

15. Advertising

Objectives

In this chapter, students should be able to:

- (i) state the meaning of advertising;
- (ii) discuss role of advertising;
- (iii) list the types of advertising;
- (iv) state the difference between direct and indirect methods of advertising;
- (v) list and describe each of the advertising media;
- (vi) enumerate the choice of media.
- (vii) state advantages and disadvantages of advertising

15.1 Meaning of Advertising

Advertising is giving publicity to the existence of some goods or services, i.e. focusing the attention of the general market on facts about such goods, in order to create effective demand for them. In this world of complex stocks of goods (even in the same family of products), and teeming population of competitive producers, it is doubtful whether a product and its producer will be unique enough on their own to attract substantial or effective demand for the product without effective advertising. The principle of advertising is to focus on one strong selling point possessed by the product/service in question.

15.2 Role of Advertising

From the brief definition above, the following points will be said of the functions of advertisement:

- (i) **Information:** Advertising gives information about the availability of goods and services and the use to which they may be put.
- (ii) **Persuasion:** Advertising does not simply stop at giving out information on goods and services but tries to influence the choice of the consumer for such goods and services by gentle persuasive appeal.
- (iii) **Creating large markets:** Although persuasion is on the basis of individual consumer, the ultimate goal is to create a large market for such advertised goods and services. This is important because most goods are produced on a large scale, giving rise to large stocks. Therefore, to be able to keep such mass production machines and methods in operation for the benefit of the public, securing a large market is one of the primary functions of advertising.

- (iv) **Sustaining a large market:** If a large market must be created for the consumption of some goods and services, it follows that large markets, once created, must be maintained and sustained at all costs. Advertisements serve to maintain the interest of consumers in their chosen brands of goods and services.
- (v) **Improving quality of goods and services:** The fact that goods and services would be advertised may serve as an impetus to the producers to improve on the quality of their products; since good quality products themselves have won half the battle of effective advertising.

In summary, the following six maxims in advertising should always be borne in mind: Advertising seeks to

- (a) attract attention
- (b) arouse interest
- (c) inspire confidence
- (d) create desire
- (e) convey information
- (f) stimulate action

15.3 Types of Advertising

Forms of advertising follow closely on the heels of their functions. There are six main forms of advertising.

- (i) **Informative advertising:** This type is designed to create an awareness for the products. It is necessary when new products or new uses for old products are being introduced to the market. All the good qualities and features of the product are carried to the general public by this form of advertising. A good example is when a new type of farm machine is being introduced to farmers. Informative advertising is particularly suitable in situations where goods would be marketed under their branded names.
- (ii) **Competitive advertising:** This is for goods with many competing products. The idea is to win the market for one particular brand of product at the expense of its competitors. A good example is the GSM service providers: "MTN – Everywhere you go", "V Mobile – It's all about you", "GLO-Glo with pride". "St Louis Sugar is best for tea and coffee". "Nescafe coffee keeps your mind going". These and other similar phrases are some of the expressions employed to focus attention on the advertiser's brand of goods. Care should be taken to avoid slanderous statements about the competitor's products, otherwise the advertiser runs the risk of being sued for slander.
- (iii) **Mass and specific or generic advertising:** This is a form of advertising suited to a situation where producers of goods that belong to the same family want to eliminate waste of advertising resources. They come together and jointly sponsor the same advertisement. "Soft drink is good for you" is an example of generic advertisement. Although the advertisement is a common one, the brands would still

compete with each other by other means like price, quality, availability, prompt delivery, etc.

- (iv) **Persuasive advertising:** This is among the most important forms of advertising. It is one objective that all other forms of advertising strive to achieve. Persuasive advertisements make the market believe that the products are the most ideal for the use to which such products are normally put. Other competing products are indirectly made to look second rate.

15.4 Methods of Advertising

- (i) **Direct advertising:** This is advertising in respect of goods that are made for a specific class of customers. An advertisement on a new brand of Peugeot 505 car should be addressed to the rich class of the market. It would amount to economic waste and misdirection of advertising resources to try and attract the large population living on subsistence farming.
- (ii) **Indirect advertising:** This is designed for goods that are demanded by all and sundry. Examples are salt, *Garri*, etc. This sort of advertisement must be couched in such a way that would appeal to the generality of the consumers, e.g. *â€˜Garri* gives the whole family energy at little costâ€™TM.

15.5 The Advertising Media

Advertising media are the channels through which advertisements get to potential markets. These include the newspapers, magazines and journals, radio, television, cinema and hoardings. Others include window display, fairs and exhibitions, catalogues, leaflets, free samples and mobile vehicles.

(1) Cinema

This medium is popular with the young and affluent sectors of the society. Regular cinema goers are those that do not often watch the television. Therefore, cinema advertisement would complement rather than compete with radio and television commercials. Cinemas are most suitable for local advertisements and for the products of organizations having branches all over the country.

