution, the Government of India set up the Planning Commission in March 1950 to measure the country's material, capital and human resources and to prepare a plan for the most efficient and balanced operation. The first Prime Minister, Pt. Jawaharlal Nehru was also its first Chairman. The Finance Minister and the Minister for planning were its crucial members between other ministers in different capacities linked to economic development.

Some of the objectives outlined in these plans were maximization of national income, rapid industrialization, providing full employment and most essentially achieving self-sufficiency. The central purpose recognized with the process of development was to lift the standard of living and opening out more opportunities to people.

Planning in India required proper channelling of resources into different developmental activities in accordance with accepted national priorities. While short-term developmental objectives have diverse from plan to plan, the planning process was in some ways stimulated by certain long-term goals. These are:

- High Growth Rate
- Achieving social justice
- Economic self-reliance

However, a major policy transform occurred in this regard from 1991 when the Government at the Center liberalized the economy and go all the way to attract foreign investments in order to modernize the economy faster.

The strategy for development included a complete planning for all round progress; a mixed economy approach to keep up the socialistic pattern of development; achieve a fair development that would enlarge both agriculture and industry; offer maximum employment; cater to the development of backward areas; to strengthen the backward classes and attain overall social welfare.

### **First Five-Year Plan (1951-52 to 1955-56)**

The first five-year plan had a two-fold objective:

1. To correct the disequilibrium in the economy caused by the Second World War and the partition of the country.
2. To start at the same time a process of all round development which would make certain a rise in national income and a stable improvement in the living standards of the people.

The plan accorded the highest precedence to agriculture, including irrigation and power projects. The plan also aimed at escalating the rate of investment from 5% to 7% of the national income. The growth rate achieved in this plan was 3.6%.

### **Second Five-Year Plan (1956-57 to 1960-61)**

In December 1954, the Parliament stated the objectives of the Second Plan to achieve the Socialistic Pattern of Society. The basic aim under this was to achieve greater equality of income and wealth and not private profit. It promoted a model of development that would lead to the establishment of a socialistic society in India. The profits of the plan were focussed towards the betterment of the less privileged than the progressive sections. The main objectives of the second plan were:

1. An enlarge of 25% in the national income.
2. Speedy industrialization with particular stress on the development of basic and heavy industries.
3. Large growth of employment opportunities.
4. Lessening of the inequalities in income and wealth and a more even allocation of economic power.

The Plan expected at growing the rate of investment from 7% to 11% of the national income by 1960-61. This plan improved the scope of industrialization by escalating the production of iron and steel, heavy chemicals, expansion of heavy engineering and machine building industries.

### **Third Five-Year Plan (1961-62 to 1965-66)**

The Third Five Year Plan aimed at securing a marked move ahead towards self-sustaining growth. Its objectives were:

1. To boost in the national income of over 5% per annum and at the same time certify a pattern of investment that would maintain this rate of growth during subsequent plan periods.
2. To attain self-sufficiency in food grains and increase agricultural production to meet the requests of the industry and exports.
3. To increase the basic industries like steel, chemicals, fuel and power and to set up machine building ability so that obligation of further industrialization could be met within a period of ten years and that too from the country's own resources.
4. To employ fully the manpower resources of the country and make sure a considerable expansion in employment opportunities.
5. To bring down disparities of income and wealth and get a more reasonable distribution of economic power.

### **Annual Plans (1967, 1968, 1969)**

The circumstances created by the Indo-Pak conflict, two succeeding years of severe drought, 1965-66 and 1966-67, depreciation of the currency in 1966, universal rise in prices and attrition of resources existing for plan purpose delayed the finalization of the Fourth Five Year plan.

As an alternative, three annual plans were formulated within the framework of the draft delineate of the Fourth Plan. The main aim of this plan was to restore normalcy in the economy. The importance of these plans was to adopt irrigation projects along with the use of high yielding mixture crops in the agricultural sector. In the industrial sector, the tension was on the use of the existing capacity and on Consumer Goods Industry.

**Fourth Five-Year Plan (1969-70 to 1973-74)**

The Fourth plan expected at raising the standard of living of the people through programmes that would promote social justice and equality at the same time. The attention of the plan was the welfare of the weaker sections of the society especially through employment and education. The rate of growth in national income was 3.3% per annum and the per capita income was 1.2% per annum. The presentation of industry as well as agriculture was not satisfactory.

**Fifth Five-Year Plan (1974-79)**

The following objectives were stated under the Fifth Five-Year Plan:

1. Elimination of poverty.
2. Attainment of economic self-reliance.

**Sixth Five-Year Plan (1980-85)**

This plan accelerated the work for the elimination of poverty, generation of gainful employment and technological and economic self-reliance. The plan targeted a growth rate of 5.2% and achieved it. It was successful in achieving the required industrial development and agricultural growth. It also achieved aims of social justice.

The plan undertakes the development of under developed areas of the country. It also concentrated on the refinement of technology. It was the first standpoint plan of the country slated for a long term of fifteen years. It also saw a rapid enlargement in the service sector. About 94% of the cost of investments was met from the domestic resources projecting the self-reliance of the country.

**Seventh Five-Year Plan (1985-90)**

The Sixth Five-Year Plan provided the environment for the next plan. The guiding principles of the plan sustained to be growth, equity and social justice, self-reliance, improved efficiency and productivity. The policies to go faster growth in food grains production, increase employment opportunities and lift productivity were pursued in this plan.

The rate of growth of 5.6% was kept for this plan. The strategy in the seventh plan to generate productive employment was to increase cropping intensities and extension of agriculture through use of new technologies. Emphasis was also given on various rural schemes for development.

**POLICY 1990 ONWARDS**

### **Eighth Five-Year Plan (1992-97)**

The Eighth plan had the following objectives:

1. Generating sufficient employment to attain near full employment level by the turn of the century.
2. Containing population enlargement through active system of incentives.
3. Abolition of illiteracy in the age group of 15 to 35 years.
4. Provision for health and availability of safe drinking water particularly in villages.
5. Self-reliance in food and production of agricultural surplus.
6. Reinforcement of the infrastructure in order to support development process on a constant basis.

### **Ninth Five-Year Plan (1997-2002)**

The Ninth Plan projected to achieve a 7% growth rate during the plan period. It introduced financial discipline and designed to control rise in prices through controlling money supply. It expected at resource mobilization and attracts Foreign Direct Investment (FDI). The driving force of the plan was to attain agricultural growth. The intention was to widen the direct tax base for raising resources at the centre. Some of the objectives outlined in this plan were:

1. The main concern to agriculture and rural development and create productive employment and abolition of poverty.
2. Accelerating the growth rate of the economy and keeping the prices stable.
3. Containing the growth rate of population.
4. Promoting and developing people's participatory institutions like the Panchayati Raj and Co-operatives.
5. Strengthening efforts of building self-sufficiency.

### **Tenth Plan (2002 to 2007)**

Its objectives incorporated to achieve the growth rate of 8%, decrease of poverty ratio to 20% by 2007 and 210% by 2012, general access to primary education by 2007, and increase in literacy rate to 72% within the plan phase and to 80% by 2012.

### **Eleventh Plan (2007 to 2012)**

1. Increasing the growth rate of GDP from 8% to 10% and then continue at 10% in the 12th Plan in order to twice over per capita income by 2016-17.
2. Enlarge agricultural GDP growth rate of 4% per year to make sure a broader spread of benefits.
3. Condense dropout rates of children from elementary school from 52.2% in 2003-04 to 20% by 2011-12.
4. Raising the literacy rate for people of faith seven years or more to 85%.

5. Diminish infant mortality rate (MR) to 28 and maternal mortality ratio (MMR) to 1 part 1000 live births.
6. Increase the sex ratio for age group 0-6 to 935 by 2011-12 and to 950 by 2016-17.
7. Make certain electricity connection to all village and BPL households by 2009 and the round-the-clock control by the end of the plan.
8. Enlarge forest and free cover by the five percentage points.

## **INDIAN POLICY ACT OF POST-INDEPENDENCE AND AFTER 1990 ONWARDS**

### **Introduction**

There is no disbelief that the functioning of the laws is essential for every society. But it is more essential that the laws must be complete in such a special manner that they will be able to facilitate the mainstream of the people. When you ensure the Indian law, you will come to know that two provisions are present here which are really confusing known as the FERA and FEMA. That's why a conversation will be presented in the later lines to intricate their meaning and differences.

#### **FERA**

The Foreign Exchange Regulation Act (FERA) was legislation passed in 1973 that forced strict policy on definite kinds of payments, the transactions in foreign exchange and securities and the dealings which had an indirect blow on the foreign exchange and the import and export of currency. FERA was introduced at a time when foreign exchange (Forex) reserves of the country were low.

#### **FEMA**

The Foreign Exchange Management Act, 1999 (FEMA) is an Act of the Parliament of India "to consolidate and amend the law relating to foreign exchange with the objective of facilitating outside trade and payments and for promoting the orderly development and maintenance of foreign exchange market in India". It cemented the way for the opening of the Prevention of Money Laundering Act, 2002, which came into effect from 1 July 2005.

The significant features of Foreign Exchange Management Act are as follows:

1. It is constant with full current account convertibility and contains requirements for progressive liberalisation of capital account transactions.
2. It is clearer in its application as it lays down the areas requiring precise permissions of the Reserve Bank/Government of India on acquisition/holding of foreign exchange.
3. It divided the foreign exchange transactions in two categories, viz., capital account and current account transactions.
4. It provides power to the Reserve Bank for specifying, in discussion with the central government, the classes of capital account transactions and limits to which exchange is acceptable for such transactions.

5. It gives full liberty to a person resident in India, who was earlier resident outside India, to hold/own/transfer any foreign security/immovable property situated outside India and acquired when s/he was resident.
6. This Act is a civil law and the contraventions of the Act grant for arrest only in special cases.
7. FEMA does not be relevant to Indian citizens resident outside India.

### **Difference between FERA and FEMA**

1. The aim of FERA was to protect and stop abuse of foreign exchange, while FEMA is to help external trade and expenses.
2. FERA was a very harsh police law, while FEMA is a civil law.
3. Under FERA, citizenship was an important factor to end the inhabited status of a person. Though in FEMA, reside in India more than 182 days is the standard to make a conclusion about inhabited situation of a person.
4. As there was a compulsion in FERA to get sanction of RBI with regard to transfer of funds recounting external operations. While in FEMA, there is no compulsion in search of sanction from RBI related to payment with regard to external trades separately from Section 3 related with foreign exchange.
5. In FERA, restrictions on withdrawals of foreign exchange were for the grounds describing to with current account. On the other hand, in FEMA, Section 5 eliminates all the restrictions on withdrawals of foreign exchange for the principle fear with current account transactions.
6. The FERA was first announced in the year of 1973. The FEMA, on the other hand, was first confirmed in the year of 1999.

### **MRTP ACT**

The time when India attaining freedom in 1947, for the better part of half a century afterwards, adopted and followed policies comprising what are known as Command-and-Control laws, rules, policy and administrative orders. The competition law of India, namely, the Monopolies and Restrictive Trade Practices Act, 1969 (MRTP Act, for brief) was one such. It was in 1991 that extensive economic reforms were undertaken and subsequently the march from Command-and-Control economy to an economy based more on free market principles commenced its step. As is true of many countries, economic liberalization has taken origin in India and the need for an effective competition command has also been recognized.

Post-independence, numerous new and big firms have entered the Indian market. They had little competition and they were trying to control the market. The Government of India understood the intentions of such firms. In order to defend the rights of consumers, Government of India accepted the MRTP Bill. The Bill was accepted and the Monopolies and Restrictive Trade Practices Act, 1969 came into reality. Throughout this law, the MRTP task has the power to stop all businesses that make obstacle for the scope of competition in Indian economy.

The MRTP Act, 1969 aims at preventing economic power attentiveness in order to let alone damage. The Act also provides for trial of monopolistic, unfair and restrictive trade practices. The law control the monopolies and protects consumer attention.

The major objectives of this Act are as follows:

1. The avoidance and awareness of economic power to the common damage.
2. The control of monopolies
3. The prevention of monopolistic trade practices
4. The prohibition of restricted trade practices.

## **Monopolistic Trade Practice**

Such exercise indicates exploitation of one's power to neglect the market in terms of production and sales of goods and services. Firms are mixed up in monopolistic trade practice and it tries to abolish competition from the market. Then they take benefit of their monopoly and charge unreasonably high prices. They also weaken the product quality, limit technical development, prevent competition and adopt unfair trade practices.

## **Unfair Trade Practice**

The following may effect in an unfair trade practice:

1. The false depiction and misleading advertisement of goods and services.
2. Falsely demonstrating second-hand goods as new.
3. Ambiguous representation about usefulness, need, quality, standard, style, etc. of goods and services.
4. False claims or depiction regarding price of goods and services.
5. Giving false truth about sponsorship, affiliation, etc. of goods and services.
6. Giving false guarantee or warranty on goods and services without sufficient tests.

## **Restrictive Trade Practice**

The traders, in order to capitalize on their profits and to increase power in the market, often indulge in activities that tend to block the flow of capital into production. Such traders also bring in circumstances of delivery to affect the flow of supplies leading to unjustified costs.

## **The MRTP Act, 1969**

The MRTP Act extends to the entire of India apart from the state of Jammu and Kashmir. This law was enacted:

1. To ensure that the operation of the economic system does not result in the concentration of economic power in hands of few.
2. To provide for the control of monopolies.
3. To prohibit monopolistic and restrictive trade practices.

Unless the Central Government otherwise directs, this Act shall not apply to:

1. Any enterprise owned or controlled by the Government Company.
2. Any enterprise owned or controlled by the Government.
3. Any enterprise owned or controlled by a corporation (not being a company) established by or under any Central, Provincial or State Act.
4. Any trade union or other group of workmen or employees formed for their own rational protection as such workmen or employees.
5. Any enterprise engaged in an industry, the management of which has been taken over by any person or body of persons under powers by the Central Government.
6. Any enterprise owned by a co-operative society formed and registered under any Central, Provincial or State Act.
7. Any financial organization.

### **MRTP Commission and Filing of Complaint**

For the intention of this Act, the Central Government has recognized a commission to be known as the Monopolies and Restrictive Trade Practices Commission. This commission shall consist of a Chairman and minimum 2 and maximum 8 other members, all to be chosen by the Central Government. Every member shall hold the office for a period precise by the Central Government. This period shall not go beyond 5 years. However, the member will be qualified for re-appointment.

In case of any unfair trade practice, monopolistic trade practice and/or restrictive trade practice, a grievance can be filed against such practices to the MRTP Commission. The process for filing a complaint is as follows:

1. Grievance is filed either by the individual consumer or through a registered consumer organization.
2. The Director General of the MRTP Commission would bring on the investigation for finding facts of the case.
3. If the *prima facie* case is not made, the grievance is dismissed. If the grievance is true, an order is passed to its effect.
4. The Commission restricts and restrains the concerned party from carrying on such practices by granting temporary injunction.
5. Then the ultimate order is passed. The complainant may be compensated for his loss.

### **Competition Act, 2002**

In the background of the new economic policy concept, India has selected to pass a new competition law called the Competition Act, 2002. The MRTP Act has metamorphosed into the new law, Competition Act, 2002. The new law is intended to cancel the extant MRTP Act. As of now, only a few provisions of the new law have been brought into force and the process of constituting the regulatory authority, namely, the Competition Commission of India under the new Act, is on.

The residual provisions of the new law will be brought into force in a phased method. For the present, the sociable law, MRTP Act, 1969 and the new law, Competition Act, 2002 are simultaneously in force, though as mentioned above, only some provisions of the new law have been brought into force.

## **Regulation of Restrictive Trade Practice**

The Act also prohibits provisional trade practices of companies which are enclosed by it if these are found to be detrimental to the public interest on an inquiry by the MRTP Commission or otherwise “restrictive trade practice” means a trade practice which has, or may have, the effect of preventing, distorting or restricting competition in any manner and in particular:

- Which tends to hamper the flow of capital or resources into the flow of production?
- Which tends to bring about direction of prices, or conditions of delivery or to effect the flow of supplies in the market relating to goods or services in such manner as to enforce on the consumer's unfair costs or restrictions.

The important feature of such a practice is that it is intended to hinder competition. Limiting output and manipulating prices or supplies are characteristics of such a practice. It may either actually have the effect of unfavourably effecting competition or it may have such a potentiality. In moreover case, it is characterized as an uncertain trade practice.

## **Post-Independence Media Emergence and its Role in Society**

The economic policy of the 1990s swept away the harsh licensing controls on industry and foreign trade, sanctioned the market to decide the trade rate, significantly reduced defensive customs tariffs, opened up to foreign investment, modernised the stock markets, freed interest rates, strengthen the banking system and transferred the public sector into private sector.

Airline, telecom and TV broadcast were opened for private players. The consequences have been extensive:

1. The opening up of foreign trade and investment support exports, services and private compensation is very much. Flourishing external commerce and rising foreign investment dethroned the baleful deity of "foreign exchange scarcity", which had justified four decades of dreadful economic policy and draconian, corruption-spawning controls.
2. The blend of industrial decontrol, superior foreign competition and a modernized capital market boosted the rise of strong Indian firms, built by unshackled entrepreneurs able to compete worldwide. Today's domestic brands like Infosys, Jet, Airtel and Videocon scarcely existed a decade before. The recognized companies like Tata, Reliance and Birla Group reinvented themselves to assemble competition. This led to larger advertising budgets, which continued the media explosion (print and TV) of the past decade that has helped to shape a new state of mind.
3. The post-crisis reforms of the early 1990s repaired the growth drive of the 1980s and assured a quarter century of nearly 6 per cent economic growth.
4. The 1990s' economic liberalisation emancipated India's foreign and defence policies from economic limitation and reliance on foreign aid.

**QUESTIONS**

1. Describe in detail Policy of Indian Government 1990 onwards.
2. Discuss the Post-independence media emergence and its role in society.
3. What are FERA and FEMA? Discuss difference between FERA and FEMA.

**Write Short Notes on**

1. India's Post-Independence Economic Strategy.
2. Economic self-reliance.
3. Competition Act, 2002



## **Chapter 2**

# **Study of Environment Post-Independence and Post 1991 Liberalization Policy**

### **EFFECTS OF LIBERALIZATION ON**

#### **Introduction**

Prior to independence, India was not industrially developed country. It was an Agrarian country where handicrafts achieved self-sufficiency supreme in the world. There are very few types of economic movement which became traditional in nature and could be incorporated under the products shaped under the factory system of 19th and 20th century. Strategies are adapted to attain an end. Indian industrial policies developed to attain speedy economic growth through fast industrialization and making economy self-sufficient as an end.

Industrial segment of the nation was in stagnations at the time of independence as it was not positive but ignored during the two centuries under British government. Their selfish policies framed to serve the interests of their homeland were the major cause of need of industrialization in India. India was the vendor of raw material and purchaser of the British goods. The aspiration of Indians to industrialize can be tentative from the stance of the creation of Bombay Plan which was early effort by well-known industrialists of the country to form the industrial policy of the country from side to side importance on intense businesses.



At first India followed a system of government with the influence of socialist economy under Jawaharlal Nehru as the Prime Minister. So, there were many limitations for foreigners to work together with India.

The foreign investment was totally limited. This limitation was influenced in the colonial experience. The various resolutions were accepted in Parliament from time to time, landmark change happened in 1991 when India was required to open up its economy to Global competition and Government had to liberalize sectors to leave space for private industry. Anyhow after 16 years of rule of Jawaharlal Nehru, there arise many leaders and Prime Ministers. By 1990s the Indian economy was forced to open its economy and followed liberalization model. There are some radical shifts in Industrial policy of India.

## **COMPONENTS OR ELEMENTS OF NEW ECONOMIC POLICY**

There are three major components of new economic policy- Liberalization, Privatization, Globalization.

### **Liberalization**

Liberalization refers to ending of license, share and many more restrictions and controls which were put on industries before 1991. Indian companies got liberalization in the following way:

1. Ending of license except in few.
2. No limitation on growth or narrowing of business activities.
3. Freedom in fixing prices.
4. Liberalization in import and export.
5. Easy and simplifying the process to attract foreign capital in India.
6. Freedom in movement of goods and services.
7. Freedom in fixing the prices of goods and services.

### **Privatization**

Privatization refers to giving greater role to private segment and sinking the role of public sector. To carry out policy of privatization government took the following steps:

1. Disinvestment of public sector, i.e., shift of public sector enterprise to private sector
2. Setting up of Board of Industrial and Financial Reconstruction (BIFR). This board was set up to revitalize sick units in public sector enterprises suffering loss.
3. Strength of Stake of the Government. If in the process of disinvestments private sector acquires more than 51% shares then it results in transfer of possession and management to the private sector.

### **Globalization**

It refers to amalgamation of various economies of world. Till 1991 Indian government was following severe policy in regard to import and foreign investment in regard to licensing of imports,

tariff, restrictions, etc. but after new policy government adopted policy of globalization by taking following measures:

Import Liberalization. Government removed many restrictions from import of capital goods:

1. Foreign Exchange Regulation Act (FERA) was replaced by Foreign Exchange Management Act (FEMA)
2. Validation of Tariff structure
3. Elimination of Export duty.
4. Reduction of Import duty.

As a result of globalization physical boundaries and political boundaries remained no barriers for business venture. Whole world becomes a global village. Globalization involves greater interaction and interdependence among the various nations of global economy.

The economic transformation in India of 1991 was happened as an emergency action. It completely changed the Indian economic structure. The main feature of this improvement is nothing, but it leads the Indian economy to be a market oriented one. Along with public the private industrialists are also began to enjoy more independence. Compared to China, India is producing output less than the Chinese. This may be because China adopted the economic reform in 1978; But India adopted the same only in 1991.

## **EFFECTS OF LIBERALIZATION ON ECONOMY**

### **Introduction**

There have been revolutionary changes in Indian Economy since the support of new economic policy in 1991. This had enormous impacts on all areas of life in India. When a nation becomes liberalized, the economic effect can be strong for the country and for investors. Liberalization is definite as laws or rules being liberalized, or relaxed, by a government. Economic liberalization is usually described as the relaxing of government policy in a country to permit for private sector companies to function business transactions with fewer limitations. With position to developing countries, this term denotes to opening of their economic borders to multinationals and foreign investment. Many economists says that economic liberalization is “opening up” to the rest of the world with regards to trade, regulations, taxation and other areas that generally affect business in the country.

### **Effects of Liberalization on the Economy**

Foremost goals of economic liberalization are the liberated flow of capital between countries and the effectual allotment of resources and competitive advantages. This is usually done by declining protectionist strategies such as tariffs, trade laws and other trade barriers. One of the main things of this improved flow of capital into the country is that it makes it economical for companies to access capital from investors. A minor cost of capital enables companies to undertake profitable projects that they may not have been able to with a higher cost of capital pre-liberalization, leading to higher growth rates.

## **Stock Market Performance**

Normally, when a country relaxes laws, taxes, the stock market values also rise. Stock Markets are platforms on which Corporate Securities can be traded in real time. It offers mechanisms for nonstop price discovery, choices for investors to exit from or enter into investment any time. These are tough base of free markets these days and there is vigorous trade going all over the world on stock exchanges. Their significance can be accessed from the fact that, behavior of stock markets of a country is strongest pointer of growth and future forecast of an economy.

These markets have thrown open variety of linked services such as Investment Banking, Asset Management, Underwriting services, Hedging advice etc. These jointly utilize lakhs of people all over India. Similarly there are commodities market which provides avenues for investment and sale of various entitled commodities. Fund managers and investors are always on the watch out for new forecast for profit, and so a whole country that becomes available to be invested in will tend to cause a course of capital to flow in.

## **Political Risks Reduced**

Liberalization policies in country reduce the political risks to investors. The government can draw more foreign investment through liberalization in economic policies. These are areas that hold and promote a willingness to do business in the country such as a strong legal foundation to resolve disputes, fair and enforceable contract laws, property laws, and others that allow businesses and investors to operate with confidence. Also, government organization is a common target area to be smooth and improved in the liberalization process. All these modifications can reduce the political risks for depositors.

## **Diversification for Investors**

In liberalized economy, investors get advantage by being able to spend a portion of their portfolio into a diversify asset class. Commonly, the relationship between developed countries such as the United States and under developed or growing countries is reasonably low.

