

KARPAGAM ACADEMY OF HIGHER EDUCATION
 (Deemed to be University)
 (Established Under Section 3 of UGC Act 1956)
 Pollachi Main Road, Eachanari Post, Coimbatore - 641021
 (For the candidates admitted from 2016 onwards)

DEPARTMENT OF COMMERCE (CA)

		Semester IV			
		L	T	P	C
17CCP205A	ADVERTISEMENT AND SALES PROMOTION	4	-	-	4

❖ **Course Objective:**

To give the students the basic knowledge of advertising and sales promotion.
 To introduce the students to latest methods and tools of advertising and sales promotion.

❖ **Learning Outcome:**

The course consists of Advertising, Advertising Process, Advertising Media, Sales Promotions and Salesmanship. It helps the students to know about the to latest methods and tools of advertising and sales promotion.

Unit - I

Advertising - Features, Purpose, Scope and Function - Classifications - Social and Economic Aspects & Ethical Issues in Advertising - Need for Advertising

Unit – II

Advertising Process - Advertising Strategy - Psychology of Target Audience - Effectiveness of Advertising - Buying Behavior - Audience Perception -Setting Advertising Objectives, Advertisement Planning and Organization -Advertisement Copy.

Unit - III

Advertising Media - Role of Media - Print Media - Radio and Television -Online Advertising - Media research - Media Selection - Advertising Budget - Evaluation of Effectiveness of Advertising - Areas of Assessment - Media testing

Unit – IV

Sales Promotions - Scope - Functions and Importance - Sales Promotional Methods - Fundamental of Successful Selling - Retail Marketing

Unit – V

Salesmanship - Salesmen Recruitment and Training - Personnel Selling - Skills for Good Salesmanship - Training of Sales Personnel - Motivating and Evaluating Sales Personnel - Sales Records - Rewarding Good Salesmanship

SUGGESTED READINGS**Text Book**

Mahendra Mohan (2008). *Advertising Management*. New Delhi, Tata McGraw Hill Publishing Company Limited.

References

Philip Kotler, Kevin Lane Keller, Abraham Koshy, Mithileshwar Jha (2013). *Marketing Management*. New Delhi, Pearson Education.

Rathore (1998). *Advertising Management*. New Delhi, Himalaya Publishing House.

Francis Cherunilam (2010). *Advertisement and Salesmanship*. New Delhi, Himalaya Publishing House.

Varma and Agarwal (2000). *Salesmanship and Publicity*. New Delhi, King Books.



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LECTURE PLAN

DEPARTMENT OF COMMERCE WITH COMPUTER APPLICATION

STAFF NAME: SARANYA.W

SEMESTER: II

SUBJECT NAME: ADVERTISEMENT AND SALES PROMOTION

SUB.CODE: 17CCP205A

CLASS: I M.Com CA

Unit - I

S No.	Lecture Duration (Hr)	Topics to be covered	Support Material
1.	1	Advertising: <ul style="list-style-type: none"> • Meaning • Definition • Importance 	T1: 1 - 10
2	1	Features	T1: 9
3	1	Purpose	T1 : 59 -60
4	1	Scope	T1: 62 - 75
5	1	Function	T1: 83 - 86
6	1	Classifications	W1
7	1	Social Aspects in Advertising <ul style="list-style-type: none"> • Socila welfare • Media misuse • Haemful effcets 	T1: 102 - 116
8	1	Economic Aspects <ul style="list-style-type: none"> • Production cost • Economic cost • Distribution cost 	T1: 92-98
9	1	Ethical Issues in Advertising <ul style="list-style-type: none"> • Ethics • Self control • Control by consumers • Control by goverment 	T1: 119-127
10	1	Need for Advertising	W1
11	1	Recapitulation And Important Questions Discussion	
Total Number of Hours Planned for Unit – I			12 HOURS

Unit – II			
No.	Lecture Duration (Hr)	Topics to be covered	Support Material
1.	1	Advertising Process <ul style="list-style-type: none"> • Communication process • Persuasion • Personal influence 	R1: 131-159
2	1	Advertising Strategy	R1:160-165
3	1	Psychology of Target Audience	W1
4	1	Effectiveness of Advertising	W1
		Buying behaviour	W1
5	1	Audience Perception	R1: 83-90
6	1	Setting Advertising Objectives <ul style="list-style-type: none"> • Introducing new product • Sustain the establishment product • Help middleman • Increase the market share • Increase public welfare 	R1: 66-67 R1: 67-70
7	1	Advertisement Planning and Organization	R1: 321-336
8	1	Advertisement Copy <ul style="list-style-type: none"> • Meaning, importance • Objectives • Essentials of advertising copy 	R1: 184-190
9	1	Strategy for copy writing	R1: 191-195
10	1	Recapitulation And Important Questions Discussion	
Total Number of Hours Planned for Unit – I			12 HOURS
Unit - III			
S No.	Lecture Duration (Hr)	Topics to be covered	Support Material

1.	1	Advertising Media <ul style="list-style-type: none"> • Introduction, meaning 	R1:Pg.No.: 2-10
2	1	Role of Media	R1: 166 -174
3	1	Print Media <ul style="list-style-type: none"> • Newspaper • Magazine • Direct mail 	R1: 175 - 185
4	1	Radio and Television	T1: 199-217
5	1	Online Advertising	W1
6	1	Media research	R1: 178 - 181
7	1	Media Selection <ul style="list-style-type: none"> • Advertising media • Media strategy • Approaches to media selection 	R1:191 - 200
8	1	Advertising Budget	R1: 283 - 300
9	1	Evaluation of Effectiveness of Advertising	R1: 301 - 320
10	1	Areas of Assessment	W1
11	1	Media testing	W1
12	1	Recapitulation And Important Questions Discussion	
Total Number of Hours Planned for Unit – I			12 HOURS
Unit – IV			
S. No.	Lecture Duration (Hr)	Topics to be covered	Support Material
1.	1	Sales Promotions <ul style="list-style-type: none"> • Introduction • concepts 	R1: 2-10
2	1	Scope	R2 : 245- 246
3	1	Functions	R2 : 249-250

4	1	Importance	
5	1	Sales Promotional Methods <ul style="list-style-type: none"> Promotional methods 	R2: 313 -315
6	1	Fundamental of Successful Selling	W1
7	1	Retail Marketing <ul style="list-style-type: none"> Introduction 	W1
8	1	<ul style="list-style-type: none"> characteristics 	W1
9	1	functions	W2
10	1	The Four Ps of Retail Marketing	W2
11	1	Types of Major Retail Outlets	W2
12	1	Recapitulation And Important Questions Discussion	
Total Number of Hours Planned for Unit – I			12 HOURS

Unit – V

S No.	Lecture Duration (Hr)	Topics to be covered	Support Material
1.	1	Salesmanship - Introduction	R2: 406- 408
2	1	Salesmen Recruitment and Training <ul style="list-style-type: none"> Selection Training methods 	R2: 440-456
3	1	Personnel Selling process	R2: 136-137
4	1	Skills for Good Salesmanship	R2: 137-144
5	1	Training of Sales Personnel	R2:145
6	1	Motivating and Evaluating Sales Personnel	R2: 150-156
7	1	Sales Records	W1
8	1	Rewarding Good Salesmanship	W1
9	1	Evaluation of Effectiveness of Advertising	W1

10	1	Areas of Assessment	W2
11	1	Media testing	W2
12	1	Recapitulation And Important Questions Discussion	
13	1	Previous ESE question paper discussion	
14	1	Previous ESE question paper discussion	
15	1	Previous ESE question paper discussion	
Total Number of Hours Planned for Unit – I			12 HOURS

SUGGESTED READINGS

Text Book

1. **Mahendra Mohan (2008).** *Advertising Management*. New Delhi, Tata McGraw Hill Publishing Company Limited.

References

1. **Philip Kotler, Kevin Lane Keller, Abraham Koshy, Mithileshwar Jha (2013).** *Marketing Management*. New Delhi, Pearson Education.
2. **Rathore (1998).** *Advertising Management*. New Delhi, Himalaya Publishing House.
3. **Francis Cherunilam (2010).** *Advertisement and Salesmanship*. New Delhi, Himalaya Publishing House.
4. **Varma and Agarwal (2000).** *Salesmanship and Publicity*. New Delhi, King Books.

Website References

1. W1: <http://www.NPTL.com>
2. W2: <http://www.MBANOTES.EDU.IN>

Unit – I

SYLLABUS

Advertising - Features, Purpose, Scope and Function - Classifications - Social and Economic Aspects & Ethical Issues in Advertising - Need for Advertising

ADVERTISING – INTRODUCTION

Advertising is only one element of the promotion mix, but it is often considered prominent in the overall marketing mix design. Its high visibility and pervasiveness made it an important social and economic topic in Indian society.

Promotion may be defined as “the co-ordination of all seller initiated efforts to set up channels of information and persuasion to facilitate the sale of a good or service.” Promotion is most often intended to be a supporting component in a marketing mix. Promotion decision must be integrated and co-ordinated with the rest of the marketing mix, particularly product/brand decisions, so that it may effectively support an entire marketing mix strategy. The promotion mix consists of four basic elements. They are:-

1. Advertising
2. Personal Selling
3. Sales Promotion, and
4. Publicity

1. Advertising is the dissemination of information by non-personal means through paid media where the source is the sponsoring organization.

2. Personal selling is the dissemination of information by non-personal methods, like face-to-face, contacts between audience and employees of the sponsoring organization.

The source of information

is the sponsoring organization.

3. Sales promotion is the dissemination of information through a wide variety of activities other than personal selling, advertising and publicity which stimulate consumer purchasing and dealer effectiveness.

4. Publicity is the disseminating of information by personal or non-personal means and is not directly paid by the organization and the organization is not the source.

ORIGIN AND DEVELOPMENT OF ADVERTISING

It has been wrongly assumed that the advertising function is of recent origin. Evidences suggest that the Romans practiced advertising; but the earliest indication of its use in this country dates back to the Middle Ages, when the use of the surname indicated a man's occupation. The next stage in the evolution of advertising was the use of signs as a visual expression of the tradesman's function and a means of locating the source of goods. This method is still in common use.

The seller in primitive times relied upon his loud voice to attract attention and inform consumers of the availability of his services. If there were many competitors, he relied upon his own personal magnetism to attract attention to his merchandise. Often it became necessary for him to resort to persuasion to pinpoint the advantages of his products. Thus, the seller was doing the complete promotion job himself.

Development of retail stores, made the traders to be more concerned about attracting business. Informing customers of the availability of supplies was highly important. Some types of outside promotion were necessary. Signs on stores and in prominent places around the city and notices in printed matters were sometimes used.

When customers were finally attracted to the store and satisfied with the service at least once, they were still subjected to competitive influences; therefore, the merchant's signs and advertisements reminded customers of the continuing availability of his services. Sometimes traders would talk to present and former customers in the streets, or join social organizations in order to have continuing contacts with present and potential customers.

As the markets grew larger and the number of customers increased, the importance of attracting them also grew. Increasing reliance was placed on advertising methods of informing about the availability of the products. These advertising methods were more economical in reaching large numbers of consumers. While these advertising methods were useful for informing and reminding and reminding, they could not do the whole promotional job. They were used only to reach each consumer personally. The merchant still used personal persuasion once the customers were attracted to his store.

The invention of hand press increased the potentialities of advertising. By Shakespeare's times, posters had made their appearance, and assumed the function of fostering demand for existing products. Another important event was the emergence of the pamphlet as an advertising medium. The early examples of these pamphlets disclose their sponsorship by companies want to generate goodwill for their activities. The low cost of posters and handbills encouraged a number of publishers to experiment with other methods.

HISTORY OF ADVERTISING

The recorded history of advertising goes back to about 5000 years including the modern satellite and Internet age. Our knowledge of advertising in ancient times is quite fragmented. Nevertheless, it seems that the urge to advertise is a part of human nature since ancient times. The diggings by archaeologists, in countries rimming the Mediterranean sea, has unearthed a Babylonian Clay tablet of about 3000BC, Bearing inscription for an ointment dealer, a scribe and a shoe mark, Romans and their predecessor knew that "it pays to advertise". Papyri found in the ruins of Thebes (Egypt) show announcements offering rewards for the return of runaway slaves about 3000 BC.

Before the invention of printing from movable type (about AD 1438) by Johann Gutenberg there were three forms of advertising. Trademarks: Craftsman, in early times, wanted to be identified for their skills and placed their individual marks on goods that they crafted. This led to reputation building of particular artisans by word of mouth. Buyers learnt to look for distinctive marks just as we look today for brands names and trademarks on products. Signs: Phoenicians, and other traders, painted commercial messages on prominent tocks along trade routes that they frequented. These messages highly praised the products that were for sale.

This is an example of ancient outdoor advertising, Archaeologists have revealed, from excavations at Pompeii, that little shops had inscriptions on walls near the entrance to inform the passers-by whether the shop sold pottery, wine, bread, or any other goods. Town Criers: This system of town criers was perhaps, present in all developed civilizations of the ancient world. In Greece, during the golden age, town criers were

paid to go around town spreading news and making announcements in the streets of Athens. Epics and history books about ancient India reveal that the rulers used the system of town criers in India to inform the public of various public interest matters. In rural India, town criers were used till as late as the 1950s. The first known printed advertisements in the English language appeared nearly forty years after the invention of movable type. William Caxton of London printed the first advertisements. It was a handbill of rules for the guidance of clergy at Easter and was put on church doors. The printed newspaper emerged from the newsletters, which were handwritten by professional writers for limited circulation among the nobles and others. The first ad, in any language, to be printed on a circulated sheet appeared in German news pamphlets in about 1525. The ad praised the virtues of a mysterious drug. It was from such beginnings that the printed newspaper emerged and the first printed newspaper in English came out in 1622, called the Weekly News of London.