Disadvantages

- (a) Experience has shown that cinema-goers use commercial break times to attend to other things like refreshment, toilet and gossip.
- (b) Cinema commercials could be very expensive.

(2) Window and *â€˜Point-of-Saleâ€™*TM Display

If arranged with skill and artistry, this form of media is capable of adding beauty to shops, thus offering strong attraction to customers at a point where goods would finally reach them. The goods should be clearly labeled and elegantly displayed. If there is adequate security, such displays could be on for twenty-four hours of each day so that customers can window-shop within and outside shop opening hours.

(3) Catalogues and Price Lists

Catalogues have the advantage of carrying beautiful pictures of goods being offered for sale, enabling customers to make their choice within the comfort of their homes.

Disadvantages

- (a) The real goods on arrival may not conform to the image in the catalogues.
- (b) Printing of catalogues could be expensive and the exercise may not be ~sales productive~™ if potential customers are merely interested in keeping the catalogues as albums.

(4) Hoardings

These are conspicuously displayed roadside posters positioned to draw the attention of passers-by. Their location includes town and city centers, inside of trains and buses; they therefore command a large population of readers. However, since most of the readers are usually on the move, poster messages should be brief and simple, aided by beautiful pictures or illustrations of the advertised goods. Commercials already carried on television and radio could be re-echoed on hoardings.

Disadvantages

- (a) Some popular areas ban the display of posters.
- (b) Bill postings are usually regulated by local government authorities who collect certain charges on them.

(5) Newspapers

Newspapers have a wide coverage, they are read by millions of people daily. They are most useful for products having national appeal. They can be chosen by producers or retailers (multiple stores and mail order business) having branches all over the country. Advertisements in the weekend newspapers may be more productive since readers have more time at the weekend to read papers and make their orders.

Disadvantages

- (a) Newspapers cost money. The medium and small sized firms may find the costs of newspaper advertising prohibitive.
- (b) The right form of newspaper must be chosen for the type of goods to be advertised. Some papers are read by specific social groups, e.g. in Britain, *The Times* is read by the upper class, and the *Sun* and the *Mirror* by the lower class.
- (c) In Nigeria, certain dailies are more popular in certain parts of the country than others, e.g. *The Observer* in Edo State, the *Chronicle* in Cross River State, *New Nigerian* in the northern states and *Tribune and Sketch* in Yoruba speaking states; while *The Guardian* appeals to the intellectual class, a small but influential part of the total population.

(6) Magazines and Journals

Magazines have a large readership. For instance, *Woman*™ and *Woman's Own*™ are very popular with women all over the world. Such magazines are most suited for the advertisements of commodities like cosmetics, ladies and children's clothes, household goods, etc. Some journals are widely read by members of professional bodies, for instance, books on accountancy and medical studies are best advertised in journals of the relevant professional bodies.

Disadvantages

- (i) Magazines and journals are expensive to produce.
- (ii) Their circulation may not extend to some small towns and villages, as the circulation is usually restricted to only the big towns and cities.
- (iii) It is only the literate population that can cope with the reading and understanding of magazines and journals.
- (iv) Some magazines and journals are usually limited to some specific and professional class.

(7) Radio and Television

These two have now become popular in most homes in Nigeria, especially radio. In a few states in Nigeria, radio commercials for goods' advertisement are now very popular. Because of the wide coverage they give, radio and television are most suitable for advertising goods which are within the reach of the ordinary man.

Disadvantages

- (a) The time allowed for advertisements on such media is very limited.
- (b) Since commercials come in-between programmes, listeners and viewers often use the time for fetching refreshments and visiting the toilet. In fact, listeners and viewers often complain to radio and television authorities about interrupting programmes with too many commercials.
- (c) Overly frequent advertisement of some goods could be irritating to listeners and viewers.
- (d) Some goods, e.g. cigarettes, are prevented from being advertised on radio or television; or are at best allowed limited time.
- (e) Radio and television commercials may be too expensive for most medium and small-sized business organization for regular and effective usage.

(8) Fairs and Exhibitions

These are able to attract international as well as local buyers. They could be undertaken by the government, its agencies or trade associations. They serve to add prestige to the image of the particular industry and that of the country managing it. Through them, contact is made with potential customers with whom real business can be done. Most exhibitions are specialist, e.g. agricultural tools exhibition; most fairs are generalist, e.g. trade fairs.

Disadvantage

They could be very expensive. The trade organized fair in Lagos by the General Obasanjo military regime in 1978 was criticized for the colossal cost entailed since it was argued that Nigeria had no industrial goods to exhibit at the expensive trade fair.