Although the universal risk of the developing country by itself may be higher than average, adding a low relationship asset to your portfolio can decrease your portfolio overall risk profile. However, an inconsistency should be made that though the relationship may be low, when a country becomes liberalized, the association may actually rise over time. This happens because the country becomes more integrated with other parts of the world and has become more responsive to events that happen outside the country. A high level of amalgamation can also lead to increased contagion risk which is the risk that crunches that occurs in different countries cause crises in the domestic country.

## **Advent of Technology**

With the arrival of Information Technology in contemporary period, globalization progression increased and it made possible transfer of real time human labour across nations, without transfer humans themselves. Additionally, it separates all boundaries which obstruct free flow of information. It has much profit to investors such as sharing, and development of knowledge in societies which previous had access only to unsatisfactory or non-updated information. As always wrap up is coupled with some harsh realities too.

### **Industrial Growth Rate**

Liberalization is very important for the growth of Indian economy. Excepting few years, industrial growth rate has not been so much moving. Share of Industry still remains stagnantly low at 25%. It is gloomy that India has transitioned to be a service led economy, directly from an agrarian one. The one return of this is end of policy of imports substitution which imitative industrial growth up to 1990. Foreign companies got free right of entry to Indian markets and made domestic products uncompetitive. They observably had better access to technology and superior economies of scale.

### **Effect on Small Scale in India**

Impact of small scale is evaluated from the beginning of colonization in 18th century. Colonization can be measured as first movement of globalization. In pre-colonization period, India's textiles and handicraft was popular across the globe and was support of Indian economy. With the beginning of industrial revolution along with foreign rule in India, Indian economy undergo major impediment and much of its home-grown small scale cottage Industry was out of business. After independence, Indian government made many efforts to recover small scale sector by reserving items completely for it to manufacture. With liberalization, list of retained items was considerably partial and many new sectors were thrown open to big companies.

### **Small Scale Industry Exists and still Remains Strength of Indian Economy**

It contributes to most important segment of exports and private sector employment. Results are mixed, many former Small scale industries got bigger and better. But overall value addition, product improvement and technology adoption remains sad and they exist only on back of government support. Their products are challenged by cheaper imports from China.

### **Impact on Agriculture**

In the area of agriculture cropping patterns has undergone a giant alteration, but impact of liberalization cannot be properly considered. It is observed that there are still all persistent government controls and interventions opening from production to distribution.

### **Impact on Services Sector**

In service sector, globalization has transformed the picture of developing countries and depression for developed ones. Due to significant economic difference between two groups, human resources have been much cheaper in developing economies. This was more aided by information technology revolution and this all culminated in relocation of several jobs from developed countries to developing countries.

### **Information Technology Industry**

Currently, Software, BPO industry are prospering in India and it has helped India to attract a big mass of demographic payment, which otherwise could have wasted. Best part is that export of services result in export of high value. There is approximately no material exported which consume some natural resource. Only thing exported is labour of Professionals, which does not reduce, instead grows

with time. Now India is better placed to become actually Knowledge Economy. Exports of these services make huge revenue for India's foreign Exchange.

### **Banking**

In Banking sector, liberal policies have big impact in Indian economy. Since improvements, there have been three rounds of License Grants for private banks. Private Banks such as ICICI, HDFC, Yes Bank and also foreign banks, raised standards of Indian Banking Industry. Now there is harsh opposition in the banking industry, and public sector banks are more reactive to customers. It is well unspoken that information technology is bringing banking revolution.

New government schemes like Pradhan Mantri Jan dhan Yojana aims to attain their targets by using Adhaar Card. Public Sector Banks still remain major lender in the country. Likewise, Insurance Industry provides collection of products such as Unit Linked Insurance plans, Travel Insurance etc. But, in India life Insurance business is still positively in hands of Life Insurance Corporation of India.

### **Telecom Sector**

Usually, Telecom segment was a government owned command and therefore service was not very well-organized. But after reforming polices, private telecom segment reached zenith of success. Indian telecom companies are rolling at global scale. However, corruption and rent seeking spoiled growth and outlook of this segment. Entry of modern Direct to Home services saw enhancements in quality of Television services on one hand and loss of occupation for numerous local cable operators.

## **EFFECTS OF LIBERALIZATION ON BUSINESS**

### **Introduction**

An economic reform affects the business and industry in a straight line. Business plans are in a straight line influenced by economic factors, such as, interest rates, money supply, price level, consumer's credit etc. Economic circumstances leading to inflation or deflation affect the business activities. Inflation leads to rise in common price-level, whereas deflation leads to fall in price level.

The condition of industrial trade and business booms and slumps comprise the economics of market environment. Recently Government initiated various economic policies. As such the impact of these reforms changes on business in the following manner.

**1. Buyer's market:** In the liberalized policy administration shortages of goods are no more, but there are surplus of goods. This arises due to opposition, reduction in cost, up-gradation of technology, improvement in quality and customer convenience. Elimination of government limitations on capability creation and capacity consumption has also helped increase in the supply of goods. Industry has been set total freedom to develop and expand. Price control has been separate. Investment now takes place in the areas of demand. All these changes have been made the buyer, the sovereign of the market.

**2. Export is essential for survival:** The functioning of new trade policy has related imports to exports. The enterprises should earn foreign exchange by exports and use the same foreign exchange for importing raw material spares and equipment's. For example: Reliance Group, Essar World Trade, Ceat, Videocon, MRF etc, are being benefited by the new policy.

**3. Corporate susceptibility:** Due to pressure from multinationals Indian companies are facing takeover, subordinate position in joint venture, unequal battle among the competitors and financial weakness.

**4. Threat from multinational companies:** Due to the current policy of liberalization of our government, enormous entry of multinationals in the country has started. The huge resources and the modern technology of the current multi-national company have enabled their supplementary Indian companies to increase sales and enjoy tactical advantage over their competitors. The occurrence of multinational companies has been rendering valuable services to our economy. It is supplying greater quality of goods, generating more employment opportunities, promoting modern technology and development of our business community.

**5. Overall competition:** The new cut-throat environment has thrown the economy open. There is tough struggle between multinationals and there is also a struggle between Indian enterprises and foreign enterprises. Struggle has now become global. It is not limited to national boundaries. For instance, Weston Electronics Company which held about 18% of the television market has been virtually thrown out of the market due to cut throat competition and technological backwardness.

**6. World class technology:** A transform in government policy about business and industry has provided us with world class technology. Indian companies have also started making investment in research and development. In developed countries outlay in research and development goes to about 12%. Multinationals are also bringing world class technology in the country. This has enabled faster growth of industries.

## **EFFECTS OF LIBERALIZATION ON EMPLOYMENT**

### **Introduction**

Income and Employment has always been important for economists, sociologists and politicians all through the ages. Even when the state was governed by kings their routine was adjudged on the basis of the wealth (economic growth) and employment standing of its subjects. Economic affluence of a country is professed to be at its maximum, when all of its subjects are optimally and gainfully employed. Employment provides income to a person, which is used to produce effective demand for consumption and capital goods in the country. This valuable demand in turn leads to increased production of goods and services. This improved production again leads to more employment opportunities and thus an Employment-Income-Demand-Production-Employment cycle is formed. Employment is significant not only for economic growth but its ramifications have also been on social and political constancy and peace in the country.

Liberalization has also put a favourable effect on the employment situation of the country. The enlargement of the various sectors has also opened up new employment opportunities which have put a helpful impact on the overall poverty circumstances of the country. More and more industries are being introduced in the market to cater to the growing demand.

### **Employment Generation in India**

After the Independence one of the essential aims of economic planning has been employment generation in the country. Till 1970 the government followed the tickle down theory of employment

that considers that the development itself will bring employment generation. Afterwards it realized that the employment is not growing at the speed of the economy is growing. Due to decline in death rates population and workforce kept on rising.

Besides owing to numerous constraints, the skill development could not keep pace with technological progress in the world and hence the government had to commence special employment programs, among which the following have been important.

National Rural Employment Programme 1980 (replacing Food for Work Programme), Rural Landless Employment Guarantee Programme 1983, Jawahar Rojgar Yojana 1990 and Special Employment Programme of Gujarat 1991.

### **Social Security**

The impact of liberalization on social protection as the nonstop economic support to a human being for his or her social welfare at least in the early years of his/her life. It is therefore necessary to link up conventional social protection policies and economic policies in common.

The preventative programs of social protection encourage growth of income or income generation for an individual. The defensive programs are mainly income maintenance programs and employment related. The available programs in India can be listed as:

1. Provident Funds/Gratuity.
2. Old age, survivor, widow and disability pension.
3. Medical care.
4. Protection from all kinds of risks life and non-life affecting the social existence of individual.
5. Programs of income and employment generation.

### **Effect on Employment**

Liberalization is implicit to be the position of the political economy where the resources of production will be in the hands of the market. Major economic actions are opened for private contribution keeping only key issues of benefit and other regulatory mechanism with the state. This opening up of various sectors for private participation and allowing them to manage the businesses for maximizing the profits will clearly highlight the freedom available for the market to have their own labour participation practices and exploitation of human resources.

Liberalization thus aims minimizing the labour contribution and downsizing the workforce in the industry in the name of removing the dead wood to maximize competence.

The liberalization in India started showing its effects by:

1. The Casualization of employment and increase in the problems of the old.
2. Increase in the unorganized work force.
3. Decrease in the organized employment.
4. Growth in unemployment

### **Employment in the Organized Sector**

Although there has been an insignificant increase in the private sector employment throughout the years under re-evaluation, the public sector employment has revealed quick fall every year start from the year 1992. Such tendency is also put in, in private sector from 1999. We even find the reflections of this tendency in the exposure of workers under employee's provident fund and diverse provisions act, more chiefly under the exempted sector where large number of the workers is from the public sector.

In the exempted sector there is no development of employment at all over the last ten years. Even if find an insignificant increase in some years it has come down in the later years. This goes with no saying that the substitution of the workforce in the exempted sector has started outsourcing and compressing the employment.

### **Employment and the Informal Sector**

The impact is the increase of the unorganized sectors and their problems. The insecurity dimensions of the unorganized sector are given below:

**1. Poverty Levels:** Poverty levels in the country are rising every year even if there has been a marginal enhancement in the recent past. The unorganized labourers are straight hit either by inflation rise or by the price rise because their wage rise is always not indexed to the inflation trends in the country on the outline of their counter parts in the organized sector.

**2. Casualization of employment:** An additional great difficulty faced by the labour market is the process of casualization and out sourcing the employment by the industry. The casual labour suffers more from the poverty and from uncertainty of income because of casual nature of employment.

**3. Gender inequalities:** Another difficulty of the unorganized labour is the gender inequality. The female are more in casual employment than the males both in urban and the rural labour markets.

**4. Child Labour:** Since the economy is not fully developed to replace the child labour and put the child only on education, the economy of the country still gains from the contribution of the child labour.

## **EFFECTS OF LIBERALIZATION ON ADVERTISING**

### **Introduction**

Most advertising throughout this period decided on their product – its production, its presentation, its uses, its price, and its return. Product information advertising aimed both to publicize the newspaper reader with the national brand and to commence new products and inform the consumer as to their purposes.

The technological developments offered better opportunities for product appearance. Radio's sounds transcend distance and time restrictions in transmitting commercial messages. The sensible representations of photography conveyed images in ways that the older forms of illustrations could not. Advertisers used the potential of photography by increasing the symbolic association between goods and the consumer's self-image. These possibilities in advertising inspired the growth of emotional,

affective, or “mood” advertising. Under the pressure of photography, facts about the product had to give way to product fictions, and efficacy became less important than fantasy. Likewise, marketers exploited the power of radio by commercializing its satisfied and revolutionizing advertising’s form’

### **Advertising today uses all the means of promotion:**

Advertising forces play an important role in economic progress and growth locally and globally because they stroke upon various industries and services. In its simplest form, advertising may be distinct as a commercial communication from a recognized sponsor which uses various commercial platforms, such as newspapers, radio, TV, billboards, satellite, internet, to connect with an audience, e.g. customers.

### **Pre Liberalization Period of Advertising**

From independence till the later part of the 1980s, India’s economic advance was mainly based on government control and a centrally operated market. The country did not have an appropriate consumer-oriented market and foreign funds were also not coming in. This did not do anything excellent to the economic condition of the country and as such the standard of living did not go up.

### **Liberalization and Indian Advertising**

Advertising in India operates in this era at two levels. The advertising for costly products appears in English-language papers such as The Hindu and The Madras Mail, which besieged Europeans and high-status Indians. By contrast, advertising for lower value products are usually placed in vernacular papers and are aimed at a lower middle class with highly limited spending power.

The working class and peasant populations, with very low disposable incomes, are rarely focused by the advertising agencies. Local merchants may use signs and posters to reach them.

The 1980s gave birth to the age of ambition. The sports event of Asia, the arrival of television and India’s World Cup success took place in this decade and these events changed the advertisement scene forever. Cricket is one sport where the Indians have had an international achievement, so that cricket stars are important endorsers in national advertising. It was also an age when a number of new brands were born: Maruti, Hero Honda, Titan, and Videocon. Pepsi entered in India by the end of the 1980s, and Andhra Bank launched India’s first credit card.

The liberalization in the 1990s opened the floodgates to novel brands. International brands, excellent new malls and new imaginings influenced the Indian customer. International advertising networks was very quick to India and Indian advertising reached out to the world.

Multinational Companies (MNCs) have been keen to sweep the nation with their products in every sector ever since. While this was occurrence, one of the key things for the MNCs to act upon is to examine if their advertising strategy is in line with the Indian culture or not.

Advertising is powerfully influenced by culture, as it is mainly based on languages and images. Culture in advertisements is represented through narratives, spokespersons, images, actions, symbols and objects. Marketers must recognize the cultural “meanings” of such “signs” and “symbols” before they plan their communication strategy.

For example, an advertisement that shows the appearance of ‘gifting gold jewelry by parents to their daughter in her wedding’ - can be interpreted as ‘tradition’, or ‘ornamental’ cultural value depending on how illustration of ‘gold jewelry’, ‘marriage’ and act of ‘gifting by parents’ are professed by Indians in the era of ‘global convergence’.

### **Effect of Liberalization on Broadcasting**

The growth in the amount of television channels from one state-controlled channel in 1991 to nearly 70 in 1998 (18 of which are national in reach and in Hindi or English, others are regional), within such a short extent of time, has greatly changed the electronic media setting, as India adapts its broadcasting industries to the deregulated and privatized media environment of the late 1990s.

The implications of liberalization for the Indian media are remarkably apparent in the example of Zee TV, India’s first private Hindi-language and most unbeaten satellite channel. The Zee network has aimed to reach the mass market by revolutionary movie-based television entertainment. Launched in 1992 by small-scale Indian entrepreneur Subhash Chandra Goel, Zee TV set the values for private television in India, breaking new ground in domestically produced entertainment.

The Indian urban elite, having previously been exposed to Western commercial television through the live coverage of the 1990–91 Gulf crises by the Cable News Network (CNN), were keen to join the ‘global’ audience. Hong Kong based STAR (Satellite Television Asian Region) TV, now part of Rupert Murdoch’s News Corporation, was the first to exploit this demand when, in 1991, it started beaming a five channel satellite service (Plus, Prime Sports, Channel V, the BBC World and Movie).

By 1998, almost 70 cable and satellite channels were functioning in India, including major transnational players, notably STAR, BBC, Discovery, MTV, Sony, CNN, Disney and CNBC, and scores of Indian companies. However, the transnational does have had to settle in their programming strategies to suit the Indian context. STAR, for example, felt that its mainly US-originated programming was only reaching a tiny, though significant and wealthy, urban audience.

## **EFFECT OF LIBERALIZATION ON LIFE STYLE**

### **Introduction**

The much highly praised Indian consumer market, the bedrock on which India’s economic growth thrives on, is vague in many respects. Primary ingredient of multiplicity in the social, cultural, economic, political and geographical milieus of India makes the market conditions demanding to the marketers.

This multiplicity is manifested in the conventional Indian culture and the sub cultures, in addition to the separate socio-economic and regional divide of this nation. Regardless of these diversities, India is likely to be altered into one of the leading economies in the world within a couple of decades.

In nowadays India has witnessed an enormous transformation in the consumer lifestyle which has been inclined by the geo-demographics, socio-cultural factors, psychographics, preferences, norms and behaviour. The Indian consumer today wants to direct a life full of luxury and comfort. Indian middle class has provided a big increase to the consumer culture due to fast growth of the services sector per capita income of people has increased; rising disposable incomes continue to drive increased expenses

and to make consumer demand for a wide range of new goods and services. The spending pattern of a country depends on liberalization of economic policies, buying habits of the younger generation, financial independence at a young age, increase in number of nuclear families and increase in media publicity of the people. The present generation does not mind paying extra for improved facilities and ambience.

### **The Growing Middle Class**

This increase in Indian economic performance naturally led to formation of employment and business opportunities, which in turn resulted in a significant rise in the disposable incomes of the people particularly, the middle class. The on-going development of middle class in India characterized by the well-known "upward mobility" is a classic occurrence which is worth watching out for!

Today an ever superior section of the Indian heavily populated is making their entry into the middle class by virtue of their earning potential. With increasing disposable incomes, higher levels of ambition and tendency for a better lifestyle - the middle class is the key recipient of majority of the products and services marketed in India. Bearing in mind the size of the country and its population, the market size for goods and services in India is enormous and it is still growing.

Indian consumers are also developing with the market - habits, lifestyles, tastes and preferences. The arrival of planned retailing malls and multiplexes has changed the shopping habits and purchase behaviour of the Indian consumer. Prosperous and the upper middle class in India are usually brand wide awake and their purchase decisions tend to be influenced by vanity and pride.

### **Entertainment, Media and Lifestyle**

A prominent feature is the insufficiency of print media, i.e., newspapers, magazines and periodicals. To put things into viewpoint, difference in newspaper distribution plays a key role in the sorting of political impacts of the media, as local papers provide critical information on local politics. And yet, when it comes to the impact on outcomes such as education, health, crime, or family choices, most of the on-hand verification concerns the entertainment media – television, movies and the internet.

### **Demand for Entertainment**

The consumer demand for media pleased is mainly due to demand for entertainment, with the economic impacts emerging as a by-product. Children watch TV because it is entertaining, and are unlikely to think of the probable impacts on their education. Adults desire to watch an aggressive movie or to follow a soap opera for entertainment value, disregarding likely the effects on their own aggression or on family values. This implies that mixture into a particular media is likely not related to the favourite for particular economic outcomes – say, education, violent crime, etc.

### **Effect of Retail Sector on Lifestyle**

The Indian structured retail sector's impact altered the lifestyle of the Indian consumers significantly. With the commencement of a globalized economy in India, the Indian consumer's mind has been changed. People have become aware of the value of money. Nowadays the Indian consumers are well versed with the concepts about superiority of products and services. These demands are the evident impacts of the Indian organized retail sector.

The social changes with the quick economic expansion due to trained personnel's, fast modernization; improved availability of retail space is the positive effects of liberalization.

The growth factors of structured retail in India are:

- Increase in per capita income which in turn increases the family consumption.
- Demographical changes and improvements in the standard of living Change in patterns of consumption and convenience of low-cost consumer credit.
- The improvements in communications and superior availability of retail space.

The non-food sector, segments comprising apparel, accessories, fashion, and lifestyle felt the significant change with the appearance of new stores formats like handiness stores, mini marts, mini supermarkets, large supermarkets, and hyper marts. Even food retailing has became a significant retail business in the national arena, with large format retail stores, establishing stores all over India. With the entry of packaged foods like MTR, ITC Ashirbad, fast foods chains like McDonald's, KFC, beverage Parlors like Nescafe, Tata Tea, Cafe Coffee and Barista, the Indian food habits has been altered. These stores have earned the reputation of being 'super saver locations'.

India will be a unique business arena in whole of the global economy, for the social and economic parameters would claim superiority the big bang of the vibrant competition. Previously mastered by the unorganized retail sector, India opened up late as an economy in 1990 until then the idea of retail formats were spread by the government.

## **QUESTIONS**

1. What is Liberalization? Discuss the effects of Liberalization on Indian Economy.
2. Discuss the Post 1991 Liberation Policy in detail.
3. What was the importance of new economic policy 1991?
4. What are the elements of new economic policy?
5. Discuss in detail effects of liberalization on employment.
6. How Liberalization affect business? Discuss.
7. What are the insecurity dimensions of the unorganized sector?
8. What are the major objectives of industrial policy?
9. Enumerate the effects of Liberalization on Business.
10. Do you agree Liberalization affect our life style? Discuss.

## **Write Short Notes on**

1. Industrial Policy Resolution 1977.
2. Globalization.
3. Crisis of 1991.
4. Social security.
5. Privatization.
6. Liberalization and Indian advertising



# **Chapter 3**

## **International and Global Advertising and Marketing**

### **GLOBAL ADVERTISING AND MARKETING**

#### **Introduction**

Only a few generations back, it took months to ship goods to a market in a different country, and doing so was such a difficult task that only giant trading companies were able to take the danger. Then, developments in transportation technology made it promising for people and products to move much faster, and the first push towards globalization began.

More in recent times, information technology and chiefly the Internet have shrunk the world even further. A business might have partners and employees half a world away, and consumers can get products from those locations in a matter of days.

#### **What is global marketing?**

Global marketing is more than just exchange a product internationally. Rather, it includes the whole sequence of planning, producing, placing, and promoting a company's products in an international market. Large businesses regularly have offices in the foreign countries they market to; but with the escalation of the Internet, even small companies can reach customers all over the world.

Even if a company chooses not to extend globally, it may well face household competition from foreign companies that are. This competition has made it almost a need for most businesses to set up an international presence.

### **INTERNATIONAL ADVERTISING AND MARKETING**

#### **Introduction**

As technology creates leaps in communication, transportation, and financial flows, the world continues to feel smaller and smaller. It is promising for companies and consumers to conduct business in almost any country around the world thanks to advances in international trade. According to the World Trade Organization, the volume of international merchandise trade increased 33 times between 1951 and 2010.



## **What is International Marketing?**

International marketing is the function of marketing principles in more than one country, by companies abroad or across national borders. International marketing is based on an adding up of a company's local marketing strategy, with remarkable attention paid to marketing identification, targeting, and decisions internationally.

According to the American Marketing Association (AMA) “international marketing is the multinational process of planning and executing the conception, pricing, promotion and distribution of ideas, goods, and services to create exchanges that satisfy individual and organizational objectives.”



## Huge International Marketing Blunders

- Pepsodent tried to market its toothpaste in South-east Asia by claiming that it “whitens your teeth,” before learning that some locals chewed betel nuts to blacken their teeth, a sign of attractiveness in their culture.
  - The Scandinavian vacuum manufacturer Electrolux didn’t account for a common American colloquialism when marketing their vacuum in the U.S: “Nothing sucks like an Electrolux”.
  - The soft drink Fresca was marketed under that name in Mexico … before the company discovered that ‘Fresca’ is a slang term for lesbian in parts of Mexico.
  - Pepsi used the slogan “Come Alive With Pepsi” in Taiwan … or so they thought. The slogan was actually translated as: “Pepsi brings your ancestors back from the dead.”

## **INTERNATIONAL AND GLOBAL ADVERTISING AND MARKETING**

### **Introduction**

According to the Oxford University Press, global marketing means a company adopts the same promotional tactics across the world – think of Wal-Mart or Nike. In global marketing, the business thinks of the whole world as its operating space and does not adapt its products or services, communication and distribution channels to domestic requirements. International marketing, on the other hand, means marketing a company applies when it opens a subsidiary in a country and lets the subsidiary serve the local market, paying attention to local customs in terms of religion, lifestyles and eating habits, for example:

**1. Product or Service Offering:** In global marketing, a company offers the same products and services across the board, in multiple countries. Think about banks, insurance companies and huge retail chains like Wal-Mart. In international marketing, products and services are customized to specific countries. Think about Sharia finance products, which are only presented in Islamic countries or to Muslim customers in non-Muslim countries.

**2. Marketing Staff:** Global marketing employees tend to work at the company's headquarters and generally are a different group of people. They acquire various skills that jointly mesh well together, and take a global view of the company's market. Conversely, in International marketing, team members are inclined to call over entirely from the same country or a country with linguistic or cultural similarity with the primary country.