The first advertisement appeared in an English newspaper in 1625. The first ad in America appeared in 1704 in the Boston Newsletter. The first ad that appeared offered a reward for the capture of a thief. This was more like the reward for returned slaves written on Egyptian Papyrus thousands of years before present day advertising came into being. By the middle of the 17th century, weekly newspapers called 'mercuries' started to appear in England. Most of the early advertisements in these newspapers were in the form of announcements. Importers of products new to England were prominent advertisers. The first ad offering coffee appeared in a newspaper in 1652, followed by an offering of chocolate in 1657 and tea in 1658.

MEANING AND DEFINITION

Meaning of Advertising –

The word advertising originates from a Latin word advertise, which means to turn to. The dictionary meaning of the term is "to give public notice or to announce publicly". Advertising is an activity of attracting public attention to a product, service, or business as by paid announcements in the print, broadcast, or electronic media.

Definition of Advertising –

"Advertising is the non-personal communication of information usually paid for and usually persuasive in nature about products, services or ideas by identified sponsors through the various media."

The American Marketing Association, Chicago, has defined advertising as "any form of non-personal presentation or promotion of ideas, goods or services, by an identified sponsor."

What Advertisement Is?

Advertisement is a mass communicating of information intended to persuade buyers to buy products with a view to maximizing a company's profits. The elements of advertising are:

- (i) It is a mass communication reaching a large group of consumers. (ii) It makes mass production possible. (iii) It is paid non-personal communication, not delivered by an actual person, nor is it addressed to a specific person. (iv) It is a commercial communication because it is used to help assure the advertiser of a long business life with profitable sales. (v) Advertising can be economical, for it reaches large groups of people. This keeps the cost per message low.
- (vi) The communication is speedy, permitting an advertiser to speak to millions of buyers in a matter of a few hours. (vii) Advertising is identified communication. The advertiser signs his name to his advertisement for the purpose of publicizing his identity.

INCLUDED IN ADVERTISING

- (i) The information in an advertisement should benefit the buyers. It should give them more satisfactory expenditure of their rupees.
- (ii) It should suggest better solutions to their problems.
- (iii) The content of the advertisement is within the control of the advertiser, not the medium.
- (iv) Advertising without persuasion is ineffective. Advertisement that fails to influence anyone, either immediately or in the future, is a waste of money.
- (v) The function of advertising is to increase the profitable sales volume. That is, advertising expenses should not increase disproportionately.

Advertising includes the following forms of medium: The messages carried in-

- Newspapers and magazines;
- Radio and television broadcasts;
- Circular of all kinds, (whether distributed by mail, by person, thorough tradesmen, or by inserts in packages);
- Dealer help materials,
- Window display and counter – display materials and efforts;
- Store signs, motion pictures used for advertising,
- Novelties bearing advertising messages and Signature of the advertiser,
- Label stags and other literature accompanying the merchandise.

EXCLUDED FROM ADVERTISING

Advertising is not an exact science. An advertiser's circumstances are never identical with those of another; he cannot predict with accuracy what results his future advertising efforts will produce.

(i) Advertising is not a game, because if advertising is done properly, both the buyer and the seller benefit from it.

(ii) Advertising is not a toy. Advertiser cannot afford to play with advertising. Advertising funds come from sales revenue and must be used to increase sales revenue.

(iii) Advertisements are not designed to deceive. The desire and hope for repeat sales insures a high degree of honesty in advertising.

THE ACTIVITIES EXCLUDED FROM ADVERTISING ARE:

1. The offering of premiums to stimulate the sale of products;
2. The use of exhibitions and demonstrations at fairs, show and conventions;
3. The use of samples and activities, involving news releases and the activities of personal selling forces;
4. The payment of advertising allowances which are not used for advertising;
5. The entertainment of customers

IMPORTANCE OF ADVERTISING

Advertising is a relatively low-cost method of conveying selling messages to numerous prospective customers. It can secure leads for salesmen and middlemen by convincing readers to request more information and by identifying outlets handling the product. It

can force middlemen to stock the product by building consumer interest. It can help train dealers salesmen in product uses and applications. It can build dealer and consumer confidence in the company and its products by building familiarity. Advertising is to stimulate market demand.

While sometimes advertising alone may succeed in achieving buyer acceptance, preference, or even demand for the product, it is seldom solely relied upon. Advertising is efficiently used with at least one other sales method, such as personal selling or point-of-purchase display, to directly move customers to buying action.

Advertising has become increasingly important to business enterprises – both large and small. Outlay on advertising certainly is the voucher. Non-business enterprises have also recognized the importance of advertising. The attempt by army recruitment is bases on a substantial advertising campaign, stressing the advantages of a military career. The health department popularizes family planning through advertising Labour organizations have also used advertising to make their viewpoints known to the public at large. Advertising assumes real economic importance too.

Advertising strategies that increase the number of units sold stimulate economies in the production process. The production cost per unit of output is lowered. It in turn leads to lower prices. Lower consumer prices then allow these products to become available to more people. Similarly, the price of newspapers, professional sports, radio and TV programmes, and the like might be prohibitive without advertising. In short, advertising pays for many of the enjoyable entertainment and educational aspects of contemporary life.

Advertising has become an important factor in the campaigns to achieve such societal-oriented objectives such as the discontinuance of smoking, family planning, physical fitness, and the elimination of drug abuse.

Though in India, advertising was accepted as a potent and recognized means of promotion only 25 years ago, its growing productive capacity and output necessitates the finding of consumers and advertising plays an important role in this process. Advertising helps to increase mass marketing while helping the consumer to choose from amongst the variety of products offered for his selection.

In India, advertising as a profession is in its infancy. Because of this fact, there is a tremendous scope for development so that it may be productively used for the benefit of producers, traders, consumers, and the country's economy.

OBJECTIVES OF ADVERTISING

Each advertisement is a specific communication that must be effective, not just for one customer, but for many target buyers. This means that specific objectives should be set for each particular advertisement campaign. Advertising is a form of promotion and like a promotion; the objectives of advertising should be specific. This requires that the target consumers should be specifically identified and that the effect which advertising is intended to have upon the consumer should be clearly indicated. The objectives of advertising were traditionally stated in terms of direct sales. Now, it is to view advertising as having communication objectives that seek to inform persuade and remind potential customers of the worth of the product. Advertising seeks to condition the consumer so that he/she may have a favourable reaction to the promotional message. Advertising objectives serve as guidelines for the planning and implementation of the entire advertising programme.

The basic objectives of an advertising programme may be listed as below:

- (i) To stimulate sales amongst present, former and future consumers. It involves a decision regarding the media, e.g., TV rather than print ;
- (ii) To communicate with consumers. This involves decision regarding copy ;
- (iii) To retain the loyalty of present and former consumers. Advertising may be used to reassure

buyers that they have made the best purchase, thus building loyalty to the brand name or the

firm.

- (iv) To increase support. Advertising impliedly bolsters the morale of the sales force and of distributors, wholesalers, and retailers, ; it thus contributes to enthusiasts and confidence attitude in the organizational. :

- (v) To project an image. Advertising is used to promote an overall image of respect and trust for

an organization. This message is aimed not only at consumers, but also at the government,

shareholders, and the general public.

FUNCTIONS OF ADVERTISING –

Following are the basic functions of advertising:

1. To distinguish product from competitors' products: There are so many products of same category in the market and they compete with each other, advertising performs the function of distinguishing advertiser's product from competitors.

2. To communicate product information: Product related information required to be communicated to the targeted customers, and advertisement performs this function.

3. To urge product use: Effective advertisement can create the urge within audience for a product.

4. To expand product distribution: When the market demand of a particular product increases, the number of retailer and distributor involved in sale of that product also increases, hence product distribution gets expanded.

5. To increase brand preference: There are various products of different brands available, the

brand which is effectively and frequently advertised is preferred most.

6. To reduce overall sale cost: Advertising increases the primary demand in the market. When demand is there and the product is available, automatically the overall cost will decrease, simultaneously the cost of sales like distribution cost, promotional cost also get decreased.

CLASSIFICATION OF ADVERTISING –

Advertising can be classified on the basis of Function, Region, Target Market, Company demand, Desired response, and Media.

A) Classification on the basis of function

- Advertisement informs the customers about a product
- Advertisement persuades the consumers to buy a product
- Advertisement reminds existing customers about the presence of the product in the market

Important types of advertising based on the functional aspect of advertising.

Informative advertising:

This type of advertising informs the customers about the products, services, or ideas of the firm or organization.

Persuasive advertising:

This type of advertising persuades or motivates the prospective buyers to take quick actions to buy the products or services of the firm. Example: “Buy one, get one free”.

Reminder advertising:

This genre of advertising reminds the existing customers to become medium or heavy users of the products or services of the firm that have been purchased by them at least once. This type of advertising exercise helps in keeping the brand name and uses of the products in the minds of the existing customers.

B) Classification on the basis of region

Advertisements can also be classified on the basis of the region, say:

Global advertising:

It is executed by a firm in its global market niches. Reputed global magazines like Time, Far Eastern Economic Review, Span, Fortune, Futurist, Popular Science. Cable TV channels are also used to advertise the products throughout the world. Supermodels and cinema stars are used to promote high-end products. Examples: Sony, Philips, Pepsi, Coca Cola, etc.

National advertising:

It is executed by a firm at the national level. It is done to increase the demand of its products and services throughout the country. Examples: BPL (Believe in the best). Whirlpool Refrigerator (Fast Forward Ice Simple) etc.

Regional advertising:

If the manufacturer confines his advertising to a single region of the country, its promotional exercise is called Regional Advertising. This can be done by the manufacturer, wholesaler, or retailer of the firm. Examples: Advertisements of regional newspapers covering those states or districts where these newspapers are circulated. Eg. The Assam Tribune (only for the NE region) etc.

Local advertising:

When advertising is done only for one area or city, it is called Local Advertising. Some professionals also call it Retail Advertising. It is sometime done by the retailer to persuade the customer to come to his store regularly and not for any particular brand. Examples: Advertisements of Ooo la la, Gupshup (LocalFM channels) etc.

C) Classification on the basis of target market

Depending upon the types of people who would receive the messages of advertisements, we can classify advertising into four subcategories:

Consumer product advertising:

This is done to impress the ultimate consumer. An ultimate consumer is a person who buys the product or service for his personal use. This type of advertising is done by the manufacturer or dealer of the product or service. Examples: Advertisements of Intel, Kuttons (shirt), Lakme (cosmetics) etc.

Industrial product advertising:

This is also called Business-to-Business Advertising. This is done by the industrial manufacturer or his distributor and is so designed that it increases the demand of industrial product or services manufactured by the manufacturer. It is directed towards the industrial customer.

Trade advertising:

This is done by the manufacturer to persuade wholesalers and retailers to sell his goods. Different media are chosen by each manufacturer according to his product type, nature of distribution channel, and resources at his command. Hence, it is designed for those wholesalers and retailers who can promote and sell the product.

Professional advertising:

This is executed by manufacturers and distributors to influence the professionals of a particular trade or business stream. These professionals recommend or prescribe the products of these manufacturers to the ultimate buyer. Manufacturers of these products try to reach these professionals under well-prepared programmes. Doctors, engineers, teachers, purchase professionals, civil contractors architects are the prime targets of such manufacturers.

Financial advertising:

Banks, financial institutions, and corporate firms issue advertisements to collect funds from markets. They publish prospectuses and application forms and place them at those points where the prospective investors can easily spot them.

D) Classification on the basis of desired responses

An ad can either elicit an immediate response from the target customer, or create a favourable image in the mind of that customer. The objectives, in both cases, are different. Thus, we have two types of advertising under this classification.

Direct action advertising:

This is done to get immediate responses from customers. Examples: Season's sale, purchase coupons in a magazine.

Indirect action advertising:

This type of advertising exercise is carried out to make a positive effect on the mind of the reader or viewer. After getting the advertisement he does not rush to buy the product but he develops a favourable image of the brand in his mind.

Surrogate advertising:

This is a new category of advertising. In this type of promotional effort the marketer promotes a different product. For example: the promotion of Bagpiper soda. The firm is promoting Bagpiper Whisky, but intentionally shows soda. They know that the audience is quite well aware about the product and they know this fact when the actor states, "Khoob Jamega Rang Jab MilBaithenge Teen Yaar ... Aap ... Main, Aur Bagpiper").

E) Classification on the basis of the media used in advertisement

The broad classification based on media is as follows:

Audio advertising:

It is done through radio, P A systems, auto-rickshaw promotions, and four-wheeler promotions etc.

Visual advertising:

It is done through PoP displays, without text catalogues, leaflets, cloth banners, brochures, electronic hoardings, simple hoardings, running hoardings etc.

Audio-visual:

It is done through cinema slides, movies, video clips, TV advertisements, cable TV advertisements etc.

Written advertising:

It is done through letters, fax messages, leaflets with text, brochures, articles and documents, space marketing features in newspapers etc.

Internet advertising:

The world wide web is used extensively to promote products and services of all genres. For example Bharat Matrimony, www.teleshop.com, www.asianskyshop.com etc.