(9) Leaflets

These are less costly than catalogues. They are equally more handy and could more easily reach the markets than catalogues. They could be handed over to the public at popular city, town or village centers, or at marketplaces; or slipped underneath doors of homes. They carry messages about discount prices, or offer of free gifts or samples if such goods are bought within a specific period. In the advanced countries, there are specialist agencies which supply classified lists of names and addresses for direct mailing of leaflet/advertisements.

(10) Free Samples (Gifts)

Supply of free samples of books is a popular type of advertising in publishing business, where new books are made available to subject and class teachers and ministries of education, in order to gain the recommendation of such books for use in schools. Issue of free samples is also popular in other manufacturing companies and large wholesale businesses

Disadvantages

- (a) This is usually expensive, therefore, it must be done with care and caution.
- (b) Most people love to receive free samples without future patronage of the goods; free samples should therefore be on selective basis to only those who are likely to reciprocate with a purchase.

(11) Mobile Vehicles

Loudspeakers are attached to vehicles that move slowly around towns, cities and villages advertising goods to the people. They could be crowd-pullers, especially when supported with very melodious background music. At the same time, real sales could be made if the goods are made available on the spot. Neatly-dressed and courteous sales girls attend to customers and add colour to this form of advertising.

Disadvantages

To some people, the use of loudspeakers is a great nuisance and could be annoying and offensive in quiet residential areas.

15.6 Choice of Media

From the discussion above, we can now consider the factors that influence the choice of media.

- (i) **Social class:** Television advertisements, for instance, would appeal to the moneyed-class. Certain papers and magazines are read by different socio-economic groups.
- (ii) **Geographical location:** The *â€˜Tribuneâ€™*TM and the *â€˜Sketchâ€™*TM are read mostly in the south-west of Nigeria while the *â€˜Heraldâ€™*TM is mostly read in the East.

- (iii) **Age group:** Different media appeal to different age groups, e.g. the cinema appeals mainly to the youths, while newspapers and radio appeal to adults.
- (iv) **Number of people reached:** Radio advertisements are likely to reach more homes than posters on trains.
- (v) **Cost of using a medium:** The cost of advertising is a primary factor and would matter to an advertiser. For instance, it is more expensive to advertise through exhibitions and fairs but cheaper to advertise through mobile vehicles and window display.

15.7 Advantages and Disadvantages of Advertising

(a) Advantages

- (i) **Giving information:** Advertising gives information about the existence of new products or new uses for old ones.
- (ii) **Increasing the size of market:** It increases the size of the market, thus encouraging the economies of large scale with its lower unit cost, the advantage of which is passed to consumers in the form of lower selling prices
- (iii) **Justification for large capital investment:** Large scale advertisement provides justification for large scale capital investment in industries like the car and textile industries. It enables big industries to undertake further researches whose benefits are passed onto consumers in the form of new products and lower prices
- (iv) **Fostering the spirit of competition:** Advertising fosters the spirit of healthy competition for a share of the market.
- (v) **Promoting full employment:** Advertising creates employment opportunities in many ways:
 - (a) *Directly:* within the advertising industry, large-scale production in response to large-scale market promotes great employment opportunities.
 - (b) *Indirectly:* patronage of the specialist advertising industries and the use of the mass media enable them not only to remain in business, but also to increase their own share of commercial activities.
- (vi) **Sponsorship of programmes:** Some industries or companies sponsor very interesting television and radio programmes, such as football matches and other sporting events, with the aim of slotting in their advertisements in-between.

(b) Disadvantages

- (i) **Cost:** Advertising is usually costly and it normally constitutes a fraction of the price paid for goods; it is as high as 50% of the price paid for patent drugs.
- (ii) **Monopolistic tendencies:** It is argued that large scale production, prompted by successful advertisement, creates monopolies which drive the small producers from the market to the detriment of the consumers of their products.

- (iii) **The net effect of lower price and high advertising cost:** It is argued that the lower price brought about by large scale production is more than neutralized by high advertising costs.
- (iv) **The game of “musical chairs”™:** There is some opinion that advertisements have no net increase effect on total demand. It is further argued that what one firm gains is another firm’s loss. What advertising does is to shift demand around like the “musical chair”™. If this is true, then the high advertising cost is unjustified.
- (v) **The consumers’™ dilemma:** The conflicting claims of different advertisements to identical goods have left the consumers more confused. At best, advertising succeeds in putting undue pressure on consumers to buy what they may not otherwise buy.
- (vi) **Emotional appeal:** Advertisements have been described as merely appealing to emotions and prejudices instead of placing emphasis on the rationale for buying the advertised products.
- (vii) **Partiality of advertisements:** Advertisements are seen as not giving a balanced account of the features of the advertised products. They only emphasize on the good features. For instance, advertisements on tobacco (cigarettes) are often silent on the fact that it could also cause cancer.
- (viii) **A negative cumulative effect:** Following the totality of the bad aspects of advertising, it has been found that some sectors of the market are becoming skeptics of advertised products. This does not speak well of advertising as a means of enlarging markets for many products.