**3. Marketing Budget:** The budget of a global marketing team is managed directly from the corporate headquarters. For example, Nike sets a global marketing budget, which then trickles down to local offices. In international marketing, however, budget issues are negotiated and handled at the local level, within the supplementary. Take for example McDonald, which runs local ads, some of which you will never see in another country.

**4. Promotion Tactics:** When it comes to endorsement tactics, global marketing teams try to run ads and other communication ploys that are in sync with a global audience.

An exceptional way to understand is to see ads that were run during the 2014 FIFA World Cup – a great mix for global marketing: global sports event, billions of viewers, one passion for the game. In international marketing, commercials and other promotion tactics are customized for the local market.

**5. Operational Self-Sufficiency:** Marketing does not denote you sit in a corner office and think about how to sell a product. The typical marketing mix has four components, what experts call the 4Ps: product, price, promotion and place (of distribution). So in terms of operational self-sufficiency, Global marketing teams tend to run everything from A to Z, from the corporate headquarters, whereas International marketing teams grip things domestically.

**6. Social Media:** By reviewing social media pages, we can swiftly see which companies goodwill global marketing over international marketing. For example, you will observe that McDonald adopts an international marketing strategy, with Facebook pages as diverse as McDonald's Malaysia,

McDonald's Brazil, McDonald's Italia and McDonald's Polska (Poland). Conversely, Nike or Caterpillar runs a single page.

**7. Customer commitment:** Customer commitment is more active in international marketing. By set multiple communication channels, a company can better connect with fans and customers at a local level. That is not to say that global marketing is less efficient when it comes to customer commitment the strategy are just different. But it is clear that international marketing tends to construct a higher level of commitment than global marketing.

**8. Advertising:** In global marketing, commercials are run all over the world, whereas international marketing favours ad airing in the local market exclusively.

## THE ENVIRONMENTAL ANALYSIS OF ALL FOREIGN COUNTRIES

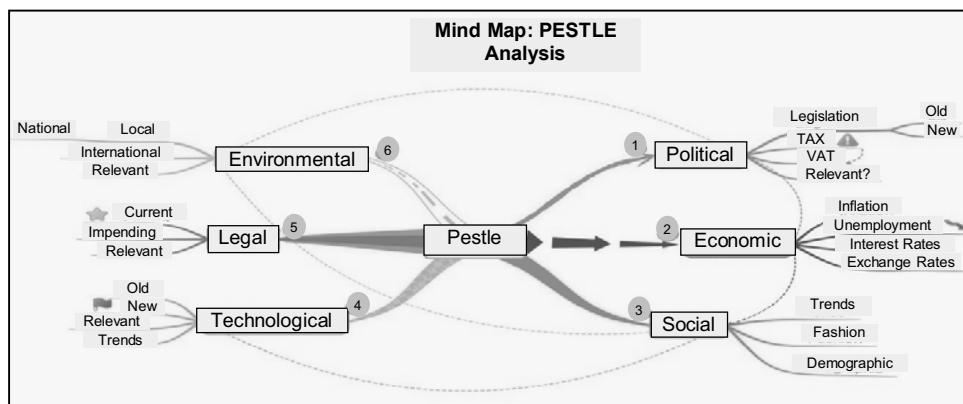
### Introduction

Environmental analysis is a strategic means. It is a method to make out all the external and internal elements, which can shape the organization's performance. The analysis entails assessing the level of threat or opportunity the factors might present. These evaluations are later translated into the decision-making process. The analysis helps line up strategies with the firm's environment.

There are many strategic analysis tools that a firm can use, but some are more common. Preparing a marketing environmental analysis is an essential move in understanding the external local, national or international forces that might have an effect on your small business. These factors are mainly outside your direct control, but you can adjust your business and marketing strategy to take advantage of the opportunities. A PESTLE analysis is the most universal way of undertaking such a review; PESTLE stands for the Political, Economic, Social, Technological, Legal and Environmental factors you need to consider.

### What is PESTLE Analysis?

Originally known as PEST Analysis, this is a macro environmental structure used to understand the impact of the external factors on the organization and is used as strategic systematic technique. PEST stands for "Political, Economic, Social, and Technological" factors.



Francis Aguilar is referred to as the originator of this tool. He talked about ETPS – Economic, Technological, Political, and Social– as the four significant factors for Scanning the Business Environment. Later Legal and Environmental factors were also added by some analysts and thus evolved the term PESTLE Analysis.

Let us examine these factors in a bit more detail.

### **Political**

For each foreign country, Bulger says, examining the current regulations of a particular country or market environment governing an industry may reveal what restrictions may be placed on a market, a company and its ability to produce viable products and services for that market now and in the future. It's also worth looking at each foreign country's tax laws and structure, and its import and export policies. A market such as Brazil, which imposes high import duties to protect its domestic economy, may be less attractive to a U.S. business than a country.

Political Factors affects the organizations in conditions of government regulations and legal issues and describe both formal and informal rules under which the firm must operate. Examples are:

1. Political stability
2. Tax policy
3. Employment and labour law
4. Environmental regulations
5. Trade restrictions
6. Tariffs etc

### **Economic**

Economic factors shape the business operations and decision making of the organization. For example the predicted decline is preventing the organizations from increasing the workforce. Other examples are:

1. Economic growth
2. Interest rates
3. Inflation rate
4. Exchange rate
5. Unemployment

### **Social/Cultural**

Social factors are often attached to demographics, Lyke-Ho-Gland explains. For instance, a business entering a country with a large Millennial population will want to reach these consumers through the mobile phones or social networks they use for a wide range of activities.

Environmental considerations are a growing characteristic of this category. Bulger notes that the Netherlands, for example, heavily relies on wind power, and its consumers are focused on

sustainability, so business owners entering this market should prepare for scrutiny of its environmental policies. Social factors refer to the cultural and demographic aspects of the environment. For example increase in the health consciousness may affect the demand of the company's product. Other factor includes:

1. Age distribution
2. Population growth rate
3. Emphasis on safety
4. Trend
5. Fashion

### **Technological**

Technological change is troublesome every industry in every market. "Buying a house anywhere in the world is now easy with Skype, a digital camera and the Internet. Just think - you can now view and buy an apartment in Hong Kong from Chicago, all through the Internet," says Babette Bensoussan, co-author of Analysis Without Paralysis: 12 Tools to Make Better Strategic Decisions and managing director of The MindShifts Group, a Sydney-based consulting firm that specializes in competitive intelligence.

Look at changes in both products and infrastructure, such as new technology in business that could make an operating plant more efficient, Lyke-Ho-Gland suggests.

A PEST analysis can help a small international business move more lightly than its giant competitors in order to capitalize on an opportunity. "PEST gives small companies big company advantage because they focus on targeted areas of importance as they monitor environments," Bulger says. Technological factors affect the cost and quality of the outputs. These also determine the barriers to entry and minimum efficient production level. Factors include:

1. Automation
2. Technology incentives
3. Old Technology
4. New Technology
5. Trends and Relevant Technology

### **Legal Factors**

Governmental changes take place from time to time. Many of these changes influence the business environment. If a authoritarian body sets up a regulation for industries, for example, that law would force industries and business in that economy. So, businesses should also analyze the legal developments in respective environments.

There are some legal factors you need to be aware of:

1. Product regulations
2. Employment regulations

3. Competitive regulations
4. Patent infringements
5. Health and safety regulations

### **Environmental Factors**

The location influences business trades. Changes in climatic changes can affect the trade. The consumer reactions to particular offering can also be an issue. This most often affects agri-businesses.

Some environmental factors are:

1. Geographical location
2. The climate and weather
3. Waste dumping laws
4. Energy consumption parameter
5. People's approach towards the environment

PESTLE Analysis is used to inspect the current and future state of the industry an organization belongs to. This helps in the planned planning and gaining the aggressive edge over the other firms in that industry. This testing can not only be used for an organization as a whole but various departments can also be inspected under this framework. For example, it makes more intelligence for a company with diversified product range to analyze its departments singly than the organization as a whole.

## **THE USE OF THIS ANALYSIS IN MARKETING AND ADVERTISING**

### **Introduction**

As companies look for expansion in new areas of the world, they usually prioritize which countries to enter. Because many markets look tempting due to their market size or low-cost production, it is significant for firms to prioritize which countries to go into first and to appraise each country's comparative merits. For example, some markets may be smaller in size, but their strategic difficulty is lower, which may make them easier to enter and easier from an operations point of view. Sometimes there are even extensive regional differences within a given country, so careful investigation, research, and planning are essential to do before entry.

PESTLE analysis, which is sometimes referred as PEST analysis, is a concept in marketing principles. Moreover, this concept is used as a tool by companies to track the environment they're operating in or are planning to launch a new project/product/service etc.

The segmentation according to the six existing factors of the PESTLE analysis is the initial point of the global environmental analysis. The investigation can be ended with the help of a checklist that evaluates every criteria of a segment. In this manner, the standing of the global setting shall be defined. In general, every section needs to be worked on thoroughly to make out changes. Then, the factors and its impacts can be interpreted right. After the segmentation, the analysis consists of four further steps:

- Environmental Scanning
- Environmental Monitoring
- Environmental Forecasting
- Environmental Assessment

### **Environmental Scanning**

The initial step is called scanning. Through environmental scanning, every sector is analyzed to find development indicators. Thus, after having examined the sector, indicators for its development are defined. According to Fahey and Narayanan, scanning reveals ‘actual or imminent change because it explicitly focuses on areas that the organization may have previously neglected’. Scanning is also used to discover weak signals in the environment, before these have conflicted into a recognizable pattern, which might affect the organization’s aggressive environment.

#### **Modes of Scanning**

Four modes of scanning can be distinguished. Francis Joseph Aguilar (1967) differentiates between undirected viewing, conditioned viewing, informal search and formal search:

1. ‘Undirected viewing’ means reading a variety of publications for no specific purpose with the possible exception of exploration. This mode is the most cost-efficient one but it also offers the most benefits. There are a lot of varied sources and information which means that the potential data are unlimited. Data are imprecise and vague and there are no guidelines which determine where the search should be focused.
2. Applying ‘conditioned viewing’ the viewer pays attention to the particular kinds of data and assesses their significance for the organization. The field of information is more or less clearly identified.
3. ‘Informal searching’ can be defined as actively seeking specific information in a relatively unstructured way.
4. The contrast of informal searching is called ‘formal searching’. This proactive mode of scanning contains methodologies for obtaining information for specific purposes.

### **Environmental Monitoring**

Environmental scanning is only one component of global environmental analysis. After having identified critical trends and potential events they have to be monitored. The next step in global environmental analysis is called environmental monitoring. It can be defined as the process of repetitive observing for defined purposes, of one or more elements or indicators of the environment according to pre-arranged schedules in space and time, and using comparable methodologies for environmental sensing and data collection.

Through environmental monitoring, data about environmental developments are recorded, followed and interpreted. Out of this, historical development changes that are important for the company can be recognized and evaluated. Additionally, the relevance and the reliability of the data sources are tested. Furthermore it is checked, where prognosis are required.

## **Environmental Forecasting**

The direction, intensity and speed of environmental trends are explored through environmental forecasting. Especially the search for possible threats is of importance. A prediction of trends is necessary to get a picture of the future. This is done by adequate methods, like strategic foresight or scenario analysis. Several other methods of forecasting are the following: guessing, rule of thumb, and expert judgment, extrapolation, leading indicators, surveys, time-series models and econometric systems:

1. ‘Guessing’ and related methods totally rely on luck. Consequently it is not generally a useful method. In addition, it is almost impossible to evaluate the uncertainty of a guess in advance.
2. ‘Expert judgment’ lacks validation being the only component of forecasting. It is hardly to predict which ‘oracle’ is successful.
3. ‘Extrapolation’ is effective when tendencies exist. Forecasts are most effective when changes are predicted in tendencies. Prediction in changes in tendencies is likely to miss concerning extrapolative methods.
4. ‘Forecasting based on leading indicators’ needs a stable relationship between the variables that lead and the variables that are led. If the reasons for the lead are not clear the indicators may give misleading information.
5. ‘Surveys’ of businesses can give information about the future. They rely on planning which needs to be realized. Changes in business implicate changes in planning.
6. ‘Time-series models’ are popular forecasting methods. They describe historical patterns of data and they focus on “measurable uncertainty”.
7. ‘Econometric systems’ of equations are the main tool of economic forecasting. They consist of equations which attempt to “model” the behavior of economic groups such as consumers, producers, workers, investors etc. moderated by historical experience. There are several advantages of using formal econometric systems: Economists are able to consolidate existing empirical and theoretical knowledge..., provide a framework for a progressive research strategy..., help to explain their own failures, as well as provide forecasts and policy advice.

## **Environmental Assessment**

In the last step of the global environmental analysis, the results of the previous three steps (Scanning, Monitoring, and Forecasting) are assessed. The discovered environmental trends are reviewed to estimate the probability of their occurrence. Furthermore, they need to be analyzed to evaluate whether they represent a chance or a risk for the company.

## **Some Guidelines and Examples for Case Studies**

One of the basic principles of marketing is the idea of market segmentation. Sometimes, it is applied to be as one of the most inventive areas of marketing. For instance, if your business is a high-end restaurant, should it be located near the local college or country club? If you sell ski tools, you most likely will want to place your shop somewhere in the surrounding areas of a mountain range where there is skiing. You might see a snowboard shop in the same area, but most likely not a surfboard shop. By contrast, a surfboard shop is expected to be located along the coast, but you possibly would not find a snowboard shop on the beach.

## Cultural Factors

Culture is part of the peripheral influences that force the consumer. That is, culture represents influences that are forced on the consumer by other individuals. The definition of culture offered one text is “That complex whole which includes knowledge, belief, art, morals, custom, and any other capabilities and habits acquired by man person as a member of society.” From this definition, we make the following observations:

Culture, as a “multifaceted whole,” is a system of mutually dependent mechanism. Knowledge and philosophy are important parts. In the US, we know and consider that a person who is capable and works hard will get forward. In other countries, it may be thought that differences in outcome result more from destiny. “Chunking,” the name for China in Chinese, literally means “The Middle Kingdom.” The belief between ancient Chinese that they were in the centre of the world greatly inclined their thinking.

Decency may be exhibited in the view in the US that one should not be unclothed in public. In Japan, on the other hand, groups of men and women may obtain steam baths together without seeming as improper. On the other extreme, women in some Arab countries are not even legitimate to make public their faces. Notice, by the way, that what at slightest some countries view as ethical may in fact be highly morally wrong by the standards of another country.

Assume your immense new product or service idea involves opening a local store. Before you opening the new store, you will perhaps want to do some research to decide which geographical areas have the best prospective.

## A Company Having a Chain of Restaurants in Abroad

For example: McDonald’s Restaurant offered variety of food items to different countries.

### European Countries

1. **Italy:** Italian McDonald’s offers, since 2000, Crispy McBacon, composed of two beef patties, one slice of cheddar, bacon and a special sauce.
2. **Hungary:** Hungarian McDonald’s sell the McFarm, once available in Greece. Limited-time products available only in Hungary have included McDonald’s version of the popular Hungarian breakfast food lángos, and a “Hungarian flavors” menu.
3. **United Kingdom and Ireland:** British and Irish McDonald’s serve the Chicken Legend, a chicken breast coated in seasoned batter either spicy tomato salsa or mayonnaise.
4. **Serbia:** In Serbia, McDonald’s offers the McBaguette sandwich. The sandwich is available in two varieties including chicken or ham and cheese. The restaurants throughout the country offer alcoholic and energy drinks. They also offer orange juice and apple juice for the junior menus.

### Middle-East and Muslim Countries

1. **Turkey:** All McDonald’s meat in Turkey are certified halal by Pinar, a Turkish company. Restaurants offer the Turkish drink Ayran and the McTurco, a type of kebab with chicken or beef.

2. **United Arab Emirates:** United Arab Emirates features the McArabia sandwich on its menus, which is served in flatbread. It used to be available as both a chicken and beef kofta sandwich but it is currently only available as beef.
3. **Saudi Arabia:** All McDonald's in Saudi Arabia are certified halal. Saudi locations serve the Spicy McChicken, McArabia and the Big Tasty, the latter of which is also available in some European locations.

### **Asian Countries**

1. **China:** McDonald's Chinese New Year meal, grilled chicken sandwich and twisted French fries. Tray liner has an image of the Chinese zodiac. In China, Chicken McNuggets can come with the traditional barbecue, sweet and sour, honey and hot mustard sauces; or even a special chili-garlic sauce, which is popular in China.
2. **India:** An Indian McDonald's meal consisting of Veg Masala Grill (top right), McEgg (bottom right), fries and Coke. Indian McDonald's restaurants do not serve beef and pork products, in deference to Hindu and Muslim beliefs. The only animal products available are chicken and fish. Meat and vegetarian meals are prepared in separate areas of the restaurant due to religious laws; cooks preparing vegetarian dishes wear a distinctive green apron.
3. **Japan:** A Big Mac as served in Japan Idacho burgers include bacon, beef, onion, cheese and pepper sauce. Regular menu items in Japanese McDonald's include: the Teriyaki McBurger, with ground pork patties, mayonnaise, lettuce and teriyaki sauce; Shaka Shaka Chicken, a fried chicken strip served in a paper pouch, with cheese or pepper seasonings to shake in the bag; and the Fillet-O-Ebi (shrimp), with a fried shrimp patty and mustard.

### **QUESTIONS**

1. Discuss in detail international advertising and marketing.
2. What kinds of customers are effectively marketed to with International Marketing?
3. Describe international and global advertising and marketing.
4. Outline the environmental analysis of all foreign countries with the help of PESTLE Analysis.
5. What kinds of customers does global marketing reach?
6. What is PESTLE Analysis? How is it effective in the use of this analysis in marketing and advertising?

### **Write Short Notes on**

1. Who employs International Marketing?
2. Environmental monitoring
3. What is global marketing?
4. What is PESTLE Analysis?



# **Chapter 4**

## **Social Marketing**

### **SOCIAL MARKETING**

#### **Introduction**

Social marketing was “born” as a regulation in the 1970s, when Philip Kotler and Gerald Zaltman realized that the same marketing values that were being used to sell products to customers could be used to “sell” ideas, attitudes and behaviors. Kotler and Andreasen define social marketing as “differing from other areas of marketing only with respect to the objectives of the marketer and his or her organization. Social marketing seeks to influence social behaviors not to benefit the marketer, but to benefit the target audience and the general society.” Social marketing is a come up to used to build up activities aimed at changing or maintaining people’s behavior for the profit of individuals and society as a whole.

#### **DEFINITION**

The definition offered by Kotler, Roberto and Lee (2002) is a useful one:

*“The use of marketing principles and techniques to influence a target audience to voluntarily accept, reject, modify or abandon a behavior for the benefit of individuals, groups or society as a whole.”*

Social marketing relies on voluntary compliance rather than legal, economic or coercive forms of influence.

Kotler *et al.* (2002) argue that social marketing is often used to influence an audience to change their behaviour for the sake of one or more of the following:

- Improving health – health issues
- Preventing injuries – safety issues
- Protecting the environment – environmental issues
- Contributing to the community – community-building issues.

Lazer and Kelley (1973) define social marketing as follows:

*"Social marketing is concerned with the application of marketing knowledge, concepts and techniques to enhance social as well as economic ends. It is also concerned with analysis of the social consequences of marketing policies, decisions and activities."*

Kotler and Armstrong define marketing as follows: "*Marketing is human activity directed at satisfying needs and wants through exchange processes.*"

Like commercial marketing, the primary focus is on the consumer – on learning what people want and need rather than trying to persuade them to buy what we happen to be producing. Marketing talks to the consumer, not about the product. The planning process takes this consumer focus into account by addressing the elements of the "marketing mix." This refers to decisions about:

The planning process takes 'consumer focus' into account by addressing the elements of the marketing mix. This refers to decisions about:

1. **Product:** The social marketing 'Product' is not essentially a material offering. A range of products exists, that vary from the tangible/physical products (e.g., condoms) to services (medical examinations), practices (e.g., breast feeding, eating a nutritious/healthy diet) and finally more intangible thoughts (e.g., environmental protection).
2. **Price:** The cost maybe monetary, or may require the consumer to give up intangibles, such as time, effort, risk, etc.
3. **Place:** Place refers to the distribution system – warehouse, trucks, salesforce, retail outlets.
4. **Promotion:** It consists of the incorporated use of advertising, public relations, personal selling, media advertising, etc.

**These are called the 4Ps.** In social marketing, there are a few additional Ps namely,

1. **Policy:** Providing mental guidelines for future behaviour (e.g., a specific policy which help to change behaviour among the people).
2. **Partnership:** Other organizations that will support your cause and partner with you (e.g., Media help to advertise the social cause like Noise, AIDS, etc.).
3. **Politics:** The political and governmental patronage to social workers and organizations.
4. **Purse-strings:** Fund provided by the government or services to NGO and social organization.
5. **Publics:** Publics refer to both the external and internal groups involved in the programme.

## NEED FOR SOCIAL MARKETING

### Introduction

Social marketing is the function of commercial marketing technologies to the analysis, planning, execution and assessment of programs intended to influence the voluntary behavior of target audiences in order to get better their personal benefit and that of their society.

Social marketing will assist to grow the business by using online advertising, search engine optimization, and social media tools. Like conventional marketing, the business reaches out to their

target audience, but contrasting traditional marketing; audience can talk back, relate, and be a part of the medium itself. This communication is very different from what most marketers are used to, but implementation of this marketing style can lead to a new consideration of consumers and deeper relations.

The companies who know the significance of social marketing and how to market efficiently will find themselves reaping the settlement of this adding to their marketing mix. So, what accurately are these benefits that successful social marketing can offer?

**1. Increase in contact:** An advertisement in a conventional campaign, such as a television business, is sent from the business to the viewers in a one-way message. Using social media or email campaigns means that companies can converse directly to their audience about their business or product and then timely conversations. So, the two-way discourse with social marketing increases communication efforts in businesses.

**2. Enhanced customer service:** Because of this two-way conversation, businesses can use social marketing to be more attentive to their audience's troubles and needs. Today's consumers tend to wish the Internet over personal interaction. Businesses need to meet their audiences on their "territory", so to speak. Using instant-messaging services, direct messages, or emails, businesses can develop their customer service into something that consumers wish. By adapting to react to problems and concerns online, consumers will be grateful for the extra effort, and customer service will get better.

**3. Relationship construction:** With the better communication and superior customer service, relationships should rapidly develop between the business and their viewers. Consumers should feel that they are vital to the business, not just nameless faces in a nameless consumer crowd. The development of strong relationships as a result from social marketing shows how important it is to your marketing mix.

### **Reasons for Social Marketing**

Three key reasons for adopting a social marketing approach are:

**1. The power of marketing:** The power of marketing principles and techniques in the hands of the marketable sector cannot be deprived of. Most of us, including very young children, are familiar with logos and brand names, even for goods which we never buy. These symbols live in our minds and form part of our socio-cultural circumstance. Many of us will use our hard-earned money by paying well above the useful utility price of a product in order to get a specific brand name which means impressive to us.

**2. Tracking the record and evidence:** There are many examples of social marketing applications which have been thriving in achieving positive behavioral change.

**3. Not an option:** As Kotler and Levy (1969) argue in their article, 'the choice ... is not whether to market or not to market ... The choice is whether to do it well or poorly.'

### **Steps for Developing a Social Marketing Campaign**

Most successful social marketing campaigns can be broken down into the following steps:

**1. Identify Your Audience:** Be particular and be trained as much as possible about the target audience. One way to identify the target audience is to portray their demographics. In adding up, paint a dramatic picture of the individuals within the group; know their attitudes, feelings, beliefs, values, motivation, and culture all the factors that might manipulate their behavior.

**2. Identify Evaluation Measures:** Evaluation is a big part of all prevention efforts. Establishing a straight relationship between the campaign and any practical outcomes may be difficult because a communications campaign does not exist in emptiness. However, if it's possible to assess broader, population-level changes in behavior and evaluate them to a baseline before the marketing campaign began. For example, Massachusetts has conducted a large-scale, multi-million dollar anti-smoking campaign, funded exclusively by a tax on tobacco products. To review change, they evaluate the difference in the number of cigarette packs sold before and since the campaign began.