Verbal advertising: Verbal tools are used to advertise thoughts, products, and services during conferences, seminars, and group discussion sessions. Kinesics also plays an important role in this context.

SOCIAL ISSUES IN ADVERTISING

Since advertisement is directed at the society, it affects the society in many ways, Society is concerned with how the advertising is done and its effects on it. Advertising is criticized on the grounds of the deception, manipulation, bad taste and manipulating consumers against their will. It is believed that the persuasiveness of the Ad has an impact on the value system of the society. The consumer is deceived when the benefits he perceives are far below his expectations. This could be due to miscommunication or improper emphasis on attributes. Advertisement as a whole should not be misleading. It should not conceal material facts and give a true picture of the benefits, the cost and the offer.

Advertising is criticized of manipulating the buyers to make a decision against their will or interest. Playing on the sub-conscious mind, motives and various form of appeals. The appeals generated by the advertisements are sometimes so strong that the consumer fully believe in them and does not apply his/her mind to make a decision and buys it without much thought.

- Advertising has also been criticized to be in bad taste because of:
- Moral concerns about advertising of harmful products—Tobacco, Alcohol etc.
- Objection to over emphasis on sex—sex appeals.
- Objection to occasion of exposure when children are present with the adults.
- Objection to advertising strategy of excessive repetition of the Ad.

- It is accused of attaching too much importance to the material aspects of life.
- It promotes certain individuals as stereotypes. Women are always shown in the role of a mother or a housewife, instead of business executives except in few cases. Similarly, business executives are shown with a cigar. Women are shown to create a romantic situation.
- Too much advertising on children is considered a matter of great concern.
- Advertising provides sensitivity to price. It shows differentiation among closely resembling brands.
- Advertising causes insecurity by making people worry about tooth decay, body odours, and lack of self-confidence. It creates fear in the mind of the consumer *e.g.* ,

There are some positive and some negative aspects of advertising on the social ground. They are as follows.

Deception in Advertising:

The relation between the buyers and sellers is maintained if the buyers are satisfied with what they saw in advertise and what they got after buying that product. If seller shows a false or deceptive image and an exaggerated image of the product in the advertisement, then the relation between the seller and buyers can't be healthy. These problems can be overcome if the seller keep their ads clean and displays right image of the product.

The Subliminal Advertising:

Capturing the Minds of the consumers is the main intention of these ads. The ads are made in such a way that the consumers don't even realizes that the ad has made an impact on their minds and this results in buying the product which they don't even need. But "All ads don't impress all consumers at all times", because majority of consumers buy products on basis of the price and needs.

Effect on Our Value System:

The advertisers use puffing tactics, endorsements from celebrities, and play emotionally, which makes ads so powerful that the consumers like helpless preys buy those products.

These ads make poor people buy products which they can't afford, people picking up bad habits like smoking and drinking, and buy products just because their favorite actor endorsed that product. This affects in increased the cost of whole society and loss of values of our own selves.

Offensiveness:

Some ads are so offensive that they are not acceptable by the buyers. For example, the ads of denim jeans showed girls wearing very less clothes and making a sex appeal. These kinds of ads are irrelevant to the actual product. But then there is some ads which are educative also and now accepted by people. Earlier ads giving information about birth control pills was considered offensive but now the same ads are considered educative and important.

But at the last, there are some great positive aspects which help

- Development of society and growth of technologies
- Employment
- Gives choices to buyers with self interest
- Welcomes healthy competition
- Improving standard of living.
- Give information on social, economical and health issues.

ECONOMICAL ASPECTS OF ADVERTISING

Advertising is praised but also criticized by critics in their own ways. Advertising has many positive impacts along with its negative pictures. As the President of American Association of Advertising Agencies, John O' Toole has described advertise is something else. It is not related to studies, but it educates. It is not a journalist but gives all information. And it is not an entertaining device but entertains everyone.

Value of Products:

The advertised products are not always the best products in the market. There are some unadvertised products also present which are good enough. But advertising helps increase value for the products by showing the positive image of the product which in turn helps convincing customers to buy it. Advertising educates consumers about the uses of the products hence increasing its value in minds of the consumers. For e.g. mobile phones were first considered as necessity but nowadays the cell

phones come with number of features which makes them mode of convenience for consumers.

Effect on Prices:

Some advertised products do cost more than unadvertised products but the vice versa is also true. But if there is more competition in the market for those products, the prices have to come down, for e.g., canned juices from various brands. Thus some professional like chartered accountants and doctors are not allowed to advertise.

But some products do not advertise much, and they don't need much of it and even their prices are high but they are still the leaders in market as they have their brand name. e.g., Porsche cars

Effect on consumer demand and choices:

Even if the product is heavily advertised, it does not mean that the demand or say consumption rates will also increase. The product has to be different with better quality, and more variety than others. For E.g., Kellogg's cornflakes have variety of flavors with different ranges to offer for different age groups and now also for people who want to loose weight thus giving consumers different choices to select from.

Effect on business cycle:

Advertising no doubt helps in employing more number of people. It increases the pay rolls of people working in this field. It helps collecting more revenues for sellers which they use for betterment of product and services. But there are some bad effects of advertisements on business cycle also. Sometimes, consumer may find the foreign product better than going for the national brand. This will definitely effect the production which may in turn affect the GDP of the country.

The economic aspects are supported by the Abundance Principle which says producing more products and services than the consumption rate which helps firstly keeping consumers informed about the options they have and secondly helps sellers for playing in healthy and competitive atmosphere with their self interest.

ETHICAL ISSUES IN ADVERTISING

Advertising communicates the message some of which may not be acceptable to the society. These immoral and unethical values are controlled by self-control, control of consumers and by the government. Some say that some Ads degrades the ethical

values of the society. For instance some advertisers project their medicine as giving immediate relief like magic is not acceptable. There are a number of unrealistic situation. The fairness of presentation is essential for any Ad. Value system is also getting eroded. Obscene and nudity are example of these. Gambling and lotteries should not be promoted. The names of celebrities should be used without their permission. The advertisements should be in line with the traditions and customs of the society.

The media should also play an important role and should be able to reject advertisements which are misleading and incorrect. This should be the case with Newspaper, Magazines, Radio and T. V. Media. Consumers should also boycott the advertisements and products advertised which are not ethical this can be done through consumer groups and opinion leaders. The government can also play a vital role in curbing the unethical advertisement by making appropriate rules and regulation.

- While advertising has been criticised for many reasons yet there are many points in favour of social advertising. Its benefits are as under:
- It improves the social and cultural behaviour of people.
- It is a tool which can be used for the welfare of the society.
- It improves the economic well-being of the people.
- It exposes them to opportunities for employment and for making their lives better.
- It gives them new ways of satisfaction.
- Socially acceptable advertising is good for the people.
- Advertising should change with the change in social values. The advertisement of today would not be acceptable two decades back but now the society has become more liberal and more open, advertising is acceptable.
- It informs the housewives of the products available which can reduce their drudgery. Such products advertised are the cooking gas, washing machine, mixers, grinders etc.
- It propagates family planning—a great need of the nation.
- It makes people aware of various diseases like Cancer and AIDS.

- It makes them aware of the treatment for these ailments.
- Stressing on the negative aspects of advertising we have:

Deception Advertising

Many people find the advertisements not credible enough or untruthful which deceives the consumer. The advertiser must have available data to support their claims. Misrepresentation or ambiguous statements are considered as deception.

Harmful Effects

It may have adverse effects on culture and social values. Nudity and sex has bad influence on people and they want sex in real life. They run after things that they should not have. Thus, advertising may create “bad taste”. The woman in fashion shows are stunning, glamorous exposed in many parts, sizzling high voltage glamour is shown which may lead to bad taste.

Appeal

Appeal to sex and drugs, appeal to obscenity, nudity etc. have been criticised by people. The cumulative affect of these appeals are very dangerous and can change the behaviour of human beings towards indulgence in these things. Sometimes, audience is repelled rather than be attracted by repetitive advertisements, sometimes it irritates the audience, creates a clutter, and also information overload that confuse the audience. It also has an adverse effect on children. Children are vulnerable to sex, nudity and violence Ads. It leads them to adopt different kinds of behaviour and they became disinterested in other activities like studies, sports and presuming their career. They dream of the sexual objects day and night may spoil their lives. Many people specially women's organisations have objected to sexy advertisement and too much exposure of women in the Ads.

Advertising has encouraged the proliferation of brands although there are no significant differences in the products. Symbolic differences are created by advertisers. This confuses the customer. Then there is the desire to buy products which their neighbour or relatives have bought. This leads to envy and the advertiser exploits these desires. Advertising also tries to create a “status symbol”. It tries to create desire to satisfy their ego. The Neo Riche in India try to emulate the higher-income group and buy products that are used by them.

- It reduces interpersonal relationship and develops groups relationship. Advertising also creates unnecessary comparison between two products some are in favour of comparative advertising others speak against it.
- All the multiple aspects of advertising confuses the consumers. This also leads the advertiser to adopt unethical and non-social aspects of advertising. Although advertising is criticized on many grounds but it gives a boost to the economy and maintains its ground and is becoming bigger and an important tool of marketing.

NEEDS FOR ADVERTISING

Advertising is in fact one of the marketing tactics that comes with an invoice. You must write a check to run ads or send direct mail, often before seeing any results. To get results from advertising today you must

- Be laser focused on a specific ideal client
- Create awareness for valuable content with a call to action
- Measure leads and conversion fanatically

But, that's a topic for another post, today I want to first get the leverage to help you understand why you must add advertising to mix and then we can start to talk about how.

Effectively advertising is an essential part of mix because:

1. **Advertising is the only medium you can control** – if you want your message to hit on the day a product launches or event is about to happen, this is the only vehicle you control completely.
2. **Advertising allows you to target ideal customers only** – when you match a very personal message to a very select audience you get far greater connection.
3. **Advertising creates awareness for your content** – The force that drives a great deal of conversion and trust building these days is educational content – ebooks,

seminars and blog posts – advertising is a great way to help get that content found and consumed once you’ve gone to the effort to produce it.

4. **Advertising adds credibility to your message** – Don’t ask me why this is exactly, but every time I run advertising people comment that business must be going well. The perception that you can afford advertising is often enough to sell and resell prospects and customers alike and makes it easier to get attention for your entire message.
5. **Advertising amplifies everything else you’re doing** – When you are using advertising to create awareness for your content you automatically create more awareness for everything you are doing. Journalists find companies that advertise, referral sources remember companies that advertise, people fan and follow and friend from ads, and employees can point to well-placed ads as a source of pride in place they work.

POSSIBLE QUESTIONS

PART -A (1 mark)

(Online Question)

PART -B (6 Marks)

1. Explain the classification of advertising?
2. Discuss the scope of advertising?
3. Explain the social aspects of advertising?
4. What are the functions of advertising? Explain
5. Describe the scope of advertising.
6. What are the economic aspects of advertising? Explain.
7. Define Advertising. Explain the functions of advertising.
8. Elucidate the positive and negative effects of advertising on Social system.
9. Define Advertising. Explain the various types of advertising.
- 10.State the nature and scope of advertising.

KARPAGAM ACADEMY OF HIGHER EDUCATION**CLASS: I M.COM & M.COM CA****COURSE NAME: ADVERTISING AND SALES PROMOTION****COURSE CODE: 17CMP205A/17CCP205A****UNIT: I****BATCH-2017-2019****PART A
ONLINE QUESTIONS**

S.No.	QUESTION	OPTION 1	OPTION 2	OPTION 3	OPTION 4	ANSWER
1	Advertising is a _____ concept	Macro	Micro	Mini	Hypothesis	Macro
2	_____ is a Macro concept	Marketing	Advertising	Selling	Buying	Advertising
3	Advertising is a mass _____ process	Organization	Production	Selection	Communication	Communication
4	_____ is a mass communication process	Marketing	Advertising	Selling	Buying	advertising
5	The pure advertising formula is _____	AIDA	4 P'S	4 C'S	4P'S &4C'S	AIDA
6	In AIDA - I denotes for	Intension	Initiative	Interest	Indent	Interest
7	_____ will built the brandimage	Marketing	Advertising	Selling	Buying	Advertising
8	Advertising will built the _____ image	Packing	Trading	Designing	Brand	Brand
9	Advertising is the _____ process	Impersonal	Personal	Binomial	Nominal	Impersonal
10	_____ is the impersonal process	Marketing	Advertising	Selling	Buying	Advertising
11	Advertising is purely _____	Dependent	Nominal	Independent	Denomination	Independent
12	_____ is purely independent	Marketing	Advertising	Selling	Buying	Advertising
13	In AIDA - D denotes for	Decision	Design	Delegation	Desire	Desire
14	In AIDA - first A denotes for	Average	Atleast	Attention	Action	Attention
15	In AIDA - last A denotes for	Average	Atmost	Attention	Action	Action
16	The word advertising is means turning of to something.	Desire	Attraction	Attention	Interest	Attention
17	Which tool of the promotional mix is defined as any paid form of non personal presentation and promotion of ideas, goods, or services by an	Advertising	Public relations	Direct marketing	Sales promotion	Advertising

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COURSE CODE: 17CMP205A/17CCP205A