15.8 Consumer Protection in Advertising

Some of the claims and counter-claims of some forms of advertisement may sometimes, instead of enlightening the consumers, leave the consumers more confused in making the right choice about what to buy. Therefore, there is always the need for the consumers to be protected. Consumers’™ protection takes different forms, some of which are discussed below.

The Association of Advertising Practitioners of Nigeria (AAPN) looks after the interest of advertising agencies and tries to control some of their excesses, while guiding and protecting the interests of the innocent consumers of the advertisers’™ services. Only those advertisements which meet the prescribed professional standard are accorded recognition.

The Association’s™ constitution defines two grades of advertising agency, and prescribes the code of conduct as well as the minimum professional ethics that should guide all advertising practitioners. The Association of Advertising Practitioners, through the Advertising Council of Nigeria (ACON), checks the standard and contents of advertisements produced. They could withdraw any unethical advertisements from circulation in Nigeria. The Council is also empowered to withdraw any offensive advertisements from circulation.

The Federal Government, through the Standard Organization of Nigeria (SON), also ensures that industries do not mislead the consumers by their advertisements. They therefore submit their advertisements for necessary examinations before they are exposed to the public.

In Nigeria today, many industries, such as the tobacco companies, are expected to indicate on the packages health warnings, practiced in all developed countries of the world. This is a major protection for prospective consumers.

Companies also advertise to protect their consumers or customer from being exploited by warning against fake products, e.g. an advert for Panadol which says, "if it is not Panadol, it cannot be like Panadol". Some producers take the trouble to advertise and explain to their customers the difference between their products and the ones they consider fake.

Summary

Advertising is a means of exposing goods and services to the market. Five functions of advertising are informing, persuading, creating markets, training the market and improving the quality of products.

Six forms of advertising are – informative, competitive, direct, indirect, specific and persuasive advertisement.

Advertising media are the agencies through which advertisements are put across, e.g. radio and television, newspapers, fairs and exhibitions, hoardings, journals and magazines. Each of them has its merits and demerits. The choice of media too is crucial to advertising as an art; therefore, there is need for the correct knowledge of the products concerned, tastes and social class of consumers and their age group.

Revision Questions

Essay Questions

1. (a) What is the meaning of advertising?
(b) What are the functions of advertising?
2. What general factors would you take into consideration when choosing a media for advertisement?
3. What are the advantages and disadvantages of advertising?
4. What are the requisite conditions for a successful advertising?
5. (a) What is an advertising medium?
(b) List any SIX media of advertising.
(c) Explain FOUR advantages, TWO disadvantages of advertising a product.

Objective Questions

1. The activities aimed at finding out customer's needs and satisfaction can be described as
 - A. macro-marketing
 - B. micro-marketing
 - C. conceptional marketing
 - D. socio-marketing

(JAMB 2001)

2. The most effective type of advertising for branded products is

- A. indirect advertising
 - B. informative advertising
 - C. competitive advertising
 - D. direct advertising
3. The main role of advertising is to
- A. convince prospective buyers to buy
 - B. show the actual shape, form and colour of the products
 - C. inform people where to obtain goods and services
 - D. capture the attention of people
- (JAMB 1999)*
4. The rights of the public to protection against questionable products and marketing practices is
- A. an economic aspect of the business
 - B. a social responsibility of the business
 - C. a legal aspect of the business
 - D. a political aspect of the business
- (JAMB 1999)*
5. The protection of consumers against exploitation by manufacturers is to ensure
- A. increase in production capacity
 - B. increase in the level of consumer awareness
 - C. that the right quality of goods and services is sold
 - D. that there are varieties of products
- (JAMB 2003)*
6. Which of the following is NOT a form of promotion?
- A. Advertising
 - B. Market segmentation
 - C. Personal selling
 - D. Publicity
 - E. Sales promotion
- (NECO 2002)*
7. Which of the following are forms of sales promotion?
- A. Advertising, personal selling and publicity
 - B. Advertising, market skimming and publicity
 - C. Personal selling, packaging and publicity
 - D. Advertising, packing and publicity
- (JAMB 1995)*
8. One of the following is NOT an acceptable type of advertising
- A. Informative advertising
 - B. Persuasive advertising
 - C. Competitive advertising

- D. Personal advertising
9. One of these is a demerit of advertising
- A. Misconception of quality of goods
 - B. Increasing demand
 - C. Developing consumer awareness of new product
 - D. Employment generation

Project

Mention the names of 5 chief marketing executives in 5 big trading organizations in your locality.