**3. Identify Channels:** It's vital to think about how to communicate the planned message. One option is to bring the message straight to the target audience. Common marketing channels comprise of television or radio commercials, interviews, and public service announcements. They also include newspaper or magazine articles, editorials, and print ads; billboards; and banners across main streets. In adding together, websites, email lists, bulk mailings, and special events, contests, and awards can be used. In selecting appropriate dissemination channels, consider the costs involved.

**4. Identify Benefits:** The exchange attitude asserts that in order for people to willingly give something up or try something new, they must benefit in some way. Ask the following question: Why would the target audience want to adopt the behavior promoted in the campaign? Think about this question from the audience's perspective. For example, to convince people over 50 to start exercising, highlight benefits such as increased energy and protection against osteoporosis. But to convince young adults to exercise, "sell" the idea that going to the gym is a great way to get in shape and increase your sex appeal.

**5. Identify Obstacles:** To attain an exchange, it is also significant to identify any obstacles that might stop members of the target audience from adopting a given behavior. For example, when promoting treatment for alcohol and drug issues, find out whether treatment slots are, in fact available; whether members of the target audience have insurance coverage; and if the programs can be reached using public transportation.

**6. Determine the Message:** This is an important step. When creating a message, be very clear about the behavior you want to bring out. Do you wish for the audience to make a telephone call? Send for information? Stop doing something, like smoking or start doing something like talking to their children about alcohol, tobacco, and other drugs? People who see or hear the message must be clear about what is anticipated of them.

Finally, decide the tone and the method of the message. Tone is an intangible quality but is very significant in a social marketing campaign. Decide if the message is proposed to be informative? Emotional? Humorous? A combination of the above?

Remember: all the "pieces" of the messages are headlines, illustrations, and copy should work jointly to instantly establish what is being offered, what the benefits are, and who is advertising it. People should know at a glimpse what the message is about.

**7. Test and Improve:** It's very significant to "pre-test" the message. The finest way to do this is to test the message on center groups that characterize the target audience. Present them with more than a few message samples and record their impressions and reactions. Then use their comment to improve the message. Test the message for understanding, attention, and recall; strong and weak points; personal importance to the target audience; and kindliness to cultural and/or audience-specific characteristics.

**8. Collect Data:** Collect data to decide whether the message is having an impact. Data collection might engage conducting more focus groups, administering surveys, or doing telephone interviews. Data collection methods should be dictated not only by cost, but also by the questions you want answered and the kind of information you want to collect. Whenever you like possible, work with an assessor to design and execute your data collection efforts. Learn more about judgment and analyzing important fact of the data.

**9. Transform Your Work, Based on the Data:** Even the best-researched campaign often needs some modification once it has been launched. If something isn't working, a small change is often adequate to improve it extensively. If uncertain, go back to the target audience and ask them what they think.

**10. Write an Assessment Report:** This is often requisite by the funder. Yet, even when it is not, creating a report is a helpful way to classify the information collected so that it can be shared with others and gather support for future efforts.

When moving throughout each of these steps, always keep an obvious picture of the target audience. The most precious asset is knowledge of the audience. Don't ever misjudge just how critically important that knowledge is to the success of any social marketing campaign.

## THE DIFFICULTIES OF SOCIAL MARKETING

### Introduction

Marketing is the progression by which companies generate customer interest in goods or service through which companies construct strong customer relationships and creates value for their customers and for themselves.

Begin with a marketing plan identifying the customer and their needs and wants. Since the heart of business is fulfilling a need it is a vital to know which need you are trying to fulfill. Then you need to know how best to reach those customers who have that need.

There are many diverse marketing mediums and working out which is best for your business is necessary, both to keep expenses down and to get the most back from your marketing campaign. There are conflicting advantages and disadvantages of marketing depending on your chosen medium.

Social marketing, defined by Kotler and Zaltman (1971) as "the design, implementation, and control of programs calculated to influence the acceptability of social ideas and involving considerations of product planning, pricing, communications and marketing research", encompasses a broad range of consumer behavior topics from smoking termination to AIDS prevention to environmental awareness. Because of the social nature of these topics, consumer and marketing

researchers have raised essential questions about whether the marketing of social ideas is well-matched with the universal marketing concept.

Among the specific data quality concerns is: (a) an absence of good secondary data available to social marketers, (b) lower reliability and validity of measures, (c) difficulty in identifying the determinants of the social consumer's behavior, and (d) difficulty in identifying through marketing research particular segments to target. Each of these concerns is given below:

- **First**, good secondary data are often unavailable, since social marketers have limited syndicated services or panels that provide data on social marketing issues. Academic journals may be consulted, but these sources often may contain narrowly focused research which is harder to generalize to another realm of social marketing (Bloom and Novelli 1981, Fox and Kotler 1980).
- **Second**, problems with reliability and validity of primary data collected is assumed to frequently occur for social marketing studies, since people give more socially desired responses to sensitive issues such as smoking, charitable donations or sex (Bloom and Novelli 1981, Fox and Kotler 1980).
- **Third**, researchers have argued that social marketing issues are more complex than non-social marketing issues, making it difficult for social marketers to isolate factors that affect an individual's behavior (Barach 1984, Bloom and Novelli 1981, Fox and Kotler 1980). Therefore, the determinants of the social consumer's behavior are more difficult to identify.
- **Fourth**, attitudinal and behavioral data used to identify target segments are assumed to be less accurate when the issue pertains to social marketing. For example, it may be difficult to identify "users" and "nonusers", and differentiate groups from one another. Self-report measures may be misleading when measuring attitudes and behaviors pertaining to breast self-examination or contraceptive usage, and it may be impossible to use other behavioral measures such as observation in these circumstances (Bloom and Novelli 1981, Fox and Kotler 1980, Kotler and Zaltman 1971, Sheth and Frazier 1982).

Finally, it has been not compulsory that social marketers have difficulty evaluating their programs effectively. Determining the nature of the efficiency variables may be difficult. Is the social marketing program intended to create awareness of an issue, alter consumers' knowledge or attitudes toward a social issue, change people's behavior, or save lives (e.g. Barach 1984, Bloom and Novelli 1981, Bloom and Ford 1979, Fox and Kotler 1980)? Further, the contribution of the marketing program in accomplishing certain objectives may be difficult to estimate (Barach 1984, Fox and Kotler 1980, Bloom and Novelli 1981, Bloom and Ford 1979). Part of the reasoning behind this latter train of thought is the assumption that social marketers have a limited ability to implement randomized experiments or quasi experiments. Often they are forced to use after only or before and after with no control group studies (Bloom and Novelli 1981, Fox and Kotler 1980).

There are some other common difficulties in social marketing:

1. **Lead Generation:** When you're stressed with lead generation, you're behind the ability to attract future forecast or clients. A fight back with lead generation also means that you're downing sales. This problem could be caused by unproductive measures used to reach and connect your target audience.

**2. Target Audience:** You know that you need to arrive at your target audience, but just who is your target audience? If you feel as though you're stressed with the ability to find out just who your target audience is, it's time to find them.

**3. Content Marketing:** How is your content marketing plan? Are people attracted with your content? Is it attaining your target audience? Is it making a good first feeling? If not, then it's time to re-examine the quality of your content.

**4. Social Media:** Using social media to arrive at your target audience is more than just distribution great content. It's also about making sure that you are using social media to share, not just sell. It's creation the time to sign in and actually connect with people. Sharing and engaging with others is keys.

**5. Newest Marketing Trends:** Times are altering and so are marketing, so it's significant to stay up-to-date on the newest marketing trends. But where are some of the best spots to do so?

**6. Increasing ROI:** When you're ROI is far above the ground, you're generating leads and earning profits. When your ROI is low, this is a trouble. If you struggle with increasing your ROI, it's time for some stroke.

## THE VARIOUS SUBJECTS FOR SOCIAL MARKETING

Social Marketing draws on marketing concepts to manipulate behaviors that benefit individuals and communities for the greater social good. This includes improvements in health and well being, sustainable environmental practices and crime avoidance. Through integrating research theory, and audience and partnership insights, social marketing studies will make available you with the skills and knowledge to expand and convey segmented social change programs that are cost-effective, equitable, and sustainable and competitor sensitive.

Social Marketing is an intended process for influencing change. Social Marketing is a customized term of predictable Product and Service Marketing. With its mechanism of marketing and consumer research, advertising and promotion (including positioning, segmentation, creative strategy, message design and testing, media strategy and planning, and effective tracking), Social Marketing can play a central role in topics like health, environment, and other important issues.

In its most universal sense, Social Marketing is a new way of philosophy about some very old human activities. As long as there have been social systems, there have been attempts to inform, convince, influence, motivate, to gain acceptance for new adherents to certain sets of ideas, to promote causes and to win over particular groups, to reinforce behavior or to change it whether by favor, argument or force.

Social Marketing has deep ancestry in religion, in politics, in education, and even, to a degree, in military approach. It also has academic roots in disciplines such as psychology, sociology, political science, communication theory and anthropology. It's realistic roots curtail from disciplines such as advertising, public relations and market research, as well as to the work and experience of social activists, support groups and community organizers.

As Philip Kotler points out in his book Social Marketing Strategies for Changing Public Behavior, campaigns for social change are not a new occurrence. They have been waged from time immemorial.

In Ancient Greece and Rome, campaigns were launched to free slaves. In England during the Industrial Revolution, campaigns were mounted to abolish nonpayer prisons, grant voting rights to women, and to do away with child labor. Notable social reform campaigns in nineteenth-century America integrated the abolition; temperance, prohibition and suffragette movements, as well as a consumer movement to have governments control the quality of foods and drugs.

**In recent times, campaigns have been launched in areas such as health promotion (e.g., anti-smoking, safety, drug abuse, drinking and driving, AIDS, nutrition, physical fitness, immunization, breast cancer screening, mental health, breast feeding, family planning), environment (e.g., safer water, clean air, energy conservation, preservation of national parks and forests), education (e.g., literacy, stay in school), economy (e.g., boost job skills and training, attract investors, revitalize older cities), and other issues like family violence, human rights, and racism.**

Social Marketing combines the best elements of the traditional approaches to social change in an integrated planning and action framework, and utilizes advances in communication technology and marketing skills. It uses marketing techniques to make discussion and promote information, attitudes, values and behaviors. By doing so, it helps to create a climate conducive to social and behavioral change.

## **EFFECTS OF SOCIAL MARKETING**

### **Introduction**

Social marketing is the exercise of commercial marketing techniques to encourage the adoption of behavior that will develop the health or well-being of the target audience or of society as a whole. Social marketing is not a stand-alone consciousness raising tool; is rather a frame or structure that combines classic promotional tools with knowledge from many other technical fields to understand how to influence people's behavior. Improving the current situation regarding sanitation and water in your area is very much associated with changing or adapting behaviors of the local community. By applying social marketing principles, you can definitely control current behaviors and therefore advance the well-being of the local community.

Social marketing is the efficient application of marketing, along with other concepts and techniques, to attain specific behavioral goals for a social good. Social marketing has similar uniqueness to marketing course but with the added provision that there will be a limitation of any harmful activities to society, in product, production, or selling methods. Social marketing can be functional to promote merit goods or to make a society keep away from demerit goods and thus to endorse society's well-being as a whole.

For example, this may comprise asking people not to smoke in public areas, asking them to use seat belts, or prompting them to make them follow speed limits. Social marketing is sometimes seen only as using normal commercial marketing practices to attain non-commercial goals. This is an generalization, as the primary aim of social marketing is social good, while in commercial marketing the aim is first and foremost financial.

Progressively more, social marketing is being described as having “two parents” – a “social parent,” i.e., social sciences and social policy; and a “marketing parent,” i.e., commercial and public sector marketing approach. Social marketing has, in the last few decades, developed into a much more integrative and wide-ranging discipline that draws on the full range of social sciences and social policy approaches as well as marketing.

The social marketing notion holds that the organization’s task is to establish the needs, wants, and interests of a target market and to deliver the preferred satisfactions more effectively and efficiently than competitors in a way that conserve or enhances the consumer’s and the society’s well-being. Therefore, marketers must attempt to satisfy the needs and wants of their target markets in ways that conserve and improve the well-being of consumers and society as a whole. It is strongly linked with the principles of corporate social responsibility and of sustainable development.

**1. Effect on health:** Social marketing is generally used to control health behavior. Social marketers use a broad range of health communication strategies based on mass media; they also use mediated (for example, through a healthcare provider), interpersonal, and other modes of communication; and marketing methods such as message post (for example, in clinics), promotion, distribution, and community level outreach. Social marketing encompasses all of these strategies.

Communication channels for health information have changed deeply in recent years. One-way distribution of information has given way to a transactional model of communication. Social marketers face challenges such as improved numbers and types of health issues opposing for the public’s attention; limitations on people’s time; and bigger numbers and types of communication channels, including the internet. A multi-model advance is the most efficient way to reach audiences about health issues.

**2. Belongings on religious faith:** Many religious communities and temple gathering create opportunities for social relations outside the regular worship services. Youth groups, men’s worship groups, women’s circles, summer camps, and other activities give a social network of people to connect further than their shared faith.

**3. Effects on customer:** The key to successful social marketing is conversation to the people you are trying to reach. Social marketing is a customer-driven process. All aspects of your agenda must be developed with the wants and needs of the target audience as the inner focus. In order to learn what your customers want, you must ask them.

**4. Effect on Advertising:** Advertising takes money, whether purchased through an online advertising service, print ads in a newspaper or commercials on radio and TV. There are some positive and negative effects of advertising are as follows:

**(i) Positive Effects:** Although people often focal point on the negatives when they talk about the effects of advertising, it is vital to note that advertising does have its positive side. In fact, some of our society’s most significant messages have come during advertising, like “Friends don’t let friends drive drunk.” In adding up to promoting essential social messages, advertisements can also ignite the economy by nurturing competition and innovation:

**(a) Public Service Advertisements:** Public service advertisements are repeatedly the first things measured when people discuss the positives of advertisements. These advertisements market a social concept of significance to the general public. Many public

service announcements run messages about health, safety and national security. For example, Swachhta Abhiyan Movement by Indian Government, Actress Vidya Balan advertisements of Shauchalya (Toilet) for villagers.

- (b) **Social Benefits:** In addition to public service advertisements, traditional advertisements that market a product or service can offer social benefits. For example, Tata Tea (Jago Re).
  - (c) **Economic Benefits:** Advertising has a number of positive effects on economies both in the India and abroad. Advertising can help generate more jobs. As the demand for products and services goes up because of advertising, more people are required to manufacture, supply, ship and test those products and services. Thus, more jobs are created.
- (ii) **Negative Effects:** Advertising is continuously demanding your concentration everywhere you go. Here are some reasons why you should be more attentive of what advertising can do:
- (a) **Effect on religious image:** When descriptions from religion, art and other parts of culture are used in advertising, it not only criticism and disrespectful to the non-commercial organizations, but it also lowering the value of those images.
  - (b) **Effect on economic value:** The economic significance of a person becomes more precious than the real relationships between humans. Humans' worth is coupled with their buying power and people are segmented into consumer demographics, defining human associations only in relation to the goods and services they will consume.
  - (c) **Political pressure:** Political campaigns have now become huge marketing contests that use strategy that are often identical from advertising. The most luxurious and creative influence methods in the form of political ads really influence the outcome of elections now.

## **How to Prepare a Social Marketing Campaign?**

### **Social Marketing Strategy**

There are some guidelines for preparing social marketing campaign on certain issues with examples. The goal of social advertising campaigns is to support ideas that also encourage positive behaviours like concerned for the environment or wearing seat belts; or discourage negative behaviours, such as speeding or smoking in unrestricted areas. In this way, social marketing "sells" the happiness of society as a whole.

### **Fundamental Marketing Principles**

The following marketing principles which are critical to the success of social marketing campaigns include:

1. Sympathetic your audience, their needs, wants, barriers and motivations.
2. Being obvious about what you want your audience to do; changes in knowledge and attitudes are good if they lead to action.
3. Understanding the notion of exchange; you must recommend your audience something very attractive in return for changing behaviour.

4. Realising that struggle always exists; your viewers can always choose to do something else.
5. Being aware of the “4Ps of Marketing” and how they are relevant to your programme.
6. Understanding the role that policies, rules and laws can occupy you in efforts to influence social or behavioural change.

### **Symbols**

Many successful social marketing campaigns use symbolic visuals that are immediately recognizable. Examples include Awareness Ribbons, Smokey the Bear for wildfire prevention, and Rosie the Riveter, which was used during World War II to inspire women to help with the war effort.

### **Slogans**

Other social marketing campaigns rely on short, memorable catch phrases, such as “Just Say No,” the slogan for the US government’s War on Drugs campaign. The phrase was created by First Lady Nancy Reagan to champion a substance abuse prevention programme from the National Institutes of Health.

### **Imagery**

Social marketing campaigns, particularly those pointing out negative consequences, often use powerful imagery to instantly illustrate the cause. Examples include the aforementioned photographs of sea turtles, and the photos of starving children used in the Christian Children’s Fund commercials with Sally Struthers.

## **Memorable Social Marketing Campaign**

### **Example 1:**

The United Support of Artists for Africa, or simply USA for Africa, was founded to help relieve famine and disease in Africa—specifically the 1984-1985. Ethiopia famine that led to more than 400,000 deaths. This group was actually a “super band” composed of 47 US recording artists, who came together to record one song and donate the profits to famine relief in Africa.

The song was “We are the World.” It was written by Michael Jackson and Lionel Ritchie, who also performed parts along with other superstars like Ray Charles, Harry Belafonte, Bruce Springsteen, Paul Simon, Bette Midler, Billy Joel, Diana Ross, Tina Turner, Kenny Rogers, Willie Nelson and Bob Dylan.

“We are the World” sold more than 20 million copies, making it one of only 30 singles to ever sell over 10 million or more worldwide. With this campaign and the benefit event Hands Across America—a human chain of seven million people in the continental United States holding hands for 15 minutes—USA for Africa raised nearly \$100 million for charity relief.

*Source: <http://www.marketing-schools.org>*

### **Example 2:**

While the evidence for the effectiveness of traditional health promotion approaches is limited, social marketing may provide a fruitful alternative in the promotion of household environmental

health. Indeed, the marketing approach to the promotion of hand-washing with soap is taking off internationally as indicated by the development of national and state-wide hand-wash marketing programmes (via public-private partnerships) in Ghana, Peru, Senegal, South Africa, Indonesia, Madagascar, Nepal and Ethiopia among others. The partnership is guided by the following principles:

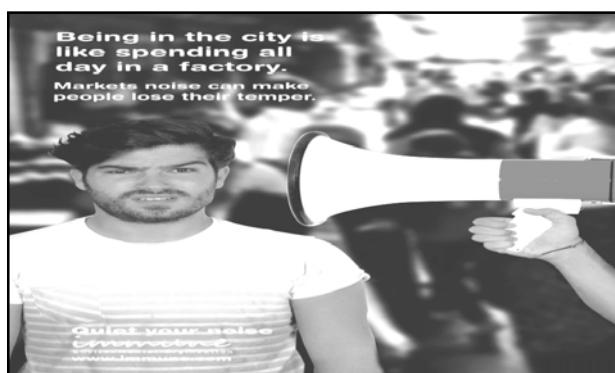
These deaths are preventable: Research shows that, if widely practised, hand-washing with soap could reduce diarrhoea by almost 50% and respiratory infections by nearly 25%.

Hand-washing with soap is a right: Every child has a right to vaccination and should also have the right to protection from hand-transmitted diseases.

Large-scale changes in hand-washing practices can be achieved: A large-scale increase in the practice of hand-washing with soap would make a significant contribution to meeting the Millennium Development Goal 5: reducing deaths among children under five by two-thirds by 2015.

*Source:* Global Hand-washing Campaign in Beijing. *Source:* UNITED NATIONS (2008).

### **Example 3:**





### Social Marketing Advertising Campaign

1. Plan a Social Marketing Campaign for a women's self-help group manufacturing home need food products in India to be promoted through the internet (2008).
2. Devise a social marketing campaign to support stationery and gift articles created by the physically handicapped with a special focus on internet as a promotional tool (2008).
3. Design an Internet campaign for an NGO seeking support to maintain AIDS infected orphaned children (2009).
4. Plan a Social Marketing Campaign for a women's self-help group manufacturing home need food products in India to be promoted through the internet (2009).
5. Create a Social Marketing Campaign to make people aware about the safety measures against anti-social activities during the festival season (2010).
6. What is Social Marketing? Create a Social marketing campaign on: (a) Reducing noise pollution and (b) Save electricity (2011).
7. What is a social marketing campaign? Provide the marketing mix for an "anti-ragging campaign" across the educational campuses of our country (2011).
8. How does a social marketing campaign differ from general marketing campaign? State the marketing mix to promote "Save the seniors awareness campaign among the citizen" (2011).
9. What is Social marketing? How would you go about preparing a campaign for "Noise Pollution" (2012)?
10. You are required to make a social marketing campaign on any one of the following:
  - (a) Organ donation
  - (b) Eradication of literacy
  - (c) Women empowerment campaign for safety

### QUESTIONS

1. What is social marketing? How it effective for company?
2. What are the steps for Developing a Social Marketing Campaign?

3. What are the difficulties of social marketing? Discuss.
4. Describe in detail effects of social marketing.
5. Enumerate the various subjects for social marketing.

**Write Short Notes on**

1. Define the term “Price”
2. What is customer satisfaction?
3. Define the term “Promotion”
4. Who are the target audience for company?



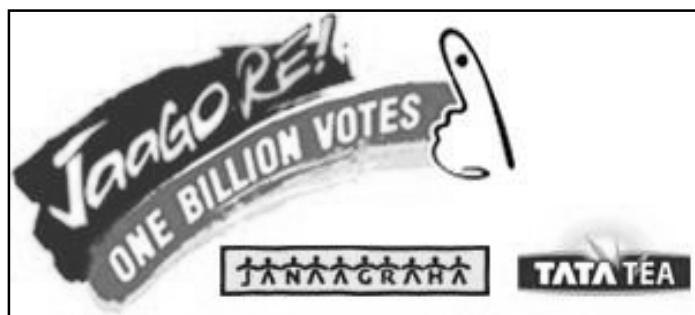
## Chapter 5

# Advertising

### **THE EFFECT OF ADVERTISING ON SOCIETY**

The image of definite attractive, unique, memorable and encouraging advertisements but it has all the time had a deep impact on the society, be it positive or negative. So, if an advertisement is positive and has good principles, it helps to get better the society we exist in. However, on the other hand, if an advertisement is ambiguous or undesirable, it strongly affects the society in a negative manner. So, there are thousands of advertisements produced every year, and most of them disappear with certain impact, intentionally or unintentionally, in the minds of the public.

There are many advertisements which have a positive impact on the minds of people, such as the advertisement promotion of “TATA Tea” with its tagline “jaago re” which is significantly cheering to the public, as it has a positive communication to “awaken” the people of India in the direction of their real aims and duties. P&G advertisement promotion also has a positive impact on the society, as it donates a piece of the sales earned to an NGO named “shiksha”.



This advertising campaign inculcates a sense of awareness and care among the masses. Even the advertisements campaign of certain financial firms serves to be helpful to the society, as they make the public be aware of how certain significant and useful financial matters work. Such advertisements campaign include that of LIC, Manappuram gold loan, Bank advertisements, SEBI, etc.

Thus, there are a variety of such advertisements that have a positive impact on the society we live in, and are therefore advantageous as well. However, there is a greatly more shady and grave side of

this field, which is a serious matter of concern. While there are definite advertisements that have a positive outcome on the society; there are much more advertisements, that put down a very negative impact on the society, and drags it towards the wrong direction.

For example, the Center Fruit advertisement shows that, immediately by considering the name of the product, one's tongue starts lisping and goes out of control. Another example of such overstatement is the recent 5 Star advertisement campaign, which shows that, on eating the chocolate, due to its flimsiness, one gets lost into the world of his own..!! Also, in the Fevistick ad campaign, they show that whatever thing can be joined by using the product, just anything, and that too in no time! Even if the coin given for change while buying the fevistick is kept on the product, it gets fixed to it! In Happydent White's advertisement, one's teeth start shining the moment he/she chews the product, and then the teeth can serve as an alternative to tube lights..!!