UNIT: I

BATCH-2017-2019

	identified sponsor _____					
18	Advertising is one of the _____ mix	Selling	Production	Promotion	Product	Promotion
19	_____ is one of the promotional mix	Marketing	Advertising	Selling	Buying	Advertising
20	_____ is the main aim of advertising	Production	Promotion	Product	Publicity	Publicity
21	Advertising is a _____ & business process	Social	Production	Promotion	Public	Social
22	Advertising is a social & _____ process	Production	Promotion	Public	Business	Business
23	Newspaper is _____ advertising	Indoor	Direct method	Outdoor advertising	Indirect	Indoor
24	Magazines are _____ advertising	Direct method	Outdoor advertising	Direct	Indoor	Indoor
25	Trade Journals are the kind of _____ advertising	Direct method	Outdoor advertising	Indoor	Marketing	Indoor
26	Posters are the kind of _____ advertising	Direct method	Outdoor	Indoor	Marketing	Outdoor
27	Banners are the kind of _____ advertising	Indoor	Marketing	Direct method	Outdoor	Outdoor
28	Cut outs are the kind of _____ advertising	Indoor	Marketing	Outdoor	Direct method	Outdoor
29	Window display is one of the kind of _____ advertising	Displays	Marketing	Outdoor	Direct method	Displays
30	_____ is one of the Advertising process	Production	Advertisement copy	Promotion	Public	Advertisement copy
31	Advertising aims at _____	Product selling	Marketing	Customer relation	Mass communication	Mass communication
32	Display and demonstrations is aadvertising	Film advertising	TV advertising	Radio advertising	Point of purchase	Point of purchase

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BATCH-2017-2019

33is a free distribution of an item in an attempt to obtain consumer acceptance	Coupons	Contests	Premiums	A Sample	A Sample
34	..... Offers a discount usually of 5 to 10 % on the next purchase.	Coupons	Contests	Premiums	A Sample	Coupons
35	Weekly of India's is the .....magazines	General magazines	Specialized magazines	Special issues	Daily magazines	General magazines
36	Famine for women is the magazines	General magazines	Specialized magazines	Special issues	Daily magazines	Specialized magazines
37	Telephone directories are the magazines	General magazines	Specialized magazines	Special issues	Daily magazines	Special issues
38	The blitz is the magazines	General magazines	Specialized magazines	Special issues	Daily magazines	General magazines
39	The sarita is the magazines	General magazines	Specialized magazines	Special issues	Daily magazines	General magazines
40	.....is capable of gaining more attention of the public	Indoor advertising	Outdoor advertising	Marketing	Marketing research	Outdoor advertising
41	Cartoons films fall under ...category	Film advertising	Promotional advertising	Specialty advertising	Radio advertising	Film advertising
42	Advertising is a .....nature of selling.	Personal	Impersonal	Direct	Intention	Impersonal
43	Direct mail advertisement is an example of	Direct method of advertising	Indirect method of advertising	Indoor advertising	Marketing	Direct method of advertising
44	Press publicity is an example of	Direct method of advertising	Indirect method of advertising	Indoor advertising	Marketing	Direct method of advertising
45	TV is an example of	Direct method of advertising	Indirect method of advertising	Indoor advertising	Marketing	Indirect method of advertising
46	Cinema is an example of	Direct method of	Indirect method of advertising	Indoor advertising	Marketing	Indirect method of advertising

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UNIT: I

BATCH-2017-2019

		advertising				
47	An is a device that carries the advertising message to the consumers	Advertising medium	Advertisement	Advertising copy	Marketing	Advertising medium
48	..... Is also a book let containing a detailed history of the product.	Folders	Sales letters	Brochures	Post cards	Brochures
49	..... are also simple sheets of papers folded in an attractive manner	Folders	Sales letters	Brochures	Post cards	Folders
50	..... defines advertising as any paid form of non personal presentation	AMA	Stanton	Hall	AAA	AMA
51	..... fill the communication gap between manufactures and consumers	Advertising media	Information	Message	Advertiser	Advertising media
52	The series of action to attain media objectives is	Media planning	Media strategy	Media selection	Media buying	Media planning
53	Evaluation of an ad before it is transmitted to the audience is known as	Pre testing	Post testing	Concurrent testing	Advertising research	Pre testing
54	Building selective demand is the objective of which type of advertising	Informative advertising	Persuasive advertising	Reminder advertising	Demand-driven advertising	Demand-driven advertising
55	Keeping consumers to think about the product is the objective for which type of advertising?	Informative advertising	Psychological advertising	Reminder advertising	Persuasive advertising.	Reminder advertising
56	After determining its advertising objectives, a company next sets its for each product.	Advertising strategy	Advertising budget	Advertising goals	Advertising format	Advertising budget
57	Evaluation conducted after the transmission of an ad is known as	Post testing	Pre testing	Concurrent testing	Copy testing	Post testing

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BATCH-2017-2019

58	If a company gives false message to the customers, it is known as _____	Deception	Subliminal ads	Obscene ads	Cheating	Deception
59	Advertisement that uses the fame of popular person is known as _____	Celebrity Ad	Customer Ad	Publicity	Creativity	Celebrity Ad
60	Advertising is subject to _____	Social norms	Group norms	Company norms	Dynamic norms	Social norms

Unit – II

Syllabus

Advertising Process - Advertising Strategy - Psychology of Target Audience - Effectiveness of Advertising - Buying Behavior - Audience Perception -Setting Advertising Objectives, Advertisement Planning and Organization -Advertisement Copy.

ADVERTISING PROCESS

The following are the steps involved in the process of advertising:

1. **Step 1 - Briefing:** the advertiser needs to brief about the product or the service which has to be advertised and doing the SWOT analysis of the company and the product.
2. **Step 2 - Knowing the Objective:** one should first know the objective or the purpose of advertising. i.e. what message is to be delivered to the audience?
3. **Step 3 - Research:** this step involves finding out the market behavior, knowing the competitors, what type of advertising they are using, what is the response of the consumers, availability of the resources needed in the process, etc.
4. **Step 4 - Target Audience:** the next step is to identify the target consumers most likely to buy the product. The target should be appropriately identified without any confusion. For e.g. if the product is a health drink for growing kids, then the target customers will be the parents who are going to buy it and not the kids who are going to drink it.
5. **Step 5 - Media Selection:** now that the target audience is identified, one should select an appropriate media for advertising so that the customers who are to be informed about the product and are willing to buy are successfully reached.
6. **Step 6 - Setting the Budget:** then the advertising budget has to be planned so that there is no short of funds or excess of funds during the process of advertising and also there are no losses to the company.
7. **Step 7 - Designing and Creating the Ad:** first the design that is the outline of ad on papers is made by the copywriters of the agency, then the actual creation of ad is done with help of the art directors and the creative personnel of the agency.

8. **Step 8 - Perfection:** then the created ad is re-examined and the ad is redefined to make it perfect to enter the market.
9. **Step 9 - Place and Time of Ad:** the next step is to decide where and when the ad will be shown. The place will be decided according to the target customers where the ad is most visible clearly to them. The finalization of time on which the ad will be telecasted or shown on the selected media will be done by the traffic department of the agency.
10. **Step 10 - Execution:** finally the advertise is released with perfect creation, perfect placement and perfect timing in the market.

Step 11 - Performance: the last step is to judge the performance of the ad in terms of the response from the customers, whether they are satisfied with the ad and the product, did the ad reached all the targeted people, was the advertise capable enough to compete with the other players, etc

ADVERTISING STRATEGY

Strategies are formulated under advertising planning to achieve the desired objectives. The formulation of an advertising strategy includes:

- Setting of objectives.
- Segmentation strategies.
- Position strategies.
- Appropriation strategies.
- Media strategies.
- Message strategies.
- Coordination of different strategies.

Setting of Objectives

The analysis of the internal and external environment suggests the feasible objectives. The objectives may be general or specific. The specific objectives of Advertising are to communicate

and to bring awareness to the masses. The Marketing Manager in consultation with the Advertising Managers sets the objectives of the company.

Segmentation strategies: consists of identifying the target market. The bases of segmentation are Demographic factors, consisting of Age, Sex, Income, Education, Occupation, Family life cycle, Religion and Caste. Then, we have geographical segmentation, benefit segmentation etc.

Psychographic factors: consisting of attitudes interest and opinions of consumers. Also it projects on the life style segmentation based on (VALS) classification and Maslow's hierarchy of needs. These are, strivers, survivors, *I am me AvanteGarde* integrated etc.

Competitions Approach

The approach adopted in comparative advertising. This includes the analysis of the competitors, its product and their attributes. The consumer's like and dislikes are to be gauged and action is to be taken accordingly.

Appropriation Strategy

This refers to the amount allocated to advertising for the financial period. This money is then divided into various media to be used for advertising. Opportunities are discussed and funds are allocated to explore the opportunities, through advertising in determining the appropriation. The nature of product, its price, volumes of sales etc., are considered. Appropriation should be influenced by the opportunities of differentiation of the product. Price competition, primary demand, product life cycle, cost of production and distribution, price competition activities etc. More funds can be allocated for special purposes like the launch of the product or aggressive advertising etc. The funds allotted for the advertisement can be on the afford ability, competitiveness and the percentage of sale, comparative parity methods. Funds are allotted considering the sales and the profits of the company.

Media Strategies

Media strategies depict the selection of specific media or a media mix which is a combination of various media. The media are chosen on the basis of:

- **Product:** We have to consider whether the production is in the introduction stage, growth stage, maturity or the decline stage. The customers can also be classified under early adopters, early maturity, late maturity and laggards. While choosing the media, the product life cycle is given due importance.
- **Potential market:** The potential of the market is evaluated to formulate a suitable media. Other factors are distribution, designing of campaign and message. All these are to be taken into consideration for designing and advertising strategy.
- **By product user:** By this we mean non-users, light users, medium users, heavy users etc.
- **Region segmentation:** By this we mean low demands or high demands. North region or south region which have different consumer behaviour pattern.
- **Demand patterns:** Different demands in urban, rural or semi-rural area, metropolitan are important for the advertising strategy.
- **Position strategies:** It aims at image building. This is an important area for advertising. It consists of:
 - Product characteristics: Reliability, performance, service, application etc.
 - Price: Quality approach. Does high-price project, high-quality and lower-price products are not upto the mark and so on.
 - Application approach: Whether the product is used for winter or summers. As casualwear or party wears. Energy drink or Cola drink to be used in the morning or at night and so on.
 - **Product user class:** The class of consumers that use a product, H.I.G., M.I.G., L.I.G.

The ultimate objectives of advertising commercially is that it should make economic contribution *i.e.*, to enhance sales. The controversy about objectives whether sales is more important or awareness is more important has been dealt in the chapter on objectives.

Objectives

Advertising strategy can be made up of multiple objectives *i.e.*, financial contribution and taking the customer through various stages of awareness already discussed earlier. The results achieved

by the advertisement are also a powerful indicator of the success/failure of the strategy.

Advertising strategy is made up of:

- Corporate/Business goals.
- Marketing objectives.
- Advertising objectives.
- Advertising planning.
- Formulation of advertising program.
- Proper launch of the campaign through a suitable media.

The above shows the consequence of steps which are to be followed for formulating a strategy. The steps are self-explanatory and some have already been discussed. The objectives must consider the DAGMAR approach (Defining Advertising Goals for measuring Advertising Results).

The target market should also be defined and identified. If the target market is not chosen distinctly the customer may not be satisfied and it will be difficult to assess whether the market be expanded or reduced. The assessing of the consumer behaviour is also an important element

Advertising gives the product a distinct identity and contributes to the success of brand. It is the perception of the product in the minds of the consumer through advertising which boosts its sales. The product quality and its attributes can be copied by the competitors but it is advertising which gives to distinct image. While formulating the strategy **Situational Factors** must also be considered. These are, competition, price, position distribution channels and the motivation of the intermediaries. These factors give a clue to the long-term/short-term objectives to be considered.

Advertising Strategy Alternatives

Strategy and Plans are a part of each other. There are 5 broad strategy alternatives for influencing the attitude of customers.

- i. Advertising should affect those forces which are evaluated by the consumers in a car economy, style, low maintenance space etc.
- ii. Advertising should highlight the characteristic which are considered important for that product class e.g., camera-aperture, filter, clarity etc.
- iii. Increase or decrease the rating for a salient product class characteristics.
- iv. Change the perception of the company's brand with regard to same product characteristics.
- v. Change the perception of competitive brand with regard to some particular salient product characteristics.

In the **Marketing framework advertising, strategy** can be based on the following:

- i. Product history and its life-cycle stage.
- ii. Company's history and its strengths and weaknesses.
- iii. Positioning of the product.
- iv. Existing and expected competition.
- v. Support needed by sales force and distribution channel.
- vi. Budget available.
- vii. Availability of media Vs. target audience.
- viii. Total promotional package and its allocation to advertising.

TARGET AUDIENCE

A **target audience** is the intended audience or readership of a publication, advertisement, or other message. In marketing and advertising, it is a particular group of consumers within the predetermined target market, identified as the targets or recipients for a particular advertisement or message.^[1] Businesses that have a wide target market will focus on a specific target audience for certain messages to send, such as The Body Shops Mother's Day advertisements, which were aimed at the children and spouses of women, rather than the whole market which would have included the women themselves.

A target audience, is formed from the same factors as a target market, but it is more specific, and is susceptible to influence from other factors. An example of this was the marketing of the USDA's food guide, which was looking to appeal to the age range of 2-18 year olds. The factors they had to consider outside of the standard marketing mix, were things such as the nutritional needs of growing children, children's knowledge and attitudes regarding nutrition and other specialized detail. This reduced their target market and provided a specific target audience they could focus on. Common factors for target audiences can be reducing the target market to specifics such as 'men aged 20-30 years old, living in Auckland, New Zealand' rather than 'men aged 20-30 years old'. However, just because a target audience is specialized doesn't mean the message being delivered will not be of interest and received by those outside the intended demographic. Failures, however, of targeting a specific audience are also possible, and occur when information is incorrectly conveyed. Side effects such as a campaign backfire and 'demerit goods' are common consequences of a failed campaign.