There are a variety of such advertisements that show an extremely overstated use of the product/service to be marketed. Due to such advertisements, even if the public knows the real usefulness of the product, they will go and buy the product. Looking at the nationwide point of view, this is a total waste of resources. In a way, it is fooling the public to sell the products.

The major aim of approximately all firms to sell their products is the youth. Thus, nearly many advertisements made today are youth-centred. While making the advertisements they comprise certain matter that no doubt attracts the youth, but is frequently harmful for them, and others. For example, advertisements of Thums Up, Mountain Dew, Bajaj Pulsar, etc show convinced a deadly stunt, which increases the “cool-quotient” of the product. Though there is a small mark of Disclaimer at the underside of the screen while the advertisement is broadcasted, the youth is jump to copy the stunts, and the penalty of such actions may be deadly. So, the youth tries to copy the stunts shown in the advertisements in pleasure, and then insensitive penalty follow.



Thus, various advertisements direct to the social evils that are well-known in the nation. The most horrible example is treatment of women. The way women are projected in the advertisements today has led to certain terrible stereotypes. They are just kept for grab the interest of the public in the direction of the product. Nowadays, instead of giving sufficient information about the product, the makers choose to keep women for the sake of attainment of attention.

If women are offended in the society today, much of it is due to such advertisements! Just for the sake of exceeding the sales, the dignity of a gender are put to risk you must have seen all the advertisements of "AXE" deodorants. It is the most awful example of how women are used to give the wrong impression about the public towards the product to be sold. There are many more such examples of advertisements, like those of Set Wet, Engagement Deodorants, Wild Stone, Fair and Handsome, Gillette, Mahindra Centro Bike etc which project women just as a symbol of seduction, to draw more customers in the direction of the product.

Thus, the advertisements mainly influence the society both positively and negatively, and also the society affects the advertisements being made in the country, up to a convinced extent. However, as accountable to citizens of India, we should sense free to convey our thoughts or against any such advertisement that we find deceptive or unwanted, and try to recover the condition of our society with little, but with the best we can do! Anyways, we can never run away from this outcome of advertisements. We will remain on altering the advertisements they make, will keep on changing us.

## **CRITICISM OF ADVERTISING**

### **Introduction**

The shaping of the most frequent criticism of advertising depends on who is doing the criticizing. Advertisers criticize about the high cost to advertise. Consumers criticize about ambiguous claims and products that don't live up to their advertising. Advertising has been criticized as long as it has existed. Several objections have been raised next to advertising and some people criticize advertising as a social waste. The following are the criticism of Advertising:

- 1. Elevated Price:** It is said that large amounts used up on advertising raise the cost of distribution which is transferred to customers in the form of higher prices. This disagreement may be true in case of inelastic demand, when advertising just transfers demand from one producer to another. But efficient advertising frequently creates demand and increases the level of production. Large-scale

operations result in lower costs and lower prices. In developed countries, businessmen have condensed costs and prices while spending millions on advertising every year.

**2. Uneconomical Consumption:** Advertising increases the needs of people and encourages harmful consumption. By exploiting human sentiments, it persuades people to buy products which they do not need or cannot have enough money to buy. Advertising promotes artificial living and wastefulness and creates demand for unimportant goods. This claim may be true to some level but it is based on the statement that satisfaction of psychological needs is not as significant as that of physiological needs. Moreover, new tastes and better emotional experience of life are necessary for the growth of civilization. By itself, advertising cannot force people to buy things which they consider needless.

**3. Misleads the Consumer:** It is said that advertising is frequently misleading and misrepresents facts to the consumer. Overstated and elaborate languages are used to fool innocent consumers. They are induced or defrauded through fake testimonials and false comparisons to buy goods of doubtful value. There is no denying the detail that some firms spoil in false and misleading advertising and dishonest use of advertising by them destroys public confidence in advertising. But just because a few people use wrongly advertising, it does not mean that advertising itself is bad unnecessary.

**4. Creates domination:** Advertising creates brand preferences and restricts open competition. Large firms which can pay for huge amount of money on advertising remove small firms by creating brand domination. Advertising thus encourages the continued existence of the mightiest rather than the best. But promotion creates only a temporary brand monopoly as after some time other brands offer competition. For instance, 'Amul' brand butter enjoys domination of brand but has to face competition from Vita, Neutralite, Go and other brands of butter.

**5. Wastage of National Resources:** In order to make use of advertising, producers create unimportant differences in their products. The expensive resources that can be used to create new industries are exhausted in the production of needless varieties and designs. Appearance, design and style have become more significant than the physical usefulness of the product. Manipulative and aggressive advertising leads to criminal wastage of resources.

**6. Undermines Social Values:** Advertisement is a kind of day-dreaming for the people. These days it is pleasing the people away from actuality and into the kingdom of artificiality. Through its medium get information about new products.

**7. Confuses the Buyers:** Many a time twisted description of reality is shown in the advertising. Believing in advertising, consumers buy the product. They come to understand later that the information given in the advertisement was somewhat else whereas the actual product was quite different from it. On its use, they feel cheated.

**8. Encourages Sale of Inferior Products:** Every company projects his product as greater one in the advertisement. Therefore, the buyer is incapable to decide as to which product is actually good. It affects other sellers also. Therefore, it is said that advertisement encourages the sale of low-grade products.

**9. Some Advertisement is in Bad Taste:** Many times, unclean language and unpleasant pictures are used in advertising in order to be a focus for a particular class. They may be offensive to a particular class. It causes decay of social values.

**10. Annoyances and Cautions:** Other criticisms of advertising are that most of it is ridiculous or abusive, and often entices people to buy things they don't need or want. What's ridiculous or abusive to one person, however, may be funny or heading for another. So before running an advertisement advertiser sometimes rely on focus groups to give their impartial opinions.

## ADVERTISING AND WOMEN

### Introduction

When people say gender sells, most of the occasion what they really signify is that sexy women sell. For decades, advertisers have been finding diverse customs to feature women in ads in order to attract buyers. And, it would seem, the approach works.

Here are few Indian ads showing women in a positive and progressive light:

**1. Forest Essentials Ayurvedic Cream:** Combining immense visuals with a strong female lead, this 2015 ad for face cream shows a woman getting ready to travel into battle and seeking the sanction of her father. According to the makers, this ad is a compliment to the most powerful woman of all, Mother Nature.



**2. Wedding Jewelry by TBZ garlands:** This ad has a suggestion of progressive thinking and marketing hardly ever seen on Indian TV. A bride tries to put the maala on her husband to-be, following which the two spoil in a playful exchange where more than a few things come to light, not least of which is the fact that not only are the two previously lovers, but also that the woman has her own character and intelligence of identity, something very strange for Indian ads.



**3. Dabur Vatika Hair Oil:** Dabur Vatika's 'Brave and Beautiful' campaign focused on the struggle of cancer survivors, particularly women who lose their hair during chemotherapy, and the social denial they face in the process. This ad depicts one of these women prior her head-scarf to go to work, and the support she receives from the people around her, despite of how she looks.



**4. Titan Raga 'Woman of Today':** This little short sees a woman hit into an old lover at the airport. As the conversation turns regretful, the guy claims that they could have worked out as a couple, if she'd only quit her job. Be enough to say, this doesn't go down too well with the woman, who makes it clear that she would do whatever she damn well wants to. According to Titan, they celebrate the woman who is modern, progressive, confident and passionate.



**5. Tanishq Jewelry:** Tanishq put out an ad in 2014 that proved that even the oldest and most traditional members of a family can find out to accept change and growth. Emancipation up the issues

of arranged marriage, gender inequality and regional identity at one goes, this ad really got it right. Watch out for the cunning grandma's touchy performance.



**6. Havells Fans:** In 2013, Havells put out yet another social significant ad that bring out the little things people are doing these days in an effort to oppose the blanket of patriarchy widespread not just in India, but the world over. The ad shows a man deciding to take his wife's last name after marriage, and the amazed but satisfied look the female registrar gives the couple proves that little things go a long way.



**7. Fastrack 'The Closet':** This 20-second ad by Fastrack is stylish, smart and to-the-point. It deals with how homosexuality, in this case two women, is a regular kind of love, it's no big deal, and society has to be taught to move on. It clearly states, don't be beaten by society's rules.



**8. Nirma Ambulance Ad:** In harsh dissimilarity to earlier Nirma ads, this one kind a strong message of female empowerment. It depicts two women who settle on to take matters into their own

hands, serving push a car out of a drain while all the men arise around and watch helplessly. Oh, and they get their clothes dirty too! Nirma switched from portraying women as home-makers to women as change-makers.

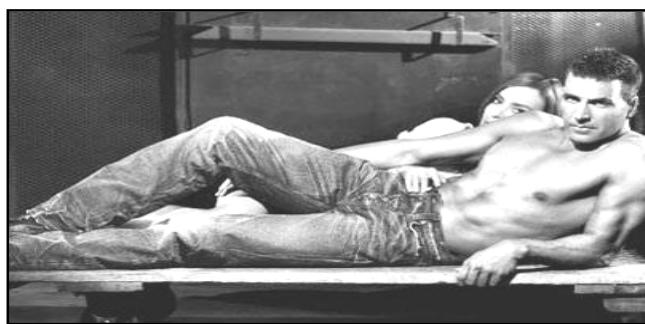


### **Negative Portrayal of Women in Advertising**

Women have for all time been a very important part of the society. This is so because a woman plays a variety of roles in her life, that of a daughter, sister, mother and so on and this helps in framing of a society in which we live. That is why she has been appreciated from earlier times till date. But in today's fast shifting world it has been noticed that women are mainly being treated as mere pleasure objects by men.

Here are few Indian ads showing women in a negative light.

**1. Levis:** The hot and muscular Akshay Kumar is wearing clothes in a pair of jeans and screening off his perfect abs. The female model is all out to seduce him and then unbuttons his jeans.



**2. Zatak Talc:** This advertisement will definitely make tailoring a fun occupation. The female model, which goes to provide her measurement to a tailor, gets twisted on by him when she realises that he has scattered himself kindly with Zatak talcum powder.



**3. Maxima Waterproof Watch:** You can certainly not picture this could be a wristwatch commercial! The girl fantasizes about seducing a man and ties him to the bed and get all kinky. However, before you start expecting a lot more action, it ends with a woman theft the watch and walking away.



**4. Slice:** Katrina Kaif's commercial of Slice became fairly well-known because of her slight seductive act in the advertisement. This ad is extensively known as the 'Aamsutra' and shows the beautiful actress in a never seen before physical avatar. The way she licks the drink from her fingertips make her look very aesthetic.



**5. Wild Stone deodorant:** The advertisement scores full marks in the sensuality section and it even shows the man and woman building love in an aesthetic manner. The ad shows a Bengali woman accomplishment turned on by a man after he sprays some deodorant. The backdrop of a puja also adds shade to the advertisement.



## **ADVERTISING AND CHILDREN**

### **Introduction**

In an era of varied marketing and advertising platforms, entertainment and modern culture, children from all over the world are showing to a great number of marketing and advertising activities. Children symbolize a huge market for advertisers. In addition to the purchasing power they signify and the pressure they put forth on their parents' shopping decisions, children who have not yet formed their tastes, desires and preferences become an eventual target for advertisers and stay as such throughout adulthood.

Children today enjoy wide contact to technology and marketing communications and it is clear that children are increasingly media literate. Due to their defencelessness, inexperience and lack of ability to significantly reflect on the received information, advertisers should be especially hard-working in protecting these young consumers from harmful, potentially misleading and unpleasant information.

For example, promotion and publicity to the young generation must not give confidence children to be concerned in unsafe activities or weaken the authority of their parents. Therefore, ads must be keeping pace in terms of both the language and descriptions they use and all the topics that might potentially cause negative things on children must be expelled from both the programmes and the ads that might be watched by children.



**How do big companies choose who to target in their marketing strategies?**

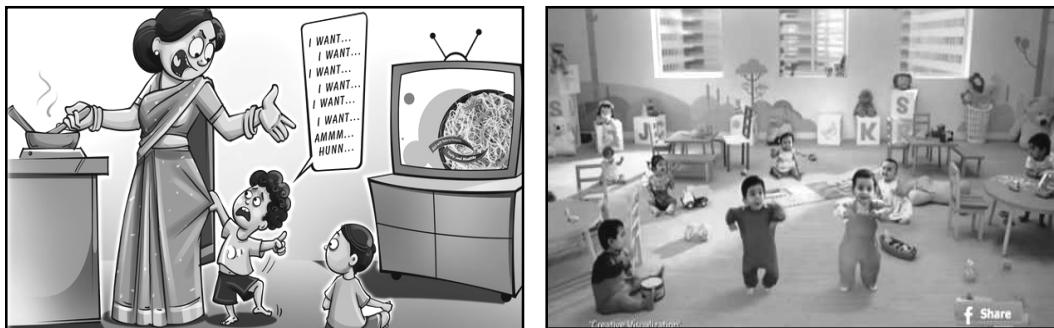
A big company with massive marketing budgets that expend a couple hundred million dollars on marketing every year can generously handle that money and put it everywhere they want without any responsibilities.

According to the “Buy buy, baby” book research, 50% of all children ads in USA are for candies, snacks, sugary cereals and fast food, so it’s no surprise that Americans spend more than 6 billion US dollars yearly on holiday candies only and that over 1/3 of American children are overweight or obese. This shows how marketing activities targeted directly to kids can affect their lives and it’s something that we should definitely pay more attention to in the future.



### Acquire them when they're Young

About the indirect advertising as we get grown-up, our advertising defence device becomes stronger and stronger, and that's why companies targeting kids almost immediately as they become aware about their social environment. Maybe even before that. Making children turn out to be your loyal customers is a business achievement that will last for a long, long time, even when they grow up.



The marks of a research that was done in 1944 in USA and that was constant back in 1964, both times said that the grown-up research subjects used at least 23% of the products that they used when they were kids. Products that are most probable to become a habit for children are ketchup, mayonnaise, tooth paste, coffee, pain relief pills, soap, perfume, makeup products, beer and cigarettes. Big brands want to get into kids' heads and to stay there. They want to make kids their loyal fans forever.

### **Impact of Advertising on Children**

The advertising filmmakers are formulating fresh ways of tempting consumers to buy products. If an advertisement for a product attracts the consumer, they tend to buy it regularly, or at least buy it on one occasion. If a company has to stay alive in this aggressive world, they have to project the image of their products in such a way that they pick up the maximum sales, when they hit stores.

### **Positive Effects of Advertisements on Kids**

1. Advertising makes the kids conscious of the new products accessible in the market. It increases their familiarity about the newest innovations, in the field of technology as well as otherwise.
2. The realistic advertising, which centres on healthy food products, can help progress the diet of a child, if they are attractive enough.

### **Negative Impacts of Advertisement on Kids**

1. Advertisements push the children to win over their parents to buy the products revealed in the commercials, whether useful or not. The modest ones tend to get immovable, if the product is not buying for them.
2. Children frequently tend to misunderstand the messages conveyed in commercials. They fail to notice the positive side and focus more on the negatives.
3. Many advertisements in the current times contain dangerous stunts, which can be performed only by experts. Even though the commercials broadcast the legislative warnings with the advertising kids frequently try to replicate the stunts at home, with deadly results.
4. Loud advertisements broadcast in television generate desire shopping in children.
5. Children, after watching the shine of commercials, frequently lose the capacity to live a life without worldly joy.
6. Kids frequently get more fascinated towards expensive branded products, such as jeans and accessories. They ignore the low-cost, but useful ones that are not shown in the commercials.
7. Advertisements have an indirect effect on the behaviour of children. They might develop bad temper, when destitute of the latest toys and clothes that are exposed in commercials.
8. The individual preferences in clothing, toys, food and luxurious of children are transformed by advertisements, to a great extent.
9. Junk foods, such as pizzas, burgers and soft drinks, are greatly promoted throughout children's TV watching time. This develops a desire for fatty, sugary and fast foods in kids, thereby it moving their health unfavourably.

## **ADVERTISING AND OLD PEOPLE**

### **Introduction**

Not only are the elderly richer, they are also better and have more time to expend their money. A few decades before, most people had only a few years to live by the time they retired. Most workers retiring today can look self-assured to 15-20 years of free time and, thanks to medical advances and

better living, stay energetic for most of it. Free time and health, joint with relative financial comfort and a better willingness for discard, are creating a mature market keen to consume and explore.



### Media Portrayal of the Elderly

Mass media is a means people can gain direction on social roles, it also has the power to influence our views and give us information whether correct or not.

When we are uncertain about something we frequently just take in the information given to us by the mass media without questioning it (magazines, television, movies, advertisements etc.) and this information is stored and is used as social guidance to sort out collective roles.

Media tends to stress youthfulness, beauty, as well as physical and emotional health. The mass media is catered towards children, teens, adolescents, and adults but not the old age people. In this way the elderly are portrayed in media as missing to our society and as if they do not matter.

On the other hand, when the elderly are portray through the mass media, regrettably it is in a way that does not represent their right representations. They are represented to the public in negative ways which in return prove the stereotypes against the elderly.

### How the Elderly are Portrayed in Media

- Motionless
- Not paying attention in sex
- Concerned to grandchildren
- Poor sight and hear
- Powerless to take care of self
- Jobless
- Sleeping
- Cooking/Baking
- Short and long term memory loss
- In nursing homes

## **Media and the Elderly: Consequences on the Person**

### **Cognitive Effects:**

- Prospect of self (“How I should behave”)/What is acceptable vs. not acceptable)
- Self-fulfilling forecast
- Impaired recollection (Due to stress and anxiety )

### **Emotional and Behavioral Effects:**

- Gloominess
- Stress
- Anxiety
- Fear
- Eating behaviour changes
- Frustration
- Suicide attempts
- Body tenderness
- Immune insufficiency
- Sickness
- Heart Attack
- Fear of inability or weak bones

## **Positive Indian Advertisements Towards Old People**

### **a. Tanishq Jewelry – The Double Knot**

The popular Jewelry brand Tanishq features a dusky-skinned mother getting married and came as a stimulating breeze along with the overdose of fair and “perfect” people on television throughout the year.

It shaped by advertising agency Lowe Lintas and directed by Gauri Shinde, the advertising starts with a woman getting ready as her daughter peeks from behind the door. They both walk into the mandap and the mother joins the groom for the traditional satphere. The daughter asks if she can join her mother in the pheras. The ad caught a lot of attention on social media and was shared massively on Facebook and Twitter.

### **b. Google ad has moved People to Tears across India and Pakistan**

The three-and-a-half-minute ‘Reunion’ ad is about friendship, fond childhood memories, separation and reconnecting to a tender past. In the ad, available on YouTube with English sub-titles, an Indian Punjabi is shown telling his granddaughter Suman about his fond childhood memories in Lahore, Pakistan.

He mentions his childhood friend Yousuf and the sweet shop his friend's father owned in old Lahore, and how he and his friend were separated by the partition of 1947. Suman then searches on Google the whereabouts of her grandfather's childhood friend and contacts him. Finally, the two friends re-unite.

### How to Stop Media's Impact on Ageism?

- Extend the word and Needs to be more public alertness.
- When inspection any media source, see how the elderly are misrepresented and speak to yourself and out loud if someone is around, why it is not a correct representation of older adults
- Needs to be stronger social safety for the elderly
- More constructive representations of the elderly needs to be revealed in media (television, movies, magazines, posters, ads etc)
- Campaigns about the media's influence on ageism

## CONTROVERSIAL ADVERTISING

### Introduction

In their normal state, people don't think many profound thoughts, and keep themselves engaged with instant tasks and gently pleasant ideas that keep them safe from fear or worry whenever they can.

The controversial advertisements can be disgusting and unpleasant for a multiplicity of reasons, and abuse of social, religious, and political norms can arise in many different ways. They can include a disregard for tradition, law or practice (e.g., vulgar or tasteless sexual references or obscenity), insolence of the social or moral code (e.g., vulgarity, brutality, nudity or profanity) or the exhibit of images or words that are horrifying, terrifying, or disgusting (e.g., horrific or revolting scenes, or violence).

However, there are a number of products, services or messages that could be deemed shocking or unpleasant to the public. For example, advertisements for weight loss programs, sexual or gender associated products, clinics that offer AIDS, funeral services, groups that advocate for less gun control, casinos which naturally support and promote gambling could all be measured controversial and unpleasant advertising because of the products or messages that the advertisements are selling. Shocking advertising content may also involve improper or offensive language, like French Connection's "fcuk" campaign. There are some controversial advertisement in India are as follows.

#### 1. This Footwear Ad:



Milind Soman and Madhu Sapre posed naked for this brand with nothing but shoes and a python on them. Social activists as well as animal rights activists caused a huge disturbance over this advertisement.

#### **2. This Denim Print Ad:**



To force the concept of second skin home, a popular denim brand shot a print ad which featured three hot models clad in their jeans. Also, to promote this brand, Akshay Kumar asked Twinkle Khanna to unbutton his jeans when he walked the ramp at Lakme Fashion Week 2010.

#### **3. Jewelry Print Ad:**



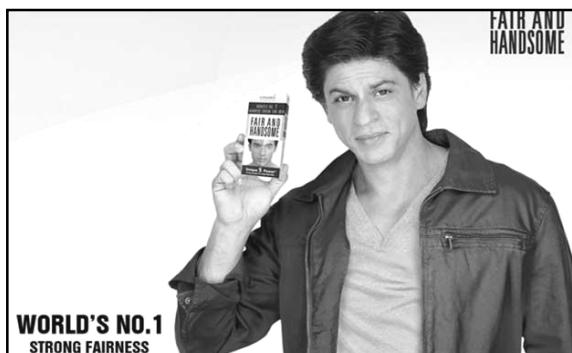
The advertising which was required to be pulled down after receiving heavy criticism on social media for featuring a dark skinned kid who is struggling to hold a sunshade on top of Aishwarya Rai's head. There have been accusations of the advertising being racist in nature and promoting child labour.

#### **4. Levis:**



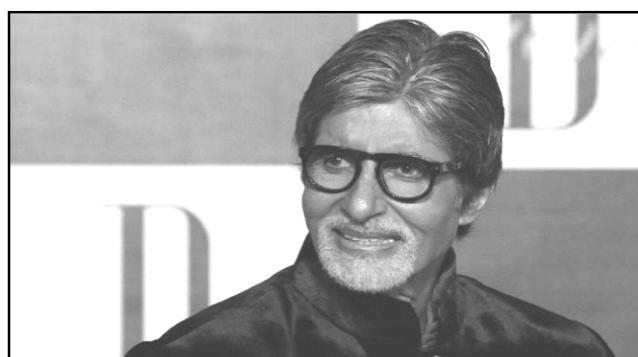
In 2008, Kangana Ranaut in the Levis ‘Stuck On You’ campaign stopped people in their tracks. In one of the photos, the fashionista is seen atop a shirtless model.

#### **5. Fair & Handsome Cream:**



The Bollywood’s King Khan came under blaze for endorsing a skin lightening cream product a couple of years ago. The advertisement led to an online campaign titled Dark and Beautiful which urged not only the star but also the brand to stop promoting and encouraging fairness creams. A lot of people backed the campaign’s cause, including Aamir Khan, who said that he would under no circumstances promote such products. But King Khan kept silent on the whole disagreement and still promotes the brand.

#### **6. Candy Ad:**



A candy commercial got Big B in hot water when he was shown pelting stones at a mango tree. According to The Advertising Standard Council of India, children could imitate his actions, leading to dangerous consequences. The advertisement was later taken down.

#### **Impact of Controversial Advertisement on Society**

Controversial advertising is mainly used by causes or issues for which public opinion needs to be canvassed. In fact public service campaigns and social issues use controversial advertising to most efficacies. Causes like Child Abuse, Domestic Violence, Lung Cancer, AIDS, Animal Rights (PETA) have used controversial advertising very successfully in the international situation.

Some controversial advertising might not use violent visuals but might use language or images that are not suitable culturally and which might controversial. For example the fashion brand French Connection got its moment of fame when it shortened French Connection, UK and got a word, FCUK, which it used.

The controversial advertising has been much discussed between media watchers and with those who study the psychology behind advertising. Shock advertising is a double edged sword. It can produce interest in the brand or it can produce extremely obsessive and negative feelings towards the brand which could force the brand negatively.