Demerit goods are goods with a negative social perception, and face the repercussions of their image being opposed to commonly accepted social values. Defining the difference between a target market and a target audience comes down to the difference between marketing and advertising. In marketing, a market is targeted by business strategies, whilst advertisements and media, such as television shows, music and print media, however, are more effectively used to appeal to a target audience. A potential strategy of appealing to a target audience would be playing advertisements for toys during the morning children's TV programs, rather than during the evening news broadcast.

Reaching a target audience is a staged process, started by the selection of the sector of the target market. A successful appeal to a target audience requires a detailed media plan, which involves many factors in order to achieve an effective campaign.

SETTING ADVERTISING OBJECTIVES

It is nearly impossible to guide and control decision making. Good performance occurred in the absence of objectives can rarely be sustained. The challenge today is to bring effective management to the advertising process in such a way as to provide simulation as well as direction to the creative effort. The solution is the meaningful objective.

Advertising objectives, like organizational objectives, should be operational. They should be effective communication tools, providing a line between strategic and tactical decisions. A convenient and enticing advertising objective is immediate sales or market share.

However, an increase in immediate sales is not operational in many cases for two reasons:

(1) Advertising is one of many factors influencing sales, and it is difficult to isolate its contribution to sales. The other forces include price, distribution, packaging, product features, competitive actions, and changing buyer needs and tastes.

(2) The second reason involves the long-term effect of advertising on sales. If advertising generates a substantial lagged effect on sales, then the impact of an advertising campaign may not be known until an unacceptable length of time has passed. For example, an important contribution of a 6-month campaign might be its impact 12 months hence. If immediate sales are not the basis of operational objectives, how does one proceed? The answer to the following questions will yield useful and effective objectives.

1. Who is the target segment?
 2. What is the ultimate behavior that advertising is attempting to precipitate, reinforce, change, or influence?
 3. What is the process that will lead to the desired behavior and what role can advertising play in the process?
 4. Is it necessary to create awareness, communicate information about the brand, create an image or attitude, or associate feelings or a type of user personality with a brand?
- Identify the target audience. The specification of the target audience should be a part of the marketing objectives.
 - The analysis of the ultimate desired behavior such as trial purchases of new customers, maintenance of loyalty of existing customers, creation of a more positive use experience, reduction of time between purchases, or the decision to visit a retailer use experience, reduction of time between purchases, or the decision to visit a retailer.
 - An analysis of the communication and decision process that will affect the desired behavior. It might be that the key variable in inducing a new customer to try your brand is to inculcate high levels of brand awareness. The best way to maintain loyalty is to strengthen an attitude. Which

intervening variables provide the best link to the desired behavior and which can be influenced economically by advertising are to be determined.

An analysis of market dynamics can lead to behavioral measures that by themselves can provide the basis for operational objectives. If the advertising's target is new customers, the goal may be to get new customers to try a brand for the first time. The results would be measured by the number of new customers attached.

The use of behavioral measure as objectives is often appropriate in retailing (store traffic measures), direct marketing, and sales promotion and in lead generation for salespeople. It is useful to analyze the communication and decision process relevant to the desired behavior and to identify intervening variables on which to base objectives. Some situations could dictate the joint use of intervening and behavioral objectives.

ADVERTISING PLANNING FRAMEWORK

The advertising management is mainly concerned with planning and decision making. The advertising manager will be involved in the development, implementation, and overall management of an advertising plan. The development of an advertising plan essentially requires the generation and specification of alternatives. Decision making involves choosing from among the alternatives. The alternatives can be various levels of expenditure, different kinds of objectives or strategy possibilities, and kinds of options with copy creation and media choices. Thus, the essence of planning is to find out the feasible alternatives and reduce them to decisions. An advertising plan reflects the planning and decision – making process and the decisions that have been arrived at in a particular product and market situation.

Planning Framework

Advertising planning and decision making depends on internal and external factors. Internal factors are situation analysis, the marketing program, and the advertising plan. The three legs of advertising planning concern are the

- Objective setting and target market identification,
- Message strategy and tactics, and
- Media strategy and tactics.

The advertising plan should be developed in response to a situation analysis, based on research. Once developed, the advertising plan has to be implemented as an advertising campaign, in the context of social and legal constraints and with the involvement of various facilitating agencies. Let us discuss these factors one after another.

1. Situation Analysis

It involves an analysis of all important factors operating in a particular situation. This means that new research studies will be undertaken on company history and experience.

AT&T, for example, developed a new strategy for its long-distance telephone services – based on five year of research. The research encompassed market segmentation studies, concept testing, and a field experiment. The field experiment increased on testing a new advertising campaign called “Cost of Visit”. An existing “Reach Out” campaign although successful, did not appear to get through to a large group of people who had reasons to call but were limiting their calls because of cost. Research based on annual surveys of 3,000 residential telephone users showed that most did not know the cost of a long-distance call or that it was possible to make less expensive calls in off-peak periods.

Five copy alternatives were subsequently developed and tested, from which “Cost of Visit” was chosen. This campaign was credited with persuading customers to call during times that were both cheaper for them and more profitable for AT&T and, overall, was more effective than the “Reach Out” campaign. One estimate was that by switching 530 million in advertising from “Reach Out” to “Cost of Visit”, an incremental gain in revenue of \$22 million would result in the first year and would top \$100 million over five years.

This example highlights that a complete situation analysis will cover all marketing components and involve finding answers to many questions about the nature and extent of demand, competition, environmental factors, product, costs, distribution, and the skills and financial resources of the firm.

2. Consumer and Market Analysis.

Situation analysis begins by looking at the aggregate market for the product, service, or cause being advertised, the size of the market, its growth rate, seasonality, geographical distribution.

Whereas Consumer and Market analysis is concerned with the following factors:

*** Nature of demand**

- How do buyers (consumer and industrial) currently go about buying existing products or services?
- Can the market be meaningfully segmented or broken into several homogeneous groups with in respect to “what they want” and “how they buy”?

*** Extent of demand**

- What is the size of the market (units and dollars) now, and what will the future hold?
- What are the current market shares, and what are the selective demand trends?
- Is it best to analyze the market on an aggregate or on a segmented basis?

*** Name of competition**

- What is the present and future structure of competition?
- What are the current marketing programs of established competitors?
- Why are they successful of unsuccessful?
- Is there is opportunity for another competitor? Why?
- What are the anticipated retaliatory moves of competitors?
- Can they neutralize different marketing programs we might develop?

*** Environmental climate**

- What are the relevant social, political, economic, and technological trends?
- How do you evaluate these trends? Do they represent opportunities or problem?

*** Stage of product life cycle**

- In what stage of the life cycle is the product category?
- What market characteristics support your stage-of –life-cycle evaluation?

*** Cost structure of the industry**

- What is the amount and composition of the marginal or additional cost of supplying increased output?

Skills of the firm

- Do we have the skills and experience to perform the functions necessary to be in the business?
- How do our skills compare with those of competitors?

*** Financial resources of the firm**

- Do we have the funds to support an effective marketing program?
- Where are the funds coming from, and when will they be available?

3. Competitive Analysis:

Advertising planning and decision making are affected by competition and the competitive situation facing the advertiser. Competition is such a pervasive factor that it will occur as a consideration in all phases of the advertising planning and decision making process. It should include an analysis of what current share the brand now has, what shares its competitors have, what share of a market is possible, from which competitors the increased share of a market is possible? The planner also has to be aware of the relative strengths and weaknesses of the different competing companies and their objectives in the product category. It is important to look at competition as a precursor to the planning process.

The Advertising Plan

As pointed out earlier, advertising plan and decision making focus on three crucial areas; objectives and target selection, message strategy and tactics, and media strategy and tactics. Let us elaborate on these points:

1. Objectives and Target Selection

Objectives in advertising can be understood in many ways. An important part of the objective is the development of a precise, disciplined description of the target audience. It is often tempting to direct advertising at a broad audience; but everyone is a potential customer. It is best to consider directing the advertising to more selected groups to develop stimulating copy. It is quite possible to develop several campaigns, each directed at different segments of the market, or to develop one campaign based on multiple objectives.

. Message Strategy and Tactics

Messages strategy must decide what the advertising is meant to communicate – by way of benefits, feelings, brand personality, or action content. Once the content of the campaign has been decided, decisions must be made on the best-most effective-ways of communicating that content. The decisions, such as the choice of a spokesperson, the use of humor or fear or other

tones, and the selection of particular copy, visuals, and layout, are what we call “message tactics”

3. Media Strategy and Tactics

Message strategy is concerned with decisions about how much is to be allocated to create and test advertising copy, media strategy concerns decisions on how many media rupees to spend on an advertising campaign. Media tactics comprise the decisions on which specific media (television, radio magazines, etc.) or media vehicles (Reader’s Digest, etc.) to spend these dollars.

EXTERNAL FACTORS

The external factors in the planning framework are environmental, social and legal considerations. To a considerable extent, these exist as constraints on the development of an advertising plan and decision making. In developing specific advertisement, there are certain legal constraints that must be considered. Deceptive advertising is forbidden by law. What is deceptive is often difficult, because different people can have different perceptions of the same advertisements. Thus, an advertiser who attempts to provide specific, relevant information must be well aware of what constitutes deception in a legal and ethical sense and of other aspects of advertising regulation.

Even more difficult consideration for people involved in the advertising effort is broad social and economic issues as stated below.

- Does advertising raise prices or inhibit competition?
- Is the use of sex or fear appeals is appropriate? Women and minority groups are exploited in advertising by casting them in highly stereotyped roles.
- Is it more irritating than entertaining?
- Is an intrusion into an already excessively polluted environment?
- Advertising directed at children.

Advertiser and the Advertising Agency interface

From a situation analysis point of view, the advertiser needs to know what kinds of facilitating agencies exist and the nature of the services they provide. From a planning point of view much

local advertising is done without the services of an advertising agency or a research supplier. On the other hand, a national advertiser may have under contract many different agencies and research suppliers, each serving one or more brands in a product line. Many advertising decisions involve choosing facilitating agency alternatives.

What advertising agency should be chosen?

What media should be used?

What copy test supplier will be best for our particular situation?

Concerning the question of agency selection, characteristics such as the quality of personnel, reputation, integrity, mutual understanding, interpersonal compatibility and synergism were very important.

Advertising Industry

The advertising industry consists of three principal groups:

- (a) Sponsors;
- (b) Media ; and
- (c) Advertising agencies or advertising departments.

Advertising agencies are of two basic types, viz., Independent; and House. An independent agency is a business that is free to compete for and select its clients. A house agency is owned by its major client. A house agency is not completely free to serve other clients. The advertising department an integral part of the organization it serves. The advertising agency provides for the client a minimum of

- (i) Media information, such as the availability of time and space ;
- (ii) Creative skills, such as “campaign planning” and “appeal planning” and
- (iii) Research capabilities, such as providing brand preference data.

COPY WRITING

Copy writing is a specialized form of communicating ideas that are mean to serve the requirements of modern marketing. It helps in establishing links between advertisers and their prospect. It utilizes words to convey messages having commercial, informative or persuasive

value through various media and its success is indicated by the acceptance by the audience of the idea or claims made for goods or services. The results come from what words convey in terms of benefits and satisfaction. e.g., advertisement for prestige pressure cooker highlights the gasket release system which makes the new prestige pressure cooker the only 100 percent safe pressure cooker made in India.

Copy writing, illustrating, and lay out are different activities associated with the creative stage of advertising development and are usually done by different people who specialize in one or the other. Copy writing in print is the activity of actually putting words to paper, particularly those contained in the main body of the text, but also including attendant bylines and headlines. In broadcast, the copywriter is, in effect, a script writer who develops the scenario or script to be used in a radio or television medium; writing a jingle, or the lyrics for the music, may also be involved. Illustrating is usually the work of an artist in the case of television. Layout generally refers to the activity of bringing all the pieces together and, it differs in case of print and broadcast. John Caples in his book, he develops a checklist of important guidelines for copywriting:

1. Cash in on your personal experience
2. Organize your experience
3. Write from the heart
4. Learn from the experience of others
5. Talk with the manufacturer
6. Study the report
7. Review previous advertising for the product
8. Study competitors' ads.
9. Study testimonials from the customers
10. Solve the prospect problem
11. Put your subconscious mind to work
12. "Ring the changes" on a successful idea

STRATEGY IN COPY WRITING

A copy writer performs a highly responsible role of fully understanding the market strategy and integrating it, through creative strategy, in the copy. The job also involves coordination with visualizes for bringing in suitable illustrations which will highlight the effect of the copy and make it appealing and completely comprehensible. A copy writer must, therefore, be totally familiar with the marketing goals of the advertiser and specific advertising objectives.

CRITERIA FOR EFFECTIVE COPY

The importance of a good advertisement copy can hardly be overemphasized. All the planning, research and expense would go waste if proper care is not taken in drafting an advertisement copy that will achieve the purpose of advertising.

The psychological aims of an advertisement are that the public must be made to (i) look, (ii) like, (iii) learn and (iv) buy. In other words a scientifically drafted copy should (a) attract primary initial attention, (b) hold attention in an interesting way, awaken and stimulate interest, (c) bring about an association of impression which will have permanence or memory value, (d) convince persuade, and induce to purchase the product, and (e) suggest and lead to specific response to encourage the decision to buy.

The person who drafts and prepares the copy, must be thoroughly acquainted with the mental process and be imaginative enough to think of words and patterns which may produce a desired effect on prospects i.e., it must creates an urge in the minds of prospects to go for the product advertised.

A good copy of advertisement should possess the following characteristics or qualities value-

- (1) Attention Value,
- (2) Suggestive Value,
- (3) Memorising Value,
- (4) Conviction Value,
- (5) Sentimental Appeal Value
- (6) Educational Value,
- (7) Instinctive Value

ATTENTION VALUE

An advertisement copy must attract the attention of potential consumers. If it fails in this mission, the whole money and efforts will go waste though it possess all other values because everything else follows this. So, it must have display value. The copy should be planned, drafted and displayed in such a way that it must compel even the most casual or involuntary reader to notice it and read it with interest. It should be designed in such a fashion that the attention of busiest person may be drawn immediately. Various device can be used to make the copy attractive such as; use of pictures, use of display type or heading, boarder etc.

SUGGESTIVE VALUE

The next task would be to offer a suggestion about the use and the utility of the product that may remain inscribed on the mind of the reader even when he forget where he really saw the advertisement. Slogans, Pictures, phrases and suggesting may be used for this purpose. They should be drafted and used as to drive home to the reader the utility of the product in everyday situation.

MEMORISING VALUE

The copy of the advertisement should be so drafted and laid out that the product will stick to the mind of the individual reader. Repetition of advertisement with slogan is an effective method of creating a memorising value. Pictures and photographs confirming to the suggestions will have tremendous memorising value.

CONVICTION VALUE

An advertisement copy can prove effective and achieve the desired end when the suggestions contained in it are backed by convincing arguments. The advertiser must be careful to include the statement in the advertisement copy which does not conform to the product.

SENTIMENTAL VALUE

Sentiment plays a very important role in advertising particularly in the case of food articles. Sentiment reflects the personal feelings and attitudes of an individual towards various things. They indicate reactions of a person in favour or against a particular product. The advertiser or manufacturer should make a sincere attempt to make an appeal to the sentiments of as many prospects as possible.

EDUCATIONAL VALUE

A good copy of advertisement must possess educational value because the object of modern advertising is not merely to satisfy existing demand but to create future demand. So a good copy of advertisement should educate the general public about the uses of the new product or the new uses of the same product. It will certainly increase the demand of the product and demand creation is one of the most important objectives of the advertisement.

INSTINCTIVE APPEAL VALUE

Human thoughts and actions are guided by instincts and inclination. All that one thinks or does has its roots in one instinct or other. Instincts are the underlying forces which compel the men to act in certain ways.

The most important function of an advertisement copy is induce, persuade and motivate the prospect to think well of a product and to take to its use. Advertising essentially, is the motivation of potential consumer and for this purpose; the advertiser should attempt to make an appeal to some basic instincts to get success in motivating the prospects. Generally speaking, the following are the basic instincts which an advertiser should keep in his mind)

Self Preservation Instinct – Many of our thoughts and actions are inspired by our anxiety to preserves our person our health, our family and our belongings. The sale of products like medicines, clothes etc., may be promoted by appeal to this anxiety.

b) Hoarding Instinct – Banking institutions, insurance companies or other government and non-government saving organizations serve to hoarding instinct of the people. Slogans like ‘Up and Up go your Savings’ may be used for this purpose.

c) Parental Instinct – Parental instinct takes the form of love and affection for the children. Those advertisers who deal in children requirements like garments, toys baby food may promote this instinct in parents i.e., motherly feelings of women or parental sentiments of men through their advertisement copy.

d) Self Display Instinct – Instinct of self display is promoted by the advertisers of readymade clothing, women’s dresses. Jewellery etc. An advertisement copy drafted for these products must be directed towards the aesthetic sense of the people by showing happy and likeable people in dresses and jewellery that are being advertised.

e) Something for Nothing Instinct – Everybody has a vague desire to get something without paying anything for it. This desire is, more or less, present in everybody irrespective of the status or income. An advertisement copy that contains an offer of a prize or a gift is likely to tempt quite a many of the customers. This instinct is widely used by lottery ticket sellers by offering one free ticket with the purchase of 10 tickets or by drycleaners by the offering ‘three for two’ bargain.

On the basis of the above basic instincts, the following themes or central ideas may be laid down for advertisement copies meant for advertising different types of product-

(i) **Pride** – This theme can be used to popularize luxury articles among riches, the possession of which gives them a distinctive status and a feeling of pride.

(ii) **Beauty** – This theme is used in advertisements for cosmetics, perfumeries, toilet soaps etc., for men and women.

(iii) **Health** - In drugs and food products advertisement this theme is used.

(iv) **Economy** – It is central theme in advertisement of clearance sales or bargain purchases.

(v) **Comfort** – The advertisements for fans, electric appliance refrigerators etc. generally contain this feeling of comforts.

(vi) **Fear** – Themes stressing the fear of death, accident personal loss through burglary frenetic and other untoward happenings in life are generally used by insurance companies or banking companies. The traffic police uses this theme in their notes of caution i.e., life is short don’t make is shorter’

(vii) **Parental Affection** - All advertisement copies of products meant for children such as toys, body foods and dresses etc use this feeling.

(viii) **Patriotism** – This theme may be used in advertisement for those who use foreign products.

(ix) **Achievement** – This theme is used generally by large concerns engaged in the production of goods necessary for the development of country’s economy.

(x) **Emulation and Imitation** – This theme is used where people buy more not to satisfy their genuine requirement, but as their neighbors happen to possess them.

Thus, a good advertisement copy must possess the above qualities to make it an ideal advertisement.

CLASSIFICATION OF COPY

It is true that copywriting is an art and the copywriter has a very important role to play in advertising creativity. Copywriting does not admit any stereotyped rules and classification. There are various styles in which a copy can be prepared and presented. The following types of copy may be studied-

1. Descriptive Copy

This type of copy describes the pertinent and relevant characteristics features of the product. It is very simple and of non- technical nature. It does not have any specialty which can attract the attention of the target consumers or may compel them to read it. It is very much similar to a press account or news item simply giving relevant information to the public without any stylish touch

2. Scientific Copy

Such types of copies are technical in nature and generally used by drugs and pharmaceutical firms elaborating the propositions of properties and constituents of the product. It provides full information about the product and the producer. This type of copy is usually meant for professional or for those who are really interested in such types of information.

3. Institutional Copy

Institutional advertisement copy aims at selling the name of the advertiser or the institution that is producing or selling the products or services. The main objective of such type of advertisements is to create, maintain or increase the goodwill of the product or of brand or of the department or of the selling house as a whole, Institutional copy invites the target consumers to the selling outlet. Such a copy seeks to build goodwill through publicizing the policies, customer services, Conveniences and general features of superiority of the store over the rivals.

4. Topical Copy

Herein an attempts is made to appeal to the general public by linking the theme of the copy with some current event but it should not look absurd. It commands a good deal of interest because of that sensational event which lives in the minds of the public.

5. Reason why Copy

This type of advertisement copy offers the readers reasons why they should buy the advertised goods. It narrates the positive points of difference from other brands of the same product

category in an endeavour to convince the reader from product's qualitative aspect. It directs its appeal to the intellect or judgment rather than to emotions or senses.

It substantiates the superiority of the merchandise with the tests performance and records testimonials, guarantees or construction data.

6. Human Interest Copy

It makes its appeal to the emotions and the senses rather than to the intellect and judgment. Sympathy fear, bonus, curiosity and other emotional appeals like appeals to the senses of sight, hear, touch, taste, and smell are used in such type of copy. Human interest copy presents the product in relation to people instead of confirming to facts about product.

As emotions are many and always knew it may be made more exciting an artful than reason why copy. It affords a refreshing change. Human interest copy can take various forms:-

(a) Humorous Copy - It exploits the sense of humor of the people. All examples and statements in such copy are fully to make the reader smile and laugh.

(b) Fear Copy - It appeals to the sense of fear and arouses the interest of people to save their lives, properties and other belongings. Such copy of advertisement should be drawn carefully so that it may not carry an unpleasant association of readers' minds with the advertiser's product of business life Insurance Corporation General Insurance Companies and Bank generally use this type of copy.

(c) Story Copy - In such a copy a story is narrated in a very interesting manner to create an impression in the minds of the people about the product. Its ability to create interest depends upon dramatic impact it produces. Experience of customers can also be narrated in the story.

(d) Predicament Copy – It is often used to advantage when it shows an article of merchandise in a case that provides a dramatic explanation of its advantages. Predicament copy usually overlaps the other three kinds of human interest copies

7. Colloquial copy or Conversational Copy:

The colloquial copy presents the message in the way of conversation. It uses an informal language and conversation takes place in terms of 'I' and 'You' with personal reference to reader and the advertiser. In such copy the style is one of a personal talk or one of an eyewitness account.

8. Personality Copy

This copy attempts to encase the opinion of personality – real or imaginary – about the product. Usually the personality is real. The photograph of the personality (a person specialized to concerned field) is given with the text of the copy with a view to convince the readers through the moral influence of his name. Invariably, such copy shows a certificate or a testimonial of such influential person.

9. Prestige Copy

This pattern is usually for institutional advertising which aims at creating an atmosphere about the product or the firm and may not directly advise the product for sale. Such a copy is occasionally used and is very much similar to the personality copy in impression which also strives to enhance the prestige of the advertising firm indirectly by visualizing the name of the eminent personality.

10. Educational Copy

The copy is designed to educate the general public about the attributes of the product. Usually introductory appeal is made in this style when the product is introduced in the market for the first time; it is the duty of every producer or advertiser to tell everything relevant about the product to the public in such a manner that it may get a warm welcome among customers. Such an advertisement copy depicts the specialties to the product category. The advertiser may insist only one or two attributes of the product which is more sensational such as introduction of a low priced item without the loss of quality or a product developed from a new technology indigenous or imported etc.

11. Suggestive Copy

A suggestive copy tries to suggest or convey the message to the readers directly or indirectly to pursue them to purchase the product. It is useful where the reader is confused about the quality of a product brand and is not in a position to take a decision about the purchase of the product.

12. Expository Copy

Just opposite of suggestive copy it expository copy. It does not conceal anything about the product but exposes. The message is quite clear and it needs no inference, no taxing on mind, no thinking. Even a cursory glance makes it quite easy to remember or to pick – up.

QUALITIES OF ADVERTISEMENT COPY

The importance of a good advertisement copy can hardly be overemphasized. All the planning, research and expense would go waste if proper care is not taken in drafting an advertisement copy that will achieve the purpose of advertising. The psychological aims of an advertisement are that the public must be made to (i) look, (ii) like, (iii) learn and (iv) buy. In other words a scientifically drafted copy should (a) attract primary initial attention, (b) hold attention in an interesting way, awaken and stimulate interest, (c) bring about an association of impression which will have permanence or memory value, (d) convince persuade, and induce to purchase the product, and (e) suggest and lead to specific response to encourage the decision to buy.

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1. Attention value,
2. Suggestive value,
3. Memorising value,
4. Conviction value,
5. Sentimental appeal value,
6. Education value,
7. Instinctive value,

1. Attention Value- An advertisement copy must attract the attention of the potential consumers. If it fails in this mission, the whole money and efforts will go waste though it possesses all other values because everything else follows this. So, it must have display value. The copy should be planned, drafted and displayed so ingeniously that it may compel even the most casual or involuntary reader to notice it and read it with interest. It should be designed in such a fashion that the attention of a busiest person may be drawn immediately. Various devices can be used to make the copy attractive such as:-

(a) **Use of Pictures.** Picture has the immense display and attention value.

(b) **Use of Display Type or Heading.** Use of appropriate to headings enhances the value of an advertisement copy to a great extent. To invite attention, the heading should be brief and meaningful, made up of three or four words and should be printed in emphatic bold display types.

(c) **Boarder etc.** – Attractive boarder can be used to compel the attention of the readers. The boarder must have a distinctive look so as to separate it from the rest of the setting.

(d) **Price Quotation** – Prices should not be quoted on the advertisement copy except when they are very low as in clearance sale or special offers. But if an appeal is being made to high class customers who care more for quality than for price, a price quotation should be avoided and emphasis should be laid on quality.

(e) **Reply Coupons** – Reply coupons inserted in an advertisement in an unusual setting are yet another way of attracting attention of the readers to the copy.

(2) **Suggestive Value** - The next task would be to offer a suggestion about the use and the utility of the product that may remain inscribed on the mind of the reader even when he forget where he really saw the advertisement. Slogans, Pictures, phrases and suggesting may be used for this purpose. They should be drafted and used as to drive home to the reader the utility of the product in everyday situation.

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(5) **Sentimental Value** – Sentiments play a very important role in advertising, particularly in the case of food articles. Sentiments reflect the personal feelings and attitudes of an individual towards various things. They indicate reactions of a person in favour or against a particular

product. The advertiser or manufacturer should make a sincere attempt to make an appeal to the sentiments of as many prospects as possible.