Benetton for instance used religious taboos (a picture of a priest and nun kissing), Cultural taboos (The visual of a black woman feeding a white baby), a death row inmate's thoughts, an AIDS patient on his death bed. These images are ones that force the viewer to confront and deal with their inherent biases and prejudices and can result in negative feelings for the brand.

On the flip part, the advertising has resulted in positive feedback for the brand for discussion about difficult issues and pleasing a stand on social and environmental issues. To quote Oliviero Toscani, the photographer for some of the most controversial ads Benetton produced, said about the advertising of the man dying from AIDS, that his attempt was, “to use the forum of poster advertising to make people aware of this [AIDS] misfortune at a time when no-one dared to show AIDS patients.” At that point, when no one was talking about AIDS, this advertising was considered essential.

Shock Advertising is used to achieve in campaigns like Anti Tobacco and smoking campaigns where visuals of unhealthy lungs or of cancerous tumors are used to put people off smoking. Visuals of smoker's faces and lips being obsessed through with fish hooks were used to show that they were hooked to smoking. Other campaigns for CHILD Abuse Awareness for instance, show worrying visuals of an assaulted child to give confidence awareness about this issue. The positive impact of shock advertising, when it deals with social and cultural taboos is that it can sensitize people to other cultures and ways of life.

Negative fallout of shock advertising is that constant coverage to them desensitizes us to them, and they become blind spots. To remain relevant, shock advertising should constant innovate, be topical and be something that touches a core belief or value in a way that shakes up the viewer.

## **GENDER BIAS**

### **Introduction**

Gender advertisement refers to the images in advertising that stand for conventional gender roles and displays. Gender displays are used very much in advertising in order to found the role of one gender in relative with the other, and some scholar's argue that advertisers are fervent with gender. Advertisers focus on gender relationships, because people categorize themselves by gender, and gender can be “communicated at a glimpse,” making it simple for advertisers to use this theme in their work.

The effects of advertising on body picture have been intentional by researchers, ranging from psychologists to marketing professionals. These days we are familiar with that the media and body

representation are directly related. Above all, the body representation advertising portray affects our own body image. The thousands of advertisements grasp messages about physical good looks and beauty, examples of which include commercials for clothes, cosmetics, weight reduction, and physical fitness. Researchers have conducted studies in an attempt to see if such advertisements have belongings on teenage body image, and what those effects might be.

### **Gender in Advertising**

#### **Role of Men in Advertising**

It is argued that these images could be teaching the audience a vast collection of social cues, and even the most delicate ones make an impact on the audience. Further it is said that gender relations are cultured through advertisements. Among these cultured gender roles are those of femininity and masculinity. Men and women are portrayed in advertisements according to the constructed definition of femininity and masculinity. To be a woman is to be feminine and to be a man is to be masculine. There is little room for difference or a turnaround of roles, apart from within the smaller surround of position marketing.

#### **Masculinity in Advertising**

In advertising, men are often portrayed in the following ways:

- Attentive and awake of surroundings
- Standing decent
- Eyes open and looking around
- Bodies are controlled
- Represent expression on face
- Fascinating things strongly with hands
- Hands in pockets
- Serious
- Physically active

Bravery, adventurousness, being able to think sensibly, being physically powerful and efficient, for example, are all ‘manly’ personality that are frequently encouraged. So also is the capability to think autonomously and take the initiative.

#### **Role of Women in Advertising**

- Touching personality
- Caressing an object
- Sitting on a bed or chair
- Eyes closed
- Not alert
- Confused
- Defenceless

- Sexy and sexually available
- Seductive
- Playful
- Careless

These are positions of humbleness and helplessness. This can be obviously seen when women are shown lying on the floor as men are standing over them, factually depicting women as being under men. Women are urged to follow beauty and sex appeal, and part of the sex appeal is submission.

The body and particularly here the female body is always unavoidably forced by social norms and the commoditization of the body through industries such as fashion and beauty that reveal femininity.

In advertising, women are made to come into sight a certain way to men, but women as well. Models and certain advertising strategies are used to illustrate in the consumer in order to purchase the product or shop at the precise store, but there are also many other outcomes. Women of all ages may look at an advertising campaign, try on the clothing and automatically put one's self down for not appearing the same way the model does in the exact same piece of clothing. Femininity in advertising is not only used as a trick of sexual appeal, as well as community norms of how women are "supposed to look."

### **Effects of Advertisements on Gender Bias**

As our society is nowadays packed with these advertisements in all aspects of life, such as on TV, billboards, in supermarkets displayed with the products and on social media, children are now viewing this material at a younger age and in turn creating the perception that this is the ideal form as they are still vulnerable.

It is very frequent for young men and women to evaluate themselves to models in advertising, in terms of their physical good looks. The look and body size of the models within the advertisements in the final representation seen by consumers are more frequently than not changed through editing programs such as Photoshop, in order to achieve the perfect wanted look. The use of these images creates a false beauty ideal for men and women to seek to, as well as creating the use of extreme dieting and surgical procedures in order to resemble a similar image that is displayed in advertising. This emphasis on an ideal body look has been regarded as being psychologically harmful to the well-being of many young men and women, and on their self-image.

The way prettiness is portrayed in the media causes frustration and negative thoughts about oneself when those results are not achieved. Socio-cultural standards of male images are offered in almost all forms of popular media, barraging men with images that portray what is considered to be the "ideal body." Such standards of beauty are approximately completely unattainable for most men; a majority of the models displayed on television and in advertisements are well below what is considered healthy body weight. Mass media's use of such unrealistic models sends an inherent message that in order for a man to be considered beautiful, he must be unhealthy.

## ADVERTISING AND POPULAR CULTURE

### Introduction

Popular culture is the conventional culture fashioned for mass consumption. Every day, in one way or another, we are exposed and inclined by popular culture and advertising, as much as we may not want to admit it. From listening to FM radio during the work commute, to reading the newspaper at breakfast, we are continually taking in advertising, even when we don't understand it. We also don't understand when these advertising manipulate our everyday purchase decisions; from the brand of laundry detergent we buy, to the type of morning coffee we pick up before starting the day.

In modern time conspiracy, scam, nuisance etc advertising is almost everywhere, and it's been called just about the whole thing. When we look through a magazine or watch television were enclosed by it. The most awful part: many big corporations with good advertising attract consumers who are frequently willing to pay big money for a brand-name.

Advertising is present in nearly all forms of communication; the Internet, the telephone, the print media, the postal system, television, radio. People can even advertise by talking face to face with others.

### What Exactly Is Popular Culture?

"Popular culture" is a demanding term to describe. Some examples of popular culture are as follows:

1. Popular culture can illustrate texts like Michael Jackson's Thriller album that are or were generally liked by many people.
3. Popular culture is frequently synonymous with a consumer culture that is shaped for mass consumption (Disney's animated films; McDonald's Happy Meal toys).
4. Popular culture may also be defined as a place for creating new forms of look as well as a vehicle for critique. In particular, mainstream popular culture and media offer a space where new meanings are made through strategy such as culture jamming. Culture jamming refers to the rewriting or reimaging of media such as corporate logos or advertisements in a way that subverts or overturns taken-for-granted ideas like Vodafone, Coca Cola, Lux, Colgate etc. provides numerous examples of this approach.

### What is the Relationship between Popular Culture and Advertising?

Whereas media of preceding generations may have referred to newspapers, magazines, and books, today's media include an outburst of online networking systems (Twitter, Facebook, YouTube, Whatsup, Hike messenger), as well as a music culture that has moved beyond musical exchange to include the marketing and selling of culture, lifestyle, and products.

Youth are alive in a progressively more complex world that holds potential for increasing participation and citizenship via mediated culture as well as increasing susceptibility to corporate manoeuvring such as "embedded marketing." From one of the earliest examples of embedded marketing Reese's Pieces in the 1982 blockbuster film ET to more recent examples such as OOPo Mobile Phone ongoing sponsorship of the 20-20 World Cup and VIVO Mobile phone 20-20 IPL this

increasingly sophisticated machinery demands that educators remain vigilant about the relationship between media, popular culture, and marketing.

### **Advertising and its Impact on Popular Culture**

Commenting on the impact of the VCD boom in rural India, village politician Chandraprakash Dwivedi said, “Now village girls want to dress like Rani Mukherjee in Bunty aur Babli – this within four weeks of the release of the film.”

In Ujjain, men want a hairstyle like Radhe Bhayya in hit movie Tere Naam.

Bindis, blouses, and bangles define the concept of beauty for girls in small towns influenced by the looks of the saas-bahu in the TV serials beaming into their drawing rooms on various satellite channels.

According to WHO report, Hindi film heroes shown smoking on screen is a major promotion of the smoking habit – instigating the government to ban smoking on screen.

Clearly, the entertainment industry of films and serials has a telling impact on the behaviour of Indian society. Is the impact of advertising as powerful?

Hindi heroes and heroines change every decade with the exception of an Amitabh Bachchan, Salman Khan, Akshay Kumar etc. but brands like Surf, Cadbury's, Asian Paints and many more have been part of many of our lives for decades and continue to be the gold standard in their respective categories.

Films are seen once or twice while ad films are seen over and over. Yet the advertising for many of these iconic brands doesn't seem to drive social change in behavior and values as strongly as some of the heroes and heroines do through their portrayals in films and serials.

The social and cultural impact of advertising tends to be limited to the occasional introduction of new lingo – a “Dil Maange More”, “Pepsi thi Jeet Gaya”, “Thanda matlab Coca Cola”, “Dar ke aage jeet hai”, LIC “Jeevan ka Bharosa”, Snapdeal “Khushiyo ki deal” etc.

To begin with, much of mass media advertising is aimed at consumption rather than consumers' lives. Mass media advertising is still believed to be about salesmanship and not about influencing change. But the industry has still not come to terms with this reality and is so hesitant to redefine the purpose of mass media advertising. After all, it's much easier for marketing men to create an ad and air it than mount a massive bazaar programme to force final conversion at the last mile.

Secondly, advertising, at least in India, has gradually moved away from being about selling dreams to selling reality. And this in its own way has slowly but surely taken away the glamour and inspirational values that brands are believed to fulfil in consumers' life.

Finally, too much of consumer research is captivating the magic out of brands and their advertising. The consumer is a back view mirror and regularly forces much of the advertising to get into her own real world.

### **Popular Culture and its Impact on Advertising**

All during this development, it's remarkable to note that what has remained unchanged is the outcome of popular culture on advertising. Be it any country of the world, what remains popular

amongst the population also gets into limelight with the brand image revolving around as a guard. For example, Amul butter advertisements. None of the Amul ads have ever asked any audience to buy their butter and still no brand has even come closer to selling as much as Amul does. But why is that so? Advertising that reflects popular culture attracts attention and people relate to it much better. Once that idea seeps into the common man's mind, the product gets picked up first in a super market.

So, when the most popular actress of India got married to actor, Abhishek Bachchan, Amul came up with this popular Print advertising. And, this is a trend.



Another aspect is the affect of celebrity backing. Celebrities are always in fashion and are well-liked. So, if a brand combines a great product, a celebrity and a bit of creativity, it's a win-win for all.

Many a times, advertising tends to have an effect on popular culture too. The products we see on our Television or the brand pages we like on Facebook routinely register a presence in our subconscious minds. And, once a person gets to a market for shopping, the product with the maximum impact on our minds wins the race. In a way, it is totally suitable to state that popular culture and advertising are serving each other. Advertising is taking the advantage of popular trends that sell and popular culture in return, is strengthening its roots.

## SOCIAL IMPLICATION OF ADVERTISING

### Introduction

Every business in the world have only one aim, profit, profit and more profit, and they go out and make ads able to achieve this one and only aim. They largely don't care about the consumer's backgrounds, health or anything of that matter. As a result it can happen that a company will try to sell a new existence to consumers that can clash with their culture. For example, Egypt is mainly a traditional country were a lot of the traditions and values are extracted from religion, then comes foreign clothes company and try to advertise the lifestyle of the sexy girl, showing an ad with a super model, or a well known celebrity in revealing clothes.

It's common that a lot of girls will be inclined by such ad, and will try to get these revealing clothes although it is an absolute taboo and widely unacceptable by their own culture. Also the means used to advertise can trouble teenagers.

**What does advertising do:** Advertising often works by making us feel miserable with our lives, anxious and dissatisfied. The messages are that you are not OK unless you buy this, wear that brand, wash your hair with, and look like that very slim model.

The commercials these days surrounds us wherever we may go, they are obviously trying to sell us the idea, that if you are in hasten or living life in the fast lane, then our fast tasty bite is your ideal meal. However, they always fail to mention that this fast tasty bite is full with tons of calories and unhealthy materials, and always deficient dietary fibre and essential micro-nutrients like vitamins and minerals that are essential for the body. They also fail to talk about that fast food has been greatly linked with fatal diseases like hypertension, diabetes, high cholesterol, heart disease, and even many types of cancers. And as above all teenagers form the largest number of fast food consumers, fast food is accountable for damaging the health of the next generation (Health food Guide).

### **Positive Social Implication of Advertising**

Advertising is the weapon that helps someone to fight the others with. First of all, let's talk about the advantages of advertising which is actually successful in informing the consumers about new products. A company can boost its sales by advertising the new product through any mass media and make its practice increase in the competitive market. It can also bring in a new product to the market and induce customers to go for it. It gives the chance for people to make a comparison between similar products and choose the better.

It reminds us about good promotions for all products. Also there are the governmental advertisements which are truly effective. This type of campaigns absorbs the concentration of the consumers. For example, people are influenced by the over-population advertisements. Moreover, people are also aware of a lot of diseases because of the advertising campaigns. Not only that but also advertising is helping people to learn many aspects; people can know about tricks in market through governmental ads.

### **Negative Social Implication of Advertising**

There are some issues concerning advertisements misleading customers:

1. **Fraud:** That is when the advertiser has the aim to produce false attitude about the product. So a person will watch the ad, go out and buy the product it was advertising and it turns out it not as effectual as we revealed.
2. **Insufficiency or Falsity:** Sometimes ads are done in an intelligent way in order to sell, and even though they ways are clever, they don't usually denote they are false. As for example that was told in the article, it was found that a toy car ad was deceptive since in the ad the cars appeared to go faster than it really doe and in another example, an ad was aired that said "Aren't you tired of the sniffles and runny nose all winter? Tired of always feeling less than your best? Get through the whole winter without colds. Take Crocin pills as directed". That doesn't necessarily mean that taking those pills will prevent a person from catching a cold in the winter, but it surly is unspoken here.
3. **Misleading:** Misleading differs from falseness as in the later the advertiser leads the consumer to a false claim, but the consumer makes up that claim himself, however in

Misleading, the advertiser deliberately mislead the consumer of believing some false about their product.

## THE ROLE OF ADVERTISING ON THE ECONOMY

### Introduction

Advertising is a communication progression whose purpose is to tell the potential customers about products and services and how to use them. If the advertising is positive and effective, it plays an important role in the economy. But if it is the other way around then the economy suffers at large. It depends on the type and efficiency of the advertisement.

Advertisement is needed for economic growth. It is contributing enormously in the economy of every country. Advertising industry is contributing in the following ways:

- Providing jobs
- Making low selling costs
- Making the company earnings
- Growing the security of a company

Advertising is an influential means of competition. It provides precious information about products and services in a well-organized and cost-effective manner. In this way, advertising helps the market to function smoothly it keeps prices low and facilitates the entry of new products and new firms into the market.

### Importance of Advertising for the Economic Development of a Country

Advertising has acquired a significant place for the economic development of the whole country. It has also become a need for attaining the object of social welfare.

As a result of it, advertising is measured to be the most significant activity in a business enterprise while at the early stage of development it was measured to be the last activity. For convenience, the importance of advertising may be explained as under:

**1. Delivery of standard of living to the society:** A society is a combination of varied people with varied tastes and preferences. Modern advertising constantly aims for customer satisfaction. So, main burden of advertising is to produce goods and services for the society according to their needs and tastes at sensible price. Advertising discovers needs and wants of society, produces the goods and services according to these needs creates demand for these goods and services.

**2. Decrease in allocation cost:** Second important responsibility of advertising is control the cost of distribution. Through valuable advertising the companies can decrease their distribution costs to a great extent. Decrease in cost of distribution directly affects the prices of products because the cost of distribution is a significant part of the total price of the product.

**3. Increasing employment opportunities:** Advertising comprises of advertising, sales, distribution, branding and many more activities. So the growth of advertising repeatedly gives rise to a need for people to work in some areas of advertising. Thus the employment opportunities are born. Also winning operation advertising activities requires the forces of different enterprises and

organization such as wholesalers, retailers, transportation, and storage, finance, insurance and advertising. These services offer employment to a number of people.

**4. Protection against business slump:** Business slump cause unemployment, disregard in the success of business and great loss to economy. Advertising helps in defensive society against all these problems.

**5. Product Value:** In the minds of consumers, advertising can add value to a product. The image or brand that advertising helps to create becomes a part of the product, which is what makes one product brand more precious than its competition. This is why a consumer may be willing to pay a higher price for a name brand product than buy a brand they are not recognizable with at a lower cost. Because advertising broadens the awareness of the product, the increase in awareness can add value to the product.

**6. Consumer Choice:** Advertising also has a blow on businesses because it leads to the creation of new products and alteration of existing products in order to meet consumer needs and demands. While one company may acquire a larger share of the market sales for a time, when advertising introduces a new product that is improved than the existing one, market share can rapidly shift to the company presenting the newly advertised product.

**7. Increase in national income:** Successful process of advertising conducts creates, maintains and increases the demand for goods and services in society. To assemble this improved demand the companies need to enhance the level of production in turn raising their income. This increase, in turn, increases the national income. Further useful advertising leads to exports totalling to the national income. This is favourable to the whole society.

## **QUESTIONS**

1. What is the importance's of advertising?
2. What are the effects of advertising on society?
3. Describe the effects of advertising on children.
4. What are the common criticisms of advertising? Discuss.
5. Describe in detail the role of women in advertising.
6. How the Elderly are portrayed in media?
7. What are the impacts of controversial advertisement on Indian society?
8. Do you feel that Gender bias still persist in Indian advertisements?
9. What are the impacts of advertising on old people?
10. What is the relationship between popular culture and advertising?
11. Discuss advertising and its impact on Popular Culture.
12. What are the social implications of advertising?
13. Enumerate the role of advertising on the economy.

### **Write Short Notes on**

1. Negative impacts of Advertisement on Kids
2. Objectives of advertising
3. Popular culture
4. What is controversial advertising?
5. Importance of Advertising
6. Define the term “Gender Bias”
7. Media portrayal of the Elderly
8. Social implications
9. Impact of Advertising on Demand



## Chapter 6

### Types of Advertising

#### Introduction

The word advertising is a Latin word which means “to turn attention of people to a specific thing.” It is a paid publicity. According to Oxford Dictionary the word ‘to advertise’ means ‘to make generally or publicly known’, describe publicly with a view to increasing sales.

Advertising presents the ideas, produce and services of a documented advertiser, which provides as a communication relation between the producer and the prospective buyers. Advertising might be taken as the most competent means of getting people with product information. Advertising presents a mass influence separately from disseminating information to the potential buyers about the product and the producer. While creating awareness and popularity, it seeks to influence. It is a more effectual and general and less expensive way of creating contacts.



#### Objectives of Advertising

The objective of advertising is to sell something - a product, a service or a scheme. The real objective of advertising is valuable communication between merchandise and customers and escalating awareness. Mathews, Buzzell, Levitt and Frank have listed some specific objectives of advertising:

1. To make an immediate sale.
2. To build primary demand.
3. To introduce a price deal.
4. To build brand recognition or brand insistence.
5. To help salesman by building an awareness of a product among retailers.
6. To create a reputation for service, reliability or research strength.
7. To increase market share.

## **POLITICAL ADVERTISING**

### **Introduction**

Advertising whose vital focus is the marketing of ideas, attitudes, and concerns about public issues, including political concepts and political candidates. The crucial task of political advertising is to increase the self-assurance of the people for their receiving of ideas and, in the case of political campaign advertising, to persuade their vote.

The political advertising carries a moral inference, because the results have potentially far-reaching effects on the population at large. Political advertising raises many controversial social questions about the financial support for political campaigns, the truth or actuality of political claims, and the probability of insulting or unfounded claims made by political candidates.

### **Types of Political Advertising**

1. **Attack Advertising:** Negative advertising mean to attack, statement not true or overstated.
2. **Bandwagon Advertising:** Belief great should be done because majority of people do it.
3. **Character Advertising:** Communicate what type of person candidate is.
4. **Fear Advertising:** Scare approach; eager to influence voters to vote for candidate because something bad might happen.
5. **Flip Flopping Advertising:** Shows a candidate is uncertain.
6. **Music/Jingle Advertising:** Use attractive song or slogan to acquire voters to remember a candidate.
7. **Plain Folk Advertising:** Putting it into language that one and all would understand.
8. **Evidence Advertising:** Use authentic facts.

### **Effective Political Advertising**

1. **Emotional Ads:** Like other types of winning marketing, successful political advertising uses diverse types of emotional appeals. Emotional advertising call upon feelings that voters understanding and remember while logical and honest pitches for votes contend with the vast and constant stream of information that voters face each day.

2. **Negative Advertising:** Attacks and negative messages frequently control campaigns because politicians and consultants know they work. According to University of Georgia Professor Ruthann

Lariscy, who studies political ads, humans have a natural bias toward negative ideas and messages because people who have listened to warnings and obeyed their own apprehensions have had better rates of survival. Beyond appealing to instinct, negative ads often deliver complicated suggestions and comparisons that Lariscy says take more time and intellectual effort to understand. As a result of the extra work, negative ads often remain in a voter's memory longer than positive messages.

**3. Targeted Advertising:** Although television spots dominate political advertising, the two major parties spent about \$170 million on postcards, letters and flyers during the 2012 presidential election. According to Anil Mammen, a Washington, D.C.-based political consultant, direct mail is effective with large blocks of older voters who feel information they read is more credible than the messages in 30-second television ads. And hard-copy political literature lets campaigns cite and quote studies, legal cases and other sources to support and bolster their positions. Direct mail political advertising also allows campaigns to target groups of voters through ZIP codes, census data and other types of public information. Ads can be tailored to address their needs and special interests.

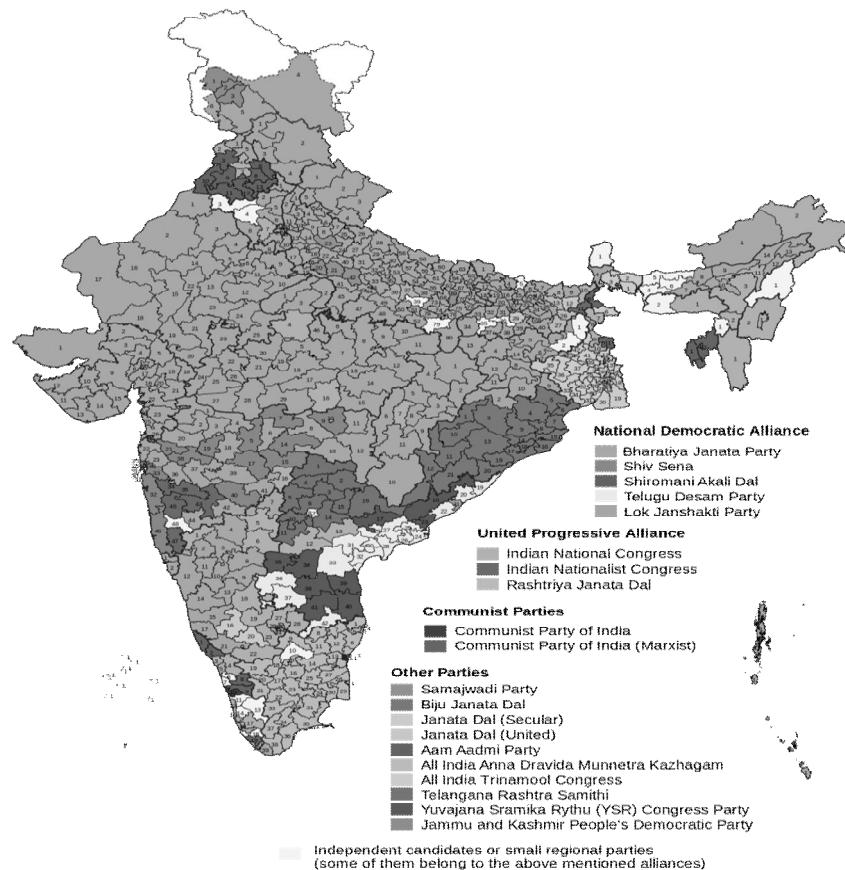
**4. Timing:** Tobe Berkovitz, a political media consultant and professor at Boston University, teaches up-and-coming campaign managers about the role of timing in effective political advertising. According to Berkovitz, ads aired during early morning and late-night news broadcasts reach educated and interested voters while ads that run on morning talk radio shows are heard by a conservative but politically involved audience.