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b) **Hoarding Instinct** – Banking institutions, insurance companies or other government and non-government saving organizations serve to hoard the instinct of the people. Slogans like „Up and Up go your Savings“ may be used for this purpose.

c) **Parental Instinct** – Parental instinct takes the form of love and affection for the children. Those advertisers who deal in children requirements like garments, toys, baby food etc. May promote this instinct in parents i.e., motherly feelings of women or parental sentiments of men through their advertisement copy.

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e) **Something for Nothing Instinct** – Everybody has a vague desire to get something without paying anything for it. This desire is, more or less, present in everybody irrespective of the status or income. An advertisement copy that contains an offer of a prize or a gift is likely to tempt quite a many of the customers. This instinct is widely used by lottery ticket sellers by offering one free ticket with the purchase of 10 tickets or by drycleaners by the offering „three for two“ bargain.

On the basis of the above basic instincts, the following themes or central ideas may be laid down for advertisement copies meant to advertise different types of product-

- (i) **Pride** – This theme can be used to popularize luxury articles among riches, the possession of which gives them a distinctive status and a feeling of pride.
- (ii) **Beauty** – This theme is used in advertisements for cosmetics, perfumeries, toilet soaps etc., for men and women.
- (iii) **Health** - In drugs and food products advertisement they use of this theme is used.
- (iv) **Economy** – It is central theme in advertisement of clearance sales or bargain purchases.
- (v) **Comfort** – The advertisements for fans electric appliance refrigerators etc. generally contain this feeling of comforts.
- (vi) **Fear** – Themes stressing the fear of death accident personal loss through burglary frenetic. and other untoward happenings in life are generally used by insurance companies or banking companies. The traffic police is also using this theme in their notes of caution i.e., life is short Don't make it shorter.
- (vii) **Parental Affection** - All advertisement copies of products meant for children such as toys body foods and dresses etc use this feeling.
- (viii) **Patriotism** – This theme may be used in advertisement for those who use foreign products.
- (ix) **Achievement** – This theme is used generally by large concerns engaged in the production of goods necessary for the development of country's economy.
- (x) **Emulation and Imitation** – This theme is used where people buy more not to satisfy their genuine requirement, but as their neighbors happen to possess them.

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4. **Topical Copy** – Herein and attempts is made to appeal to the general public by linking the theme of the copy with some current event but it should not look absurd. It commands a good deal of interest because of that sensational event which lives in the minds of the public.
5. **Reason why Copy** – This type of advertisement copy offers the readers reasons why they should buy the advertised goods. It narrates the positive points of difference from other brands of the same product category in an endeavour to convince the reader from product's qualitative aspect. It directs its appeal to the intellect or judgment rather than to emotions or senses. It

substantiates the superiority of the merchandise with the tests performance. Records testimonials, guarantees or construction data.

6. Human Interest Copy – It makes its appeal to the emotions and the senses rather than to the intellect and judgment. Sympathy fear, bonus, curiosity and other emotional appeals like appeals to the senses of sight hearing touch taste, and smell are used in such type of copy. Human interest copy presents the product in relation to people instead of confirming to facts about product. As emotions are many and always new it may be made more exciting and artful than reason why copy. It affords a refreshing change. Human interest copy can take various forms:-

(a) **Humorous Copy** - It exploits the sense of humor of the people. It turns the reader laughter. All examples and statements in such copy are fully to make the reader smile.

(b) **Fear Copy** - It appeals to the sense of fear and arouses the interest of people to save their lives, properties and other belongings. Such copy of advertisement should be drawn carefully so that it may not carry an unpleasant association of readers' minds with the advertiser's product of business Life Insurance Corporation General Insurance Companies and Bank generally use this type of copy.

(c) **Story Copy** - In such a copy a story is narrated in a very interesting manner to create an impression in the minds of the people about the product. Its ability to create interest depends upon dramatic impact it produces. Experience of customers can also be narrated in the story.

(d) **Predicament Copy** – It is often used to advantage when it shows an article of merchandise in a case that provides a dramatic explanation of its advantages. Predicament copy usually overlaps the other three kinds of human interest copies.

7. Colloquial copy or Conversational Copy – The colloquial copy presents the message in the way of conversation. It uses an informal language and conversation takes place in terms of „I“ and „You“ with personal reference to reader and the advertiser. In such copy the style is one of a personal talk or one of an eyewitness account.

8. Personality Copy - This copy attempts to encase the opinion of personality – real or imaginary – about the product. Usually the personality is real. The photograph of the personality (a person specialized to concerned field) is given with the text of the copy with a view to

convince the readers through the moral influence of his name. Invariably, such copy shows a certificate or a testimonial of such influential person.

9. **Prestige Copy** - This pattern is usually for in institutional advertising which aims at creating an atmosphere about the product or the firm and may not directly advise the product for sale. Such a copy is occasionally used and is very much similar to the personality copy in impression which also strives to enhance the prestige of the advertising firm indirectly by visualizing the name of the eminent personality.

10. **Educational Copy** – The copy is designed to educate the general public about the attributes of the product. Usually introductory appeal is made in this style when the product is introduced in the market for the first time; it is the duty of every producer or advertiser to tell everything relevant about the product to the public in such a manner that it may get a warm welcome among customers. Such an advertisement copy depicts the specialties to the product category. The advertiser may insist only one or two attributes of the product which is more sensational such as introduction of a low priced item without the loss of quality or a product developed from a new technology indigenous or imported etc.

11. **Suggestive Copy** - A suggestive copy tries to suggest or convey the message to the readers directly or indirectly to pursue them to purchase the product. It is useful where the reader is confused about the quality of a product brand and is not in a position to take a decision about the purchase of the product.

12. **Expository Copy** – Just opposite of suggestive copy it expository copy. It does not conceal anything about the product but exposes. The message is quite clear and it needs no inference, no taxing on mind, no thinking, Even a cursory glance makes it quite easy to remember or to pick – up.

13. **Questioning copy** – Questioning copy as the term suggests. in Corporate a series of questions expected to be answered by them readers. The advertiser puts no narration, statement or reason of its own in order to pursue the readers to buy the product. The question arouses the curiosity in the minds of the readers and makes them think of it.

POSSIBLE QUESTIONS

PART -A (1 mark)

(Online Question)

PART -B (6 Marks)

1. Elucidate the advertising process.
2. Describe the advertising strategy.
3. Explain the planning frame work of advertising.
4. Explain the classification of advertisement copy.
5. Explain the characteristics of advertisement copy.
6. Determine the various factors affecting consumer behavior
7. State and explain the steps involved in the development of media plan.
8. Explicate in detail on online advertising.
9. Explain in detail the Communication process in Advertising.
10. Write a short note on target audience.

KARPAGAM ACADEMY OF HIGHER EDUCATION

CLASS: I M.COM & M.COM CA

COURSE NAME: ADVERTISING AND SALES PROMOTION

COURSE CODE: 17CMP205A/17CCP205A

UNIT: II

BATCH-2017-2019

PART A ONLINE QUESTIONS

1	The first step in developing an advertising program should be to _____	Set advertising objectives	Set the advertising budget	Evaluate advertising campaigns	Develop advertising strategy	Set advertising objectives
2	_____ is used heavily when introducing a new product category.	Persuasive advertising	Inferential advertising	Reminder advertising	Informative advertising	Informative advertising
3	The message delivery system in advertising is known as	Media	Advertisement	Television	News paper	Media
4	Advertising is an important source of revenue to	Advertisers	Advertising company	Media	Government	Media
5	Advertisement copy must have a _____ appeal	Impersonal	Binomial	Personal	Production	Personal
6	Advertisement should never be _____	Producing	Designing	Packing	Misleading	Misleading
7	The advertisement should contains _____ facts	FALSE	TRUE	Incorrect	Misleading	TRUE
8	The central theme of media planning is _____	Message dissemination	Appeal	Media scheduling	Media selection	Message dissemination
9	The space and time for advertisement are bought from	Advertising agency	Media	Customer	Manufacturer	Media
10	The advertisement copy must be in _____ form	Triple	Small	Dramatization	Large	Dramatization
11	Publicity simply defined as a _____ advertisement	Free	Paid	Local	Perusative	Free
12	One of the objections levelled against advertising is based on its _____	Least cost	High cost	Low cost	Less cost	High cost

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UNIT: II

BATCH-2017-2019

13	_____ is the methods for deciding advertising appropriation	Descriptive	Triple	Percentage of sales	Announceme nt	Percentage of sales
14	A specialized institution which offers profession aisled advertising services to company is known as	Advertising	Message	Media	Ad agency	Ad agency
15	The sense of attraction created by an ad is known as _____	Attraction	Appeal	Entertainment	Ad copy	Appeal
16	_____ appeal relates to psychological need of a person	Emotional	Personal	Social	Relational	Emotional
17	The inner urge that prompts a person to buy a product is known as _____	Buying Motive	Inspiration	Influence	Desire	Buying Motive
18	An appeal is the _____ of an advertisement	Theme	Image	Colour	Information	Theme
19	Incremental Analysis is otherwise called _____ method	Rate on investment	Investment	Announcement	Increment	Rate on investment
20	The message designed to motivate customers to purchase is known as	Advertisement	Appeal	Motivation ad	Publicity	Appeal
21	..... Approach considered the total funds available with the company	Availability of funds approach	Percentage on sales method	Return on investment method	Judgment method	Availability of funds approach
22	Business houses may be called.....	Advertising copy	Advertising agency	Advertising department	Advertising budget	Advertising agency
23	..... Coordinates the work of copy-writing with the assistance of copy chief and copy writers.	Media department	Advertising agency	Production department	Finance department	Advertising agency
24Department is responsible for maintaining accounting, billing and collecting the dues from its	Media department	Copy department	Production department	Finance department	Finance department

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BATCH-2017-2019

	clients.					
25 of advertising agency is engaged in the study of effects of sales activities at the last point of distribution of a particular product.	Media department	Copy department	Production department	Research department	Research department
26	Establishes and maintain mutual understanding between organization and public.....	Media department	Copy department	Production department	Research department	Media department
27	Under ....system the agency received an amount equal to 15% of the cost.	Commission method of compensation	Fee method	Fee system	Incentive based system	Commission method of compensation
28	.....system to be computed on the basis of cost plus system	Commission method of compensation	Fee method	Fee system	Incentive based system	Fee system
29	Incentive based compensation system initiated on	1880	1990	1980	1970	1980
30	.....department to contract media and take media decisions	Media department	Copy department	Production department	Research Department	Media department
31	..... service groups perform specialized services as advertising planning, media planning etc...	Special service groups	In-house agency	General agency	Out-house agency	Special service groups
32	Printers, photo engravers are example of	Special service groups	In-house agency	General agency	Out-house agency	Special service groups
33	.....agency performs all the activities relating to advertising	Special service groups	In-house agency	General agency	Out-house agency	In-house agency
34	..... Exaggerates the real facts to the consumers	Advertising	Marketing	Communication	Coordination	Advertising
35 is based on memory	Real test	Enquiry test	Suggestive test	Informative test	Real test

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UNIT: II

BATCH-2017-2019

36	The..... of the medium largely determined on the objectives and factual basis	Character	Atmosphere	Coverage	The cost	Character
37	The Relates to now the readers accept the medium	Character	Atmosphere	Coverage	The cost	Atmosphere
38	The..... is usually judged by the quantitative measure.	Character	Atmosphere	Coverage	The cost	Coverage
39	.... refers to the expenditure.	Character	Atmosphere	Coverage	The cost	The cost
40	..... of the advertising is advertisement	The position	Character	Atmosphere	Coverage	The position
41	Advertising Layout is the _____ drawing for an advertisement	Working	Designing	Packing	Colouring	Working
42	Layout has a definite place in improving the get up of an	Agency	Advertisement	Ordering	Advertiser	Advertisement
43	_____ has a definite place in improving the get up of an advertisement	Agency	Advertisement	Layout	Working	Layout
44	Layout is drawing or _____ for an advertisement	Working	Advertising	Ordering	Blue printing	Blue printing
45	Every advertisement is the outcome of the contribution of _____	Agency	Advertisement	Specialists	Advertiser	Specialists
46	What is the main objective of informative advertising	To create selective demand	To stimulate primary demand	To keep the brand in consumers' minds during the mature stage of the product life cycle	Create Demand	To stimulate primary demand
47	Layout dicates the size, shape and	Work	Position	Designing	Packing	Position

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48	Layout dicates the _____ shape and position	Size	Work	Designing	Packing	Size
49	Layout dicates the size, _____ and position	Work	Position	Shape	Packing	Shape
50	Layout brings copy writer and _____ together	Art director	Director	Advertiser	Agency	Art director
51	Layout brings together with _____ & art director	Writer	Copy writer	Director	Artists	Copy writer
52	Layout does the fine job of assembling the different parts into a _____	Art	Copy	Pack	Unified pack	Unified pack
53	Layout serves as the basis of _____	Administration	Decision	Discussion	Denomination	Discussion
54	_____ is the one of the part of graphics	Typography	Administration	Decision	Discussion	Typography
55	Typography is that part of the _____	Administration	Graphics	Advertiser	Agency	Graphics
56	_____ faces vary in weight and design	Typography	Administration	Decision	Discussion	Typography
57	Typography faces vary in weight and _____	Size	Work	Design	Packing	Design
58	_____ is an expensive method	Typography	Administration	Decision	Lithography	Lithography
59	Lithography is an _____ method	Expensive	Low cost	High cost	Least cost	Expensive
60	Lithography is used extensively for advertising	Indoor	Direct mail	Outdoor	Display	Direct mail

Unit – III

Syllabus

Advertising Media - Role of Media - Print Media - Radio and Television -Online Advertising - Media research - Media Selection - Advertising Budget - Evaluation of Effectiveness of Advertising - Areas of Assessment - Media testing.