Beyond the hours of the day, a pair of studies by Juliana Fernandes, a professor at the University of Miami School of Communication, found that negative ads are most effective when they are spaced out over time. According to Fernandes, a negative ad is most likely to win support for sponsoring campaign when it's seen or heard three times and least likely after five or more times.

## **ROLE OF ADVERTISING IN NARENDRA MODI'S HISTORIC POLITICAL WIN**

### **Introduction**

Every citizen across the world knows that Narendra Modi is a politician and Prime Minister of the India. And because of him common man could turn into aware about the Digital media. moreover to connect with more Fresh Graduates he kicked off Digital India scheme so that more youth could come on this largest democracy.



Since then the digital platforms have come into survival in India, several or only few companies used these platforms to sell their products and services. Although consumption of digital media for the first time done in current general election by futurist Prime Minister Narendra Modi.

### Role of Social Media in making him a PM of India

Through social media Narendra Modi's opponents could recognize that much hold he has of public, and this support infused positive energy and enjoyment amongst his partners. As a result envies disheartened seeing this type of interest amongst public about Modi.

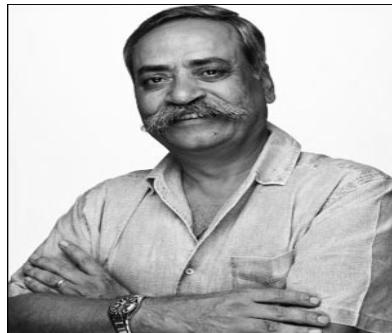
Advertising Gurus like Sam Balsara, Piyush Pandey and Prasoon Joshi were the ones who created catchy slogans like "Janta Maaf Nahi Karege", "Ache Din Anne Wale hai". These catchphrases became viral on social media as well. And "Ab ki Baar Modi Sarkar" had become a tag line of BJP as well.

### Role of Prasoon Joshi and Piyush Pandey in BJP Political Campaign

Prasoon Joshi, chairman and chief creative officer, McCann World Group India and president, South Asia, and Piyush Pandey, executive chairman and creative director, South Asia, Ogilvy & Mather. Among several other agencies and production houses, Ogilvy's Soho Square and McCann's TAG have contributed to BJP's political communication.



Prasoon Joshi



Piyush Pandey

It included 'Janta Maaf Nahi Karegi' - a hard-hitting series of films, a second, animation-based set of films that humorously promoted the tagline 'Ab Ki Baar, Modi Sarkar', and a musical titled 'Ache Din Aane Wale Hai, Hum Modi Ji Ko Laane Wale Hai' that positioned Narendra Modi as a harbinger of happiness.

### Mission 'Saugandh'

Joshi explains that BJP's campaign had two kinds of messaging – tactical (about the here and now) and conceptual (about the party's philosophy). For the latter, he created an anthem called Saugandh, the only piece of communication that the PM-in-waiting gave his voice to.



"The anthem was a very delicate subject," he says. What helped him work on it was the time he spent with former PM Atal Bihari Vajpayee back in 2004. "Atal ji was very fond of my writing and had also used my poem Irada Naye Bharat Ka in his speech," he shares.

It was his deep understanding of brand BJP that put him in a good position to deliver on this assignment... and of course, his penchant for writing lyrics.

He clarifies that he didn't require a "one line brief" before writing Saugandh. "I already had an understanding of the essence of this brand," he admits, saying it was his dual role of communications expert and poet that helped him get it right.

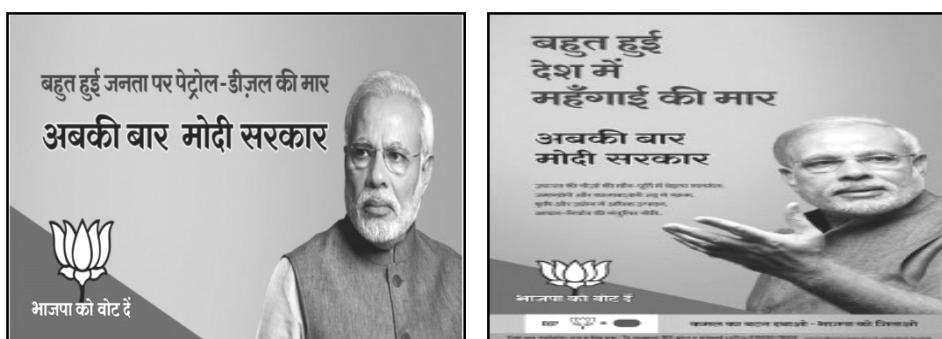
Interestingly, while Saugandh, the video, was used as a digital and TV film to communicate BJP's philosophy, the audio recording of the anthem was used to motivate the party workers, who played it in their vans while on the job.

### 'Desh Ki Pukaar' to 'Ab Ki Baar'

The tagline Ab Ki Baar Modi Sarkaar became a smash hit (not to ignore the spoofs it pulled in!), but not many people know that Joshi had suggested a different tagline. He shares, "My suggestion was 'Desh Ki Pukaar, Modi Sarkaar'. I felt it would connect with the people. Collectively, they were feeling let down for not getting their due. But the BJP team preferred Ab Ki Baar to Desh Ki Pukaar, may be because Ab Ki Baari Atal Bihaari worked very well in the past."



Any regrets that Desh Ki Pukaar was not used? "No. I think Ab Ki Baar, Modi Sarkaar is simpler," he answers, And you can't argue that Ab Ki Baari, Atal Bihaari was a very popular line in its time.



## B TO B (BUSINESS-TO-BUSINESS)

### Introduction

B2B (business-to-business) marketing is marketing of products to businesses or other organizations for use in production of goods, for use in general business operations or for resale to other consumers, such as a wholesaler selling to a retailer.

B2B advertising involves targeting other businesses that are your potential customers, rather than advertising to general consumers. So if you have a product or service that other businesses can use, you need to develop a B2B advertising strategy that will work on not only promoting your offerings, but also driving sales.



### Definition

According to Business Dictionary, The process by which businesses employ a multi-layered strategy consisting of web communications, email, media campaigns, and relationship management for the purpose of converting targeted business prospects into customers.

### Choose the Best Media for Your Audience

Advertising to businesses is diverse from advertising to the public, so you need to consider your choices when it comes to determining what type of media you will use to get your message across. What you may find is that your options are a bit limited, especially when compared to general advertising.

For example, you can go with trade magazines, or you can attach with paper or local newspapers that talk about your location and the people within it. You basically want to go with a form of media that will help you in on your target market, so you should keep away from costly TV and radio advertisements. Go where your business consumers are.

### Consider about your Message

Before you produce a message for your prospective customers, it's significant that you get to know about your target audience. You can do this by means of qualitative and quantitative research such as online surveys or even face to face interviews. From this, you can become skilled about your target market with demographic groups and what they are looking for and imagine from your business.

You may also discover it helpful to run your marketing ideas past your target market to see whether or not it is interesting to them.

After analyzing your target market and shaping who your target audience is, you need to create a message that will inspire your prospective customers to purchase from you. After all, you have engaged the time to find your target audience, so now you need to aim your message to them.

### **Obtain Benefit of Social Media**

When putting together a B2B marketing plan, don't forget to integrate strategies that you can use on social media websites, especially business related sites like LinkedIn. Creating a presence (link is external) in many sectors will help you increase the value that you send and the amount of content that your viewers actually sees, so use multiple social media outlets to make as many relations as possible.

Even if they don't guide to sales right away, they could eventually result in better profits. Another advantage of social media is that it gives you a platform to communicate with consumers all over the world. Even if you don't build sales over social media, it's a great way to make an online presence, improve your status, and keep in contact with your consumers.

### **Contain a Strategy in Place**

The most important part of any successful B2B advertising campaign is having a solid scheme in place, rather than simply going in blindly and making some posts on social media or purchasing some ads. Be sure you obviously define what your marketing goals are, whether you want to imprison leads or increase traffic and conversions. Then write a set of the actions that you and your staff will coordinate in order to meet your objectives. Having an agenda of when ads should run and other steps you need to take will help you stay planned and create a reliable marketing scheme.

### **Put Possible Goals**

Having a set of possible goals in place will help you to get the best from your marketing strategy. Remember that you will not be able to get everything at once when it comes to reaching out to your business consumers and making sales. Break up your main goal into a series of smaller goals and make sure that they are measurable in order for you to be sure that you can guess their success. When setting goals, it's important that you describe the main objectives and aims of your marketing approach and advertising campaign.

When advertising to the general public, you have a lot more options, and you may have read about Click booth FTC (link is external) and other headlines about the opportunities to publicize to consumers. As a B2B marketer, though, you need to be even more planned with your limited options. In doing so, you'll increase a winning strategy.

## **B2B AND SOCIAL MEDIA**

### **Introduction**

If you have a B2C company, it's fairly noticeable where you should be advertising – places where consumers will see your ads. However, if you contain a B2B brand, it gets a little more complex. It may be hard to imagine your business clients scrolling through their News Feeds throughout the day,

however, memorize, they're social media users too! So if you're not advertising on social media for B2B, you're missing out on incredible opportunities to raise brand awareness with customers that can sometimes be hard to reach.

You want to build strong, risk-averse brands to support inbound lead generation? B2B social media marketing can help, since it provides an avenue for any company, not just large venture businesses, to build well-built brands.

Here are four main ways that social media builds brands:

**1. Social media increases brand consciousness:** It lets you easily and successfully share and publish your company's best practices and knowledge on B2B social media marketing, without the necessity of getting past "gatekeepers", such as editors. Social media makes peers of these gatekeepers, and the comfortable quality and ideas decides what gets promoted. Great content can be spread widely. When prediction read it, they also learn about your business and solutions you have to offer.

**2. B2B social media marketing builds status as a thought leader:** And, thought leadership content is a brilliant way to build your brand, as well. Prospects trust thinking leaders who can demonstrate an accepting of their problems and show them how to solve them. Although a status of thought leadership will never moderate danger as well as referrals, it's an easy way to build brand knowledge and increase the prospects of a response to future demand-generation efforts.

**3. B2B social media marketing encourages promoters:** Word of mouth referrals are the best way to produce leads - prospects trust them from their peers in its place of other sources or channels. B2B social media marketing helps create promoters in the following three ways:

- (a) B2B Social media marketing helps people share the, "remarkable expectation-beating experiences" they practice with your organization. This can be give through reviews on external sites responding to inquiries on LinkedIn groups or Twitter, commenting on your own community site, or through other outlets that customers use to cooperate with other prospects.
- (b) Social media can produce experiences that people want to talk about. A good piece of writing, a funny or educational video, a useful tool is some of the things that people may want to share with others. Although it doesn't promote your answer openly, there is a "spillover" effect that gives authority to your organization.
- (c) Social media makes it easy to share on your website (e.g., one click share (Images and videos one click share on Facebook), and it makes the referrals more applicable because the links are shared by trusted friends or co-workers.

**4. B2B social media marketing can develop your SEO ranking:** Buyers naturally trust the websites with the top ranks on a explore engine. Even if they don't fully comprehend the mechanics of ranking, prospects do get the wisdom of crowds is at work behind the scenes. Since inbound connecting is like a currency. B2B social media marketing plays a pivotal role in increasing your organic rank - as a source of links through the blog, and as a way to promote your own contented and support other relevant inbound links.

The action item for marketers here is simple-take some of the budget that normally owed to trade shows, lists and other lower-performing demand-generation vehicles, and rearrange to generating

applicable content and the efforts to promote them. By sharing your company's capability in social media, you improve broad awareness and similarity for the brand.

## **CONSUMER ADVERTISING**

### **Introduction**

An advertisement is a communication that promotes a product or a facility or gives information to the public. Advertisements may take many forms; such as press advertisements in newspapers or magazines, television and radio advertisements or signs in shops. Advertisements can also be transmitted straight to you by mail, fax, and e-mail or text message. Advertisements are mainly made to support consumers to buy exacting products or services.

Advertising directed at the final user of a product or service in disparity to advertising directed at business and industry. Sometimes customer advertising is directed toward a purchaser of a product or service who will then go by that product or facility on to its ultimate consumer, as in the holder of pet food advertising. Most radio, television, newspaper, and magazine commercials and advertisements are customer advertising.

Consumer is the final user of a product or service. The consumer is not always the customer of a product. In the case of pet food, for example, the pet is officially the consumer because it is the final user, although of course the advertising is aimed at the pet owner.

Consumers are careful to be the users of the final product. For example, purchasers of building products are temporary users of these products while constructing the completed product, which may then be purchased by a consumer.

Consumer advertising is advertising that is directed and future for domestic markets such as individuals and families. This is in difference to industrial advertising, which is particularly directed and marketed toward businesses. The aim of consumer advertising is to introduce, or sometimes re-introduce, products and services to families and private persons for daily use and expenditure. These can be automobiles for family use, household appliances, home electronic devices, clothes, books, movies, and now about anything else normally found in an individual or family household.

Advertising is often meant to be calculating. As people view an advertisement, the intention is for the listeners to be manipulated into wanting a product they may have before not cared for or wanted. By targeting a specific demographic, consumer advertising is able to connect with the common hopes, fears, dreams, and needs of that target group and use that correlation to create product desire. This is often seen through the use of sexuality and provoking images directed at sure genders, language and images pleasing to a specific age variety, highlighted beliefs and values planned to be held in common between manufacturers, businesses, and consumers, and a number of other methods of consumer advertising.

## An Example

- Indian consumers have not embraced the culture of cola drinking as many other emerging markets have.
- To begin with
  - Water holds a pre-eminent place in Indian food and drink. Water is loaded with cultural meanings and is considered the elixir of life.
  - Offering water to a stranger in the middle of summer is the epitome of hospitality and kindness
- Further
  - There is already a well developed 'in-home' beverage market for tea and coffee.
  - Added to this is the fact that American culture, of which cola is a prominent symbol, has not had the same influence in this region, unlike let's say a Philippines.



Somewhat shockingly, however, many forms of consumer advertising do not really advertise the features of the product. Instead, many products are advertised as pleasing to or creating a confident lifestyle for someone who purchases the product. An effort is made to appeal to a consumer's sense of self-image and wish to appear a confident way to other people, despite of whether the product actually does what the advertising claims. Though this may be somewhat misleading advertising, these methods are habitually quite effective.

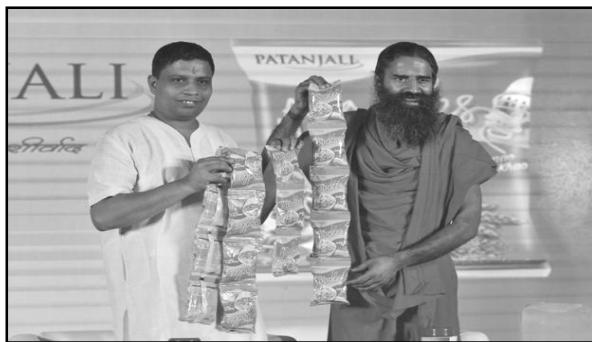
### Effect of Advertising on Consumers

Consumer advertising refers to advertising on purchaser generated media. This phrase is normally used to refer to sponsored substance on blogs, wikis, social networking web sites and individual Web sites. This sponsored substance is also known as sponsored posts, paid posts or sponsored reviews. The substance includes links that point to the home page or precise product pages of the website of the sponsor. Examples include Diet Coke and Mentos videos, and Star Wars fan films.

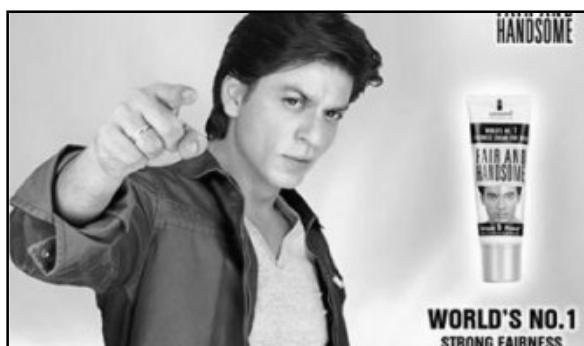


Every time you switch on the TV and you will see some products being pushed on you with some assurance. This is advertising. Your mind is being sold to these advertisers. Advertising is the promotion of product or services. This gives companies a way to rendering their products to people

and hence make best use of their sales. Without advertisement not a single firm or company can develop in this world of competition.



Like all other thing it has also some positive as well some negative points. If it has some positive feature of social and economical impact on society then it do have some negative impact also. Advertising a public interests program has positive social impact whereas sensational woman in an advertisement has negative impact on society.



Advertising can also be used to tell public about social events like concerts and performances. Charities can use media to advertise about the illnesses and persuade people for assistance. Social organizations and NGOs can use the mean of advertisement for promoting their campaigns. Looking for help through advertisement during epidemics or natural calamities can help a lot.

So, I can say that advertising has positive as well as negative impact on society. The balance, of what is required and what really not required should be focused more. Advertisement can create satisfaction but can also simultaneously create unhappiness. Our society and the marketing of products depend so badly on advertisement that even its negative impact on society can't compensate the many positive social and economical effects.

### Types of Consumer Advertising

A winning advertising campaign will extend the word about your products and services attract customers and create sales. Whether you are trying to persuade new customers to buy an existing product or beginning a new service, there are many options to choose from. The following list is an introduction to advertising campaign that you could use.

**1. Newspaper:** Newspaper advertising can support your business to a wide range of customers. Display advertisements are to be found throughout the paper, while classified schedule are under subject headings in a precise section.

**2. Magazine:** Advertising in a professional magazine can reach your target market quickly and easily. If your products require to be displayed in colour then glossy advertisements in a magazine can be ideal while they are normally more expensive than newspaper advertisements.

**3. Radio:** Advertising on the radio is a great way to reach your target audience. If your target market listens to a particular station, then regular advertising can draw new customers.

**4. Television:** Television has a widespread reach and advertising this way is perfect if you supply to a large market in a large area. Television advertisements have the advantage of sight, sound, movement and colour to influence a customer to buy from you. They are mostly useful if you need to reveal how your product or service works.

### **Directories**

Directories catalogue businesses by name or category (e.g. Yellow Pages phone directories). Customers who refer to directories have often previously made up their mind to buy they just need to make a decision who to buy from.

### **Outdoor and Transit**

There are numerous ways to advertise outside and on-the-go. Outdoor billboards can be signs by the road or hoardings at sport stadiums. Transit advertising can be posters on buses, taxis and bicycles. Large billboards can get your message across with a big impact. If the same customers go by your billboard every day as they travel to work, you are likely to be the first business they think of when they want to buy a product.

### **Direct Mail**

Direct mail means writing to customers directly. The more specific your mailing list or distribution area, the more of your target market you will reach. A direct mail approach is more personal, as you can choose your audience and plan the timing to suit your business.

### **Online**

Other ways to advertise your business online embrace to promoting your products or services on social media sites, blogs and search engines and other websites that your target audience visits.

## **RETAIL ADVERTISING**

### **Introduction**

The producer has little concern where its product is purchased. The aim of the retail advertiser differs from that of national advertiser. The retailer advertises encourage support by consumers and build store trustworthiness among them. The retailer is not mainly worried with any specific brand. General move towards in retail advertising is “buying at our store.” The sale of any definite brand is not the concern of retailer unlike the national advertiser.

The retailer must contend in one of the most reasonable arenas of business and move huge volumes of products. Moreover, the retail advertising must communicate the image of the type of store to principally attract definite types of consumers. To attain these objectives, retailers often communicate price information, service and return policies and the range of products available.

The local retailers like supermarkets; department stores etc. have a wide range of products that they wish to render to their potential target market. Now audio visual being a very helpful media for advertising the local retailers prefers it for their product assortments. But they have a preference to local channels for the cost factor. The advertising options and media preference of these retailers finally depend on the fact as to whether they are re-advertising the national brands or originally advertising the local brands.



The intention of these retailers to advertise these product brands is to let the potential market know about the accessibility and special promotional offers. Newspaper is an excellent media in terms of cost and complicated space. Quality of advertisement doesn't matter here as the brand image has already been built up. Moreover the local advertisers get striking rates from the newspaper.

Original advertisers at the local level have the same purpose as that of the national brand advertisers but the local retailers have a possibility in three areas regarding their choices:

1. Product versus service selling
2. Extent of product mix
3. Number and geographic distribution of customers

For example in Kolkata, a supplement on glossy page comes with every Friday issue of The Telegraph on Salt Lake City. This supplement features all the advertisements of retailers in and around Salt Lake. Direct mail can also be used in cases the products have wider mix. Handbills are also used at times for announcing and special promotion. But for both direct mail and handbill the number of customers prospects should be large enough.

Another significant area of retailers is their store likeness. Though many consider the product advertisement media as primary for retailers and store likeness promotion media as secondary, there are many retailers who depend on the faithfulness of their customers towards their brand name and their footfall. Many retailers argue that getting the customer into the shop is the most complicated job.

Store likeness advertising has the following objectives:

1. Brand remembrance
2. Brand position
3. Brand Purchase objective

In India, retailing has caught up in a big way. Today one finds the presence of huge retail stores like Crossroads, Shoppers Stop, and Big Bazaar etc who are doing well. It has a bright future and looks all set to grow. Currently it is an urban phenomenon present in the metropolises like Mumbai, Delhi and Bangalore etc. However this trend is moving into the smaller towns and these present the market of the future.



The main purposes of retail advertising are outlined below:

**1. Selling the business:** To sell the business, attract customers to the location and, in the case of a shop, enhance what is known as ‘store traffic’, i.e., trying to enhance the number of people passing in the course of the shop. If they can be expectant to step inside they maybe buy something which they would not buy otherwise.

**2. Selling special or own branded goods:** Some retail distributors are chosen as dealers for definite make. Example is some supermarkets retailers sell their ‘own branded goods’ which manufacturers pack in the name of the supermarket (For example, D-Mart selling own branded goods PREMIA). Some huge departmental stores have a special brand name for all their products, consistently they will be cheaper and they compete with national brands.

Competition between national and own branded is strong, and there is always a risk that the national brands will be de-listed in favour of a store’s own branded products. Own branded products are frequently made to the retailer’s own terms or recipes, and are not simply replicas of existing national brands. All the retail outlets are possible to use advertising to encourage sale of their stock.

**3. Clearance Sale:** To clear the stock of the shop, such as promoting products which are seasonal, special offers could be made. Examples are sale of assured products during winter or summer sale of air conditioners during winter and water heaters during summer.

Normally, the retailer works in an only just inadequate geographic market. This allows him to focus his advertising communication to the likes, preferences and buying habits of targeted audience.

The retailer advertises to impetuous relatively quicker response to most of this local advertising, while the national advertiser's prime attention is in establishing long run favourable attitudes and building brand equity.

The principal media for retail advertising are:

1. Local weekly newspapers.
2. Local daily newspapers, of which most are 'evenings'
3. Public transport outside posters and inside cards.
4. Direct mail to regular customers.
5. Local commercial television
6. Independent local radio
7. Window bills and point-of-sale displays within the shop and in-store displays
8. Catalogues.

Retail advertising is categorized by four main aspects:

1. Creating an representation
2. Establishing its position
3. Unique kind of goods offered
4. Reasonable price offers

Although telephone ordering and the use of credit accounts and credit cards is a rising feature, the object of the advertising is to convince people to visit the shop so that not only they buy the desire items but is also paying attention by the large assortments of brands and various product and some cross selling happens through well prepared effort of the store salespeople.

## **INDUSTRIAL ADVERTISING**

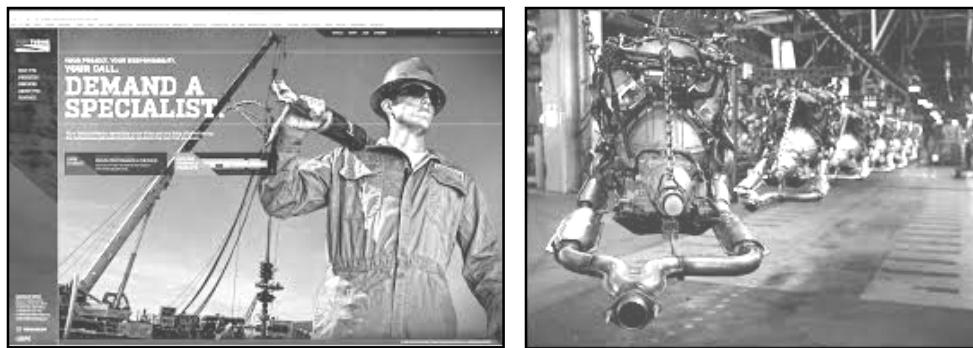
### **Introduction**

Industrial advertising, or else known as business to business advertising, is an appearance of advertising to other businesses. This can contain the advertising of parts or raw-materials for their produce or equipment used in their mechanized process.

In a very broad sense, industrial advertising must speak a much more purposeful message within one or more comparatively narrow sales channels. Its goals may comprise the creation of favourable company and brand awareness, and the production of sales leads through inquiry funnelling (sales alteration) steps. Tightening the definition of advertising, industrial marketers expand company or product-centric ads that are communicated in the course of space in industry print publications or websites.

Other industrial marketing communications options include: Public Relations, direct marketing brochures and company websites, trade shows, and social media.

Advertising typically consumes the major portion of an industrial marketing budget because it is a “shotgun” move towards to message-targeting. The cost of individual advertising reflects a definite percentage of exhausted circulation and advertising distribution—even within specific markets. This is much more so in print media advertising, than Search Engine advertising which displays advertisements only to those with a single importance in an advertiser’s key words.



The approach to endorse may vary from company to company. The advertisements are used to increase the consciousness amongst the target customers about the products. The same information is provided through different channels to get better reach.

For example, if there is a mineral water bottles small enterprise it will subcontract its packaging, bottles, caps etc to other companies. Therefore it is vital for these companies to have information of those who are providing the packaging services.

### **Function of Industrial Advertising**

Every product, whether a customer product or an industrial one, satisfies a need, solves a problem or offers a benefit. Thus industrial advertising must offer the buyers with the information that satisfies the need or communicates the indescribable benefits.

Hence, every industrial promoter must commence with the need gap of the customer or the advantage he is expectant to make a message. The preference of headlines, copy and so on can make dissimilarity in the advertising impact. The headlines have to be attractive and the copy must enclose the information required.

Fundamentals such as advertising size, colours and picture are significant in industrial advertising too. A minor re-arrangement of mechanical basics within the advertising can get better attention-getting power. Unlike consumer advertising, fancy language and touching appeals are to be constrained and the message must be reserved to the specifics. Details of the product, product pictures or pictures of applications are inclined to draw attention.

Advertising messages can be grouping as shown below in industrial advertising:

**1. Testimonials:** This feature is highly convincing, agreeable as on expert source endorsing the product. It could be a celebrity, a known personality in that industry talking about the benefits of the product according to them. In Industrial marketing, testimonials are provided by existing customers who are well known.

**2. User Experiences:** Case histories of users and the benefits they got by purchasing from the supplier are also used to depict the inferences. The reliability factor will be high when a user shares his experiences.

**3. Straight Description:** A straightforward advertisement expressing the product quality and the benefits that can be required by the user is called a straight description. This advertisement has a lot of facts and figures and most frequently used in industrial advertising.

**4. Short Stories:** Though hardly ever used, it can be successful when the company wants to build a case and engage the customer so as to obtain in the benefits of using the product.

**5. Negative Ads:** Emotional appeals are unusual in industrial advertising, but some negative advertising seen where in the ill special effects of not using the company's products or not utilizing the company's services are expressed.

**6. Comparative ads:** Some influential advertising has motivated into the category of comparative advertising, which seeks to create superiority of one brand through specific comparison of one or more attributes with one or more brands in the product class. For example, in JK Tyre claims itself to be the No. 1 tyre manufacturing firm and gives a comparison of the market share details with others in the industry like MRF, Ceat, Apollo and others. The ABP claims itself to be the No. 1 news channel (Aapko Rakhe Agge) makes comparison with the Aaj Tak, Zee News and others.

**7. Social responsibility advertising:** Some advertisers use this as a standard to bring into focus the activities that they carry out for the well being of the society and environment. This is to bring about a good company image in the minds of the consumer and the general public. These are called social responsibility advertisements. An example of this is provided in Hindalco Aluminum, which has adopted villages and given them water, hygiene and schools etc.

**8. Quality initiative:** In industrial companies, quality standards like TQM, ISO 9000 series SEI CMM of software industry plays a significant role and such advertisements shape a major portion of visibility of the company.

## **FINANCIAL ADVERTISING**

### **Introduction**

It is such a kind of advertising, which more or less does not have any confines on what it can include under its name, but generally speaking financial advertising includes that for banks, savings, mortgages, insurance and investments. In adding up to advertising addressed to customers or clients it can also comprise company reports, prospectuses for new share issues, accounts of investments in securities and other financial announcements.

Some, like building society and National Savings advertisements, may be addressed to the common public while others will come into view in the financial and business press only, e.g. the Economic Times of India, Business Standard or The Hindu Business Line. It is also motivating that while trade and technical magazines are not so much high in number in India, the business or financial dailies mostly famous by pink paper for which the British Financial Times is well-known are quite

large in distribution. So the emptiness in technical journals is rather filled up by these dailies by offer special pages or features regularly.



## **Definition**

According to Dictionary of Marketing Terms financial advertising means, “Advertising geared to the world of finance, such as Wall Street brokerage firms, banks, or insurance companies. Typical products in financial advertising are publicly offered financial products such as Mutual Fund shares or limited partnership shares. The Securities and Exchange Commission (SEC) enforces strict legal regulations in regard to promotional advertising of public offerings of securities and requires some amount of mandatory copy on most other products. A large part of financial advertising has to do with the promotion of the image of financial corporations with the hope that the corporation will become a trusted name that will appeal to investors”.

## **Importance Financial Advertising**

Advertisement plays a significant role in the society, and now financial segment is no exemption to this. It generates the consciousness between the consumers about the new products which are being accessible to them. It also creates a relationship between the company and the consumer. For example, if a bank offers the home loans at an striking EMI's, Fix account with more rate of interest, a post office has to offer a variety of saving schemes, corporate loans, the financial institutions by adopting the best mode of communication so that the people will be known to their contributions. Due to the concept change in the societal behavioural patterns and technology there are many new advertising opportunities which are coming like Popup ads, Flash ads, Banner ads, and email ads Social networking sites etc.

The privatization of financial sector the rivalry among the different Financial Institutions has increased immensely, as each institution is trying to construct its market share by offering variety of financial products intended for their targets markets. In this situation, every institution claims uniqueness of its products and tries to amaze upon the consumer that these products are most excellent appropriate for his needs. Due to tough and powerful competition the advertising and other promotional strategies assumes an important role as far as the encouragement of these financial products and services are concerned.

### Financial and Banking Products Advertised by the Indian Financial Companies

Conventionally banks in India have four types of deposit accounts, specifically Current Accounts, Saving Banking Accounts, Recurring Deposits and, Fixed Deposits. However, in recent years, due to ever mounting competition, some banks have introduced new products, which combine the features of above two or more types of deposit accounts. These are identified by different names in different banks, e.g 2-in-1 deposits, Smart Deposits, Power Saving Deposits, and Automatic Sweep Deposits etc. However, these have not been very popular among the public.

Bank Accounts are classified into four different types. They are:

1. Current Account
2. Savings Account
3. Recurring Deposit Account
4. Fixed Deposit Account

### Types of Loans Advertised by Indian Financial Companies

From starting a business to purchasing a luxury car, buying a home to going on a vacation these days you will find modified bank loans for all your needs. This creates a huge prospect not only for banks but also for businesses selling consumers products. Banks label loans on the basis of end use of profits. Terms and conditions and other features of loans fluctuate mainly based on this end use, i.e., the purpose of the loan.

Bank Loans on the basis of end use:

1. Personal loan
2. Home Loans
3. Car Loans
4. Education loan
5. Business loan

There is some other categorization of loans. Some of them can be classified as follows:

#### Secured and Unsecured Loans

- **Secured Loan:** A secured loan is one in which you get loan against an asset that you possess. For example, you can take a loan against your property, a vehicle that you own, your jewelry etc.
- **Unsecured:** If you do not have an asset to keep as security, you can get an unsecured loan. However, in order to qualify for this loan you would have to have a good record of credit history and have a good income. The interest rates for unsecured loans are usually higher as compared to secured loans.

#### Subsidized and Unsubsidized Loans

If you are granted a loan as part of your financial aid, you might be eligible for subsidized or unsubsidized loans, or can avail both:

- **Subsidized loans** are awarded to those who qualify for it and the borrowers are not charged any rate of interest. In India, the best example of subsidized loans are those given by rural banks or cooperative banks to the farmers, especially for the purchase of farm equipments like tractors, pumps etc, or to implement latest technology that would increase their produce. Some countries provide subsidized loans to students to pursue their studies.
- **Unsubsidized loans** are given to lenders at a fixed rate of interest till the time the full amount is repaid. The interest rates charged on this type of loan can be minimized by repaying the loan before the interest accumulates.

### **Open-Ended and Closed-Ended Loans**

- **Open-Ended loans** are loans in which you can take loans several times. You can pay the loan and take a loan again. You have a credit limit for these loans. This means that you cannot take loan against an amount fixed by your lender.
- **Closed-Ended loans** are loans that are fixed at the time you take them. This means that when you take this loan, the amount of instalments to be paid, whether it has to monthly or half yearly etc., the duration till when you have to repay the loans are fixed by the lender when you take this loan. These loans are given against an agreed rate of interest.

### **Types of Insurance Advertised by Indian Financial Companies**

There are some types of insurance. Some of them can be classified as follows:

1. Life insurance
2. Home insurance
3. Health insurance
4. Accidental insurance
5. Automobile insurance
6. Property insurance

## **INDIAN GOVERNMENT AND FINANCIAL ADVERTISING**

### **Pradhan Mantri Jan-Dhan Yojana**

#### **Introduction**

The most ambitious government-led financial inclusion drives in history, enabling tens of millions to sign up for an account by filling in a simple form and using India's unique biometric ID system. As of January 31, more than 125 million new accounts had been opened under the program, called Pradhan Mantri Jan-Dhan Yojana (Prime Minister's People's Wealth Scheme, or PMJDY). These accounts were made all the more appealing by the offer of insurance and overdraft facilities and as a way to receive government benefits electronically. Each account holder also gets a Rupay branded debit card.



The numbers are impressive and the program has become a household name, but the jury is still out over whether India can convert this account-opening sprint into meaningful financial inclusion. Previous campaigns have failed to move past account-opening drives, ending up with millions of dormant accounts. This campaign is different with its emphasis on insurance, credit and transactions services and a bigger emphasis on financial literacy. But there are several other basic steps the government could take to ensure success.

**1. Set targets for usage:** The Ministry of Finance has laid out precise targets for the number of accounts opened, but, moving forward, an important barometer of success would be to set targets for usage. An initial target could be set for account holders to use their accounts at least once every 90 days.

**2. Ensure agents are “transaction ready”:** The program relies on an innovative model of using small corner stores as agents for banks where people can deposit and withdraw money from their accounts and transact. However, not all those agents have equipment or are being paid enough by banks to conduct transactions.

**3. Build an acceptance network:** Eventually, all account holders will get their debit cards in the mail. But the acceptance network for those cards is virtually non-existent. There are solutions to develop that network more rapidly and India could work with global partners to make that happen.

**4. Emphasize mobile:** The financial inclusion campaign should also make a bigger effort to emphasize mobile channels that have been a catalyst for financial inclusion elsewhere. India trails other countries when it comes to leveraging mobile channels. The 2014 Inter-media Financial Inclusion Insight (FII) Survey of 45,000 Indian adults found that 0.3 percent of adults use mobile

money, compared to 76 percent in Kenya, 48 percent in Tanzania, 43 percent in Uganda and 22 percent in Bangladesh.

**5. Leverage payment banks:** The campaign relies primarily on public sector banks to process government payments to the tune of over U.S. \$100 billion annually. India's central bank is in the process of licensing a new category of banks called Payments Banks. Subsidiaries of mobile operators and retailers could get the license giving those banks significant last mile reach. Allowing Payments Banks to process government payments would break the monopoly of public sector banks and be a boon for customers.

India's financial inclusion campaign has sparked interest with other countries seeking to overcome similar challenges. If India's campaign is able to go beyond the initial record-breaking sprint towards meaningful financial inclusion, it could be a useful example for others to follow.

## QUESTIONS

1. Describe functions of advertising.
2. What is "Political Advertising"? Describe types of political advertising.
3. What is effective Political Advertising?
4. Enumerate the role of advertising in Narendra Modi's historic political win.
5. What is "B2B"? Define the role of social media in B2B marketing.
6. What are the types of consumer advertising?
7. What is Retail Advertising? Define the main purposes of retail advertising.
8. What is Industrial Advertising? Define the main functions of Industrial Advertising.
9. What are the types of media in Industrial Advertising?
10. Define "Financial Advertising"? Describe the role Financial Advertising in Indian Society.

## Write Short Notes on

1. Social media
2. Consumer Advertising
3. What are the primary media for retail advertising?
4. Financial advertising
5. B2B
6. Types of Political Advertising



# **Chapter 7**

## **Internet**

### **Introduction**

Digital Marketing is a cloud-based, all-in-one digital marketing stage that enables you to fast and easily take full benefit of the many ways to converse digitally with your customers. Mix and match email, mobile, app, social and web, paid search and in-store marketing channels to send customized messages at the right time and in the most effective way. This allows you to enlarge a deeper customer connection, increasing achievement and getting better maintenance.

Create stylish digital campaigns that motivate your customers. This single Digital Marketing product means you no longer have to deal with burdensome, disorganized systems for your numerous digital channels. Digital Marketing Centre's modern, perceptive instrument panel lets you see quick overviews or detail-rich reports, giving you full control of multi-channel digital marketing.



Digital media is so persistent that consumers have access to information any time and any place they want it. Gone are the days when the messages people got about your products or services came from you and consisted of only what you wanted them to know. Digital media is an ever-growing source of entertainment, news, shopping and social interaction, and consumers are now showing not just to what your company says about your brand, but what the media, friends, relatives, peers, etc., are saying as well. And they are more likely to consider them than you. People want brands they can

trust, companies that know them, communications that are personalized and significant, and offers customized to their needs and preferences.

## **Definition**

According to Business Dictionary, The promotion of products or brands via one or more forms of electronic media. For example, advertising mediums that might be used as part of the digital marketing strategy of a business could include promotional efforts made via the Internet, social media, mobile phones and electronic billboards, as well as via digital and television and radio channels.

## **WHAT ARE THE TYPES OF DIGITAL MARKETING?**

At a high level, digital marketing refers to advertising delivered through digital channels such as search engines, websites, social media, email, and mobile apps. While this phrase covers an extensive range of marketing activities, all of which are not universally agreed upon, we'll focus on the most common types below:



**1. Email marketing:** Being one of the most primitive forms of digital marketing, it includes delivering personalized or targeted messages at the correct time. For example, brands like Amazon, Flipkart, Snapdeal, Voonik etc. send emails that are customized to meet the user's condition.

**2. SEO (Search Engine Optimization):** Well, it is the most common type of Digital marketing which is used to raise the website's visibility across the search engines. There are a variety of techniques occupied in this process ranging from on-site technical analysis and development, to blogging, link-building and content creation.

**3. PPC (pay per click):** It is better known as Paid Search. In this progression paid adverts are normally placed to the right or above of the 'organic' search results. The cost will depend on the competitiveness of the keyword you're request on.

**4. Blogging:** It may seem weird to see blogging on this list, because many of the things we've talked about may seem encapsulated in blogging. But really, a blog is presently a channel. It can host videos, podcasts, text articles, news topics, sell associate advertising, provide training or insight. However at the end of the day, what you're talking about isn't "blogging", you're talking about content that fills the channel.

**5. Social Media:** It is all about overseeing a brand's image across numerous social channels together with Twitter, Facebook, Linkedin and many others. This type has become very much popular, mature and multifaceted over the last few years.

**6. Video Marketing:** YouTube is the largest search engine in the world, and one of the most visited sites. While it may seem that a standard commercial might be the easiest way for a business to engage in video marketing, this is simply not the case. Video can be incredibly social, and smart video marketers are blurring the lines of what's suitable for labelled content.

**7. Online Advertising:** Don't confuse it with PPC! (Pay Per Click) it involves the process of advertising on others website. For example, you can buy a banner space on popular website, paying the website owner for the same.

**8. Affiliate marketing:** Affiliate marketing is a form of online advertising where advertisers place campaigns with a potentially large number of publishers, who are only paid media fees when the advertiser receives web traffic. Web traffic is usually based on a call-to-action or assessable campaign result such as a submitted web form or sale. Today, this is usually proficient through contracting with an affiliate network.

**9. Viral marketing:** It is a perfect mix of various fundamentals of the marketing. Normally, it always involves publicizing a factor of content across various channels. It may comprise of videos on YouTube, blogs, email marketing, as well as some conventional elements, all with goal to promise that the content grabs the interest of the market and spreads naturally through online communities.

**10. Community Building:** Community building is a field of practices focussed toward the formation or development of community among individuals around a general interest. The most important belief of community managers is to use brand properties as a "hub" to make easy the conversation between users.

**11. Interactive Advertising:** With web technologies developing every day, a rising group of marketers take to creating advertising that requires users to interact with the website. On a small scale, this could require the user to upload a photo, video or audio which is then improved by the website to create a "branded" experience.

**12. Mobile Advertising:** Mobile advertising is the skill for organizations and individuals to advertise their product or service over mobile devices. Mobile advertising is generally passed out via text messages or applications. The noticeable benefit of mobile advertising for brands is that mobile devices such as smart phones are regularly close to the owner throughout the day. This presents a cost-effective way for brands to distribute targeted advertisements across mobile platforms on a daily basis.

You may have noticed there is a significant amount of overlap for each type of digital marketing. If you're a one person show, which many web entrepreneurs are, it's very important that you focus only on the areas that line up the most with your own usual strengths.



### What are the challenges of Digital Marketing?

- 1. Digital marketing is in a state of regular change:** Search Engine Result Pages (SERPs) change more than 75% on a daily basis. New social networks and tools pop up every few days. Just when you think you've figured it out Facebook announces privacy changes or Instagram changes its terms of service. Whatever the state of change what works today, may not work tomorrow.
- 2. Educating others as to what's significant:** For those that don't live, eat and breathe digital, there's a large information gap.
- 3. The long and short game:** The B2C e-commerce sites that can show quick conversions from email, paid search and social.
- 4. It's hard to find quality relevant data:** Yes there are tons of stats on technological crunch and other news blogs on conversion rates, open rates, etc. But many times they are aggregated across millions and billions of sessions, users stats, log files, etc. Finding relative comparative benchmarking data is demanding and can be costly.
- 5. You have to be a part time geek:** Not just someone that loves technology but you have to understand how the web and other digital platforms work at certain levels. Digital marketing works when the fundamental infrastructure and technology support the goals and objectives of the campaign. Without a robust framework and platform the best campaigns can rapidly fail. Understanding how the pieces work mutually is essential for success.
- 6. Testing of many browsers, mobile data and others:** You have to test on many browsers, operating systems and mobile devices. Sure your website, app, email looks great on your computer but what about the person in the cube next to you on an older browser. Or your CEO that is on his i-Pad. Or your customer that still uses a Blackberry.
- 7. Conventional marketing is still important:** The old rules may not always apply but lessons learned from past campaigns can provide insight into how people may react to your campaign. Marketing is not about selling, it's about creating interest, awareness and demand for your product. The selling comes later.
- 8. Many digital channels and associated strategies:** There are lots of digital channels and linked strategies. Do I create a mobile website or mobile app? Are micro sites the best plan for a campaign? How much organic and paid search do I need to reach my goals? Add in video, social,

email, content marketing, and whatever is around the corner. Not all digital channels are appropriate for each campaign, but each must be careful and reviewed.

## QUESTIONS

1. What are the types of Digital Marketing?
2. What are the challenges of Digital Marketing?

## Write Short Notes on

1. Advertising tactics
2. Online marketing



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## **University Question Papers**

**October 2018**

**Maximum marks: 75**

**Time : 2:30 hours**

Q.1 An Indian **Silver Jewellery** and an Indian **Meditation center** have set up their markets abroad. Your Ad Agency has been given the assignment to draw up the Advertising Strategy. **(15 Marks )**

**First:** Choose any one product/service

**Second:** Select any two countries from any of the three groupsof countries.

The two countries selected cannot be from the same group.

Group A: USA, UK, FRANCE, RUSSIA.

Group B: JAPAN, CHINA, BRAZIL, SOUTH KOREA.

Group C: SAUDI ARABIA, QATAR, BAHARIN.

What factors will you keep in mind while developing your Advertising Strategy with reference to the two countries selected by you?

Q.2. Answer the following:

A. Discuss the effects of Liberalization on Indian economy with reference to the media, entertainment and advertising industry. **(8 marks)**

B. Discuss the various criticisms levied against Advertising **(7 marks)**

**OR**

C. What is Digital marketing? Mention some of its advantages and disadvantages. **(8 marks)**

D. Write a Brief note on representation of women in advertising. **(7 marks)**

Q.3.

A. Do you think that the objectives of marketing are contradictory to the objectives of social change? Can advertising be an agent of social change? Discuss and illustrate with examples. **(15 marks)**

**OR**

B. Discuss the effects of Advertising and its impact on society. explain giving relevant examples. **(8 marks)**

C. Discuss how advertising impacts culture? Justify your choice with relevant examples. **(7 marks)**

Q4. Create a Social Marketing Campaign on: **(15 marks)**

i) Following of traffic rules.

**OR**

ii) Spread awareness about prevention of Malaria and Dengue.

**Q.5. Write short notes on (**any three**):** (15 marks)

- a. Controversial nature of Advertising.
- b. Political advertising
- c. Use of children as influencers in Advertising
- d. Self-regulation in Advertising
- e. Gender prejudices in Advertising.

## April 2019

**Maximum marks: 75**

**Maximum time 2 ½ hours.**

**N.B: All Questions are compulsory**

**All questions carry equal marks.**

**Kindly support your answers with suitable examples.**

**Q.1 An Indian Cuisine chain of Restaurants and an Indian Spiritual Healing Center have set up their markets abroad. Your Ad Agency has been given the assignment to draw up the Advertising Strategy. (15)**

**First:** Choose any one product/service

**Second:** Select any two countries from any of the three groups of countries.

The two countries selected cannot be from the same group.

Group A: USA, UK, FRANCE, RUSSIA, GERMANY

Group B: JAPAN, CHINA, BRAZIL, SOUTH KOREA.

Group C: SAUDI ARABIA, QATAR, BAHARIN.

What factors will you keep in mind while developing your Advertising Strategy with reference to the two countries selected by you?

**Q.2. Answer the following:**

A. Discuss the effects of Liberalization on Indian economy with reference to advertising. (8)

B. Discuss the various criticisms levied against Advertising (7)

**OR**

C. What is Digital marketing? Mention some of its advantages and disadvantages. (8)

D. Write a Brief note on Advertising and old people. (7)

**Q.3**

A. Discuss the effects of Advertising on its various stakeholders in society. (8)

B. "Advertising has become an agent of Social Change." Elucidate. (7)

**OR**

C. How is Global advertising different from Local advertising and International advertising, explain giving relevant examples. (8)

D. Does advertising shapes popular culture? Justify your choice with relevant examples. (7)

**Q4. Create a Social Marketing Campaign on: (15)**

i) E-literacy for aged.

Or

ii) Spreading awareness for STD, HIV and AIDS amongst Youth.

Q.5. Write short notes on (**any three**):

(15)

- a. Controversial Advertising.
- b. Political advertising
- c. Children and advertising
- d. Features of financial Advertising
- e. Gender bias Advertising.



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