ADVERTISING ACCORDING TO MEDIUM

The most common classification of advertising is by the medium used. For example: TV, radio, magazine, outdoor, business periodical, newspaper and direct mail advertising. This classification is so common in use that it is mentioned here only for the sake of completeness.

MEDIA PLANNING

The media planning process is not an easy one. There many options which include mass media such as television, newspaper, radio, and magazines as well as out of home media such as outdoor advertising, transit advertising, and electronic billboards. A variety of support media such as direct marketing, interactive media, promotional products advertising, and in-store point-of-purchase options must also be considered. The importance of media planning as a function has grown immensely with the coming of cable and satellite channels and the emergence of new media such as the Internet and mobile phones.

SOME BASIC TERMS AND CONCEPTS

Media planning is the series of decisions involved in delivering the promotional message to the prospective purchaser and/or users of the product or brand. Media planning is a process, which means a number of decisions are made, each of which may be altered or abandoned as the plan develops.

Medium is the general category of available delivery systems, which includes broadcast media (like TV and radio), print media (like newspapers and magazines), direct mail, outdoor advertising and other support media.

Media Vehicle is the specific carrier within a medium category. For example, Times of India and Indian Express is print vehicle. Reach is a measure of the number of different audience members exposed at least once to a media vehicle in a given period of time. Coverage refers to the potential audience that might receive the message through a vehicle.

MEDIA SCENARIO IN INDIA

The Indian media scene is interesting, intriguing, and, at the same time,, mind boggling. India has had a long tradition of oral media which continues to be used by companies, especially to reach out to the rural area. Mass media in India not more than a hundred years old, but its development in technology can be compared with the best in the world. The reach of mass media however, has not grown in proportion. The reason for this is due to low level literacy and wide spread poverty. For more than four decades after independence, there was only government-controlled electronics media in India. Today, there are about two hundred channels are there to choose. The entry of FM in the radio sector, media planning has become an intricate, and, at the same time interesting area of study. The emergence of independent media buying agencies has further complicated buying, as the agency that plans a campaign may not necessarily be planning or buying the media. All these developments have put media planning at the centre stage of the advertising business and created huge opportunities for professionals.

TYPES OF MEDIA

The media class refers to the general category of message delivery systems available to carry advertising message to a target audience. For example, print media, broadcast media, and

outdoor media etc. are media class. Within these categories are media subclasses (medium) such as newspapers, magazines, Television, radio, internet, mobile and so on.

The media vehicle is the specific message carrier within a medium, such as Times of India, India Today, Filmfare, Femina, Star Sports etc are the examples of media vehicle in print and broadcast media. Media schedule specifies media scheduling and the timing decision.

THE MEDIA PLAN

Media planning is the series of decisions involved in delivering the promotional message to the prospective purchaser and/or users of the product or brand. Media planning is a process, which means a number of decisions are made, each of which may be altered or abandoned as the plan develops. The media plan is the guide for media selection. It requires development of specific media objectives and specific media strategies designed to attain these objectives. Once the decision have been made and the objectives and strategies formulated, this information is organized into the media plan. There are many media to choose from. However,

As per (Scissors and Bumba 1995) a good media plan needs to address the following issues:

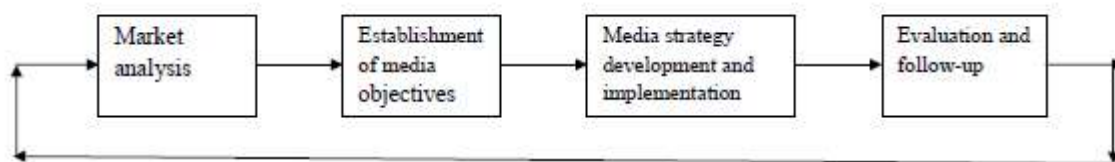
- How many audiences is the media plan proposing to reach?
- What are the best media to place the advertisements in?
- How many times should the advertisement appear?
- What would the idea media mix be?
- Which geographical regions should the advertisement appears in?

DEVELOPING THE MEDIA PLAN

Developing media planning involves a series of stages as follows:

1. Market analysis and target market identification

2. Establishment of media objectives
3. Media strategy development and implementation
4. Evaluation and follow up



(Developing the media plan)

TYPE OF MEDIA OUTLETS

While just a few years ago marketers needed to be aware of only a few media outlets, today's marketers must be well-versed in a wide range of media options. The reason for the growing number of media outlets lies with advances in communication technology, in particular, the Internet. As we discussed in the Advertising Trends section in Part 13, the number of media outlets will continue to grow as new technologies emerge.

Next we provide an overview of 10 leading media outlets:

1. Television Advertising
2. Cable Network
3. Radio Advertising
4. Print Publications Advertising
5. Internet Advertising
6. Direct Mail Advertising
7. Signage
8. Product Placement
9. Mobile Devices
10. Sponsorships Advertising
11. Other Advertising

TELEVISION ADVERTISING

Television advertising offers the benefit of reaching large numbers in a single exposure. Yet because it is a mass medium capable of being seen by nearly anyone, television lacks the ability to deliver an advertisement to highly targeted customers compared to other media outlets. Television networks are attempting to improve their targeting efforts. In particular, networks operating in the pay-to-access arena, such as those with channels on cable and satellite television, are introducing more narrowly themed programming (i.e., TV shows geared to specific interest groups) designed to appeal to selective audiences. However, television remains an option that is best for products that targeted to a broad market. The geographic scope of television advertising ranges from advertising within a localized geographic area using fee-based services, such as cable and fiber optic services, to national coverage using broadcast programming.

Television advertising, once viewed as the pillar of advertising media outlets, is facing numerous challenges from alternative media (e.g., Internet) and the invasion of technology devices, such as digital video recorders (see more in the Advertising Trends section in Part 13: Advertising), that have empowered customers to be more selective on the advertisements they view. Additionally, television lacks effective response tracking which has led many marketers to investigate other media that offer stronger tracking options.

CABLE NETWORK

Local cable network are being used frequently by local advertisers, such as retail outlets, coaching classes etc, because of the geographic flexibility it becomes very cost effective. Advertisement through local cable can act as a frequency booster by virtue of its low cost.

However, local cable network is unorganized and therefore it is uncertain whether ad will appear as per schedule.

RADIO ADVERTISING

Promotion through radio has been a viable advertising option for over 80 years. Radio advertising is mostly local to the broadcast range of a radio station, however, at least three options exist that offer national and potentially international coverage. First, in many countries there are radio networks that use many geographically distinct stations to broadcast simultaneously. In the United States such networks as Disney (children's programming) and ESPN (sports programming) broadcast nationally either through a group of company-owned stations or through a syndication arrangement (i.e., business agreement) with partner stations. Second, within the last few years the emergence of radio programming delivered via satellite has become an option for national advertising. Finally, the potential for national and international advertising may become more attractive as radio stations allow their signals to be broadcast over the Internet. In many ways radio suffers the same problems as television, namely, a mass medium that is not highly targeted and offers little opportunity to track responses. But unlike television, radio presents the additional disadvantage of limiting advertisers to audio-only advertising. For some products advertising without visual support is not effective.

PRINT PUBLICATION ADVERTISING

Print publications such as magazines, newspapers and Special Issue publications offer advertising opportunities at all geographic levels. Magazines, especially those that target specific niche or specialized interest areas, are more narrowly targeted compared to broadcast media.

Additionally, magazines offer the option of allowing marketers to present their message using high quality imagery (e.g., full color) and can also offer touch and scent experiences (e.g., perfume). Newspapers have also incorporated color advertisements, though their main advantage rests with their ability to target local markets.

INTERNET ADVERTISING

The fastest growing media outlet for advertising is the Internet. Compared to spending in other media, the rate of spending for Internet advertising is experiencing tremendous growth. However, total spending for Internet advertising remains relatively small compared to other media. Yet, while Internet advertising is still a small player, its influence continues to expand and each year more major marketers shift a larger portion of their promotional budget to this medium. Two key reasons for this shift rest with the Internet's ability to: 1) narrowly target an advertising message and, 2) track user response to the advertiser's message.

The Internet offers many advertising options with messages delivered through websites or by email. Website Advertising - Advertising tied to a user's visit to a website accounts for the largest spending on Internet advertising. For marketers, website advertising offers many options in terms of:

Creative Types – Internet advertising allows for a large variety of creative types including text-only, image-only, multimedia (e.g., video) and advanced interactive (e.g., advertisement in the form of online games).

Size – In addition to a large number of creative types, Internet advertisements can be delivered in a number of different sizes (measured in screen pixels) ranging from full screen to small square ads that are only a few pixels in size. The most popular Internet ad sizes include banner ads (468 x 60 pixels), leader board (728 x 90 pixels) and skyscraper (160 x 600 pixels).

Placement – The delivery of an Internet advertisement can occur in many ways including fixed placement in a certain website location (e.g., top of page), processed placement where the ad is delivered based on user characteristics (e.g., entry of words in a search box, recognition of user via Internet tracking cookies), or on a separate webpage where the user may not see the ad until they leave a site or close their browser (e.g., pop-under).

EMAIL ADVERTISING – Using email to deliver an advertisement affords marketers the advantage of low distribution cost and potentially high reach. In situations where the marketer possesses a highly targeted list, response rates to email advertisements may be quite high. This is especially true if those on the list have agreed to receive email, a process known as “opt-in” marketing. Email advertisement can take the form of a regular email message or be presented within the context of more detailed content, such as an electronic newsletter. Delivery to a user’s email address can be viewed as either plain text or can look more like a website using web coding (i.e., HTML). However, as most people are aware, there is significant downside to email advertising due to highly publicized issues related to abuse (i.e., spam).

DIRECT MAIL

This method of advertising uses postal and other delivery services to ship advertising materials, including postcards, letters, brochures, catalogs and flyers, to a physical address of targeted customers. Direct mail is most effective when it is designed in a way that makes it appear to be special to the customer. For instance, a marketer using direct mail can personalize mailings by including a message recipient’s name on the address label or by inserting their name within the content of marketer’s message.

Direct mail can be a very cost-effective method of advertising, especially if mailings contain printed material. This is due to cost advantages obtained by printing in high volume since the

majority of printing costs are realized when a printing machine is initially setup to run a print job and not the because of the quantity of material printed. Consequently, the total cost of printing 50,000 postcards is only slightly higher than printing 20,000 postcards but when the total cost is divided by the number of cards printed the cost per-card drops dramatically as more pieces are printed. Obviously there are other costs involved in direct mail, primarily postage expense.

OUTDOOR MEDIA

The out medium is now becoming an interesting medium. Outdoor is an effective medium to cover the mobile population. The use of signs to communicate a marketer's message places advertising in geographically identified areas in order to capture customer attention. The most obvious method of using signs is through billboards, which are generally located in high traffic areas. Outdoor billboards come in many sizes, though the most well-known are large structures located near transportation points intending to attract the interest of people traveling on roads or public transportation. Indoor billboards are often smaller than outdoor billboards and are designed to attract the attention of foot traffic (i.e., those moving past the sign). For example, smaller signage in airports, train terminals and large commercial office space fit this category.

SIGNAGE AND BILLBOARDS

The use of signs to communicate a marketer's message places advertising in geographically identified areas in order to capture customer attention. The most obvious method of using signs is through billboards, which are generally located in high traffic areas.

Outdoor billboards come in many sizes, though the most well-known are large structures located near transportation points intending to attract the interest of people traveling on roads or public transportation. Indoor billboards are often smaller than outdoor billboards and are designed to

attract the attention of foot traffic (i.e., those moving past the sign). For example, smaller signage in airports, train terminals and large commercial office space fit this category.

While billboards are the most obvious example of signage advertising, there are many other forms of signage advertising include:

- Sky writing where airplanes use special chemicals to form words
- Plane banners where large signs are pulled behind an airplane
- Mobile billboards where signs are placed on vehicles, such as buses and cars, or even

PRODUCT PLACEMENT ADVERTISING

Product placement is an advertising approach that intentionally inserts products into entertainment programs such as movies, TV programs and video games. Placement can take several forms including:

- Visual imagery in which the product appears within the entertainment program
- Actual product use by an actor in the program
- Words spoken by an actor that include the product name

Product placement is gaining acceptance among a growing number of marketers for two main reasons. First, in most cases the placement is subtle so as not to divert significant attention from the main content of the program or media outlet. This approach may lead the audience to believe the product was selected for inclusion by program producers and not by the marketer.

This may heighten the credibility of the product in the minds of the audience since their perception, whether accurate or not, is that product was selected by an unbiased third-party.

Second, in Advertising, entertainment programming, such as television, is converging with other media, particularly the Internet. In the future a viewer of a television program may be able to easily request information for products that appear in a program by simply pointing to the product on the screen. With the information they may get the option to purchase the product. As this technology emerges it is expected that product placement opportunities will become a powerful promotional option for many marketers.

MOBILE DEVICE ADVERTISING

Handheld devices, such as cell phones, personal digital assistants (PDAs) and other wireless devices, make up the growing mobile device market. Such devices allow customers to stay informed, gather information and communicate with others without being tied to a physical location. While the mobile device market is only beginning to become a viable advertising medium, it may soon offer significant opportunity for marketers to reach customers at anytime and anyplace.

Also, with geographic positioning features included in newer mobile devices, the medium has the potential to provide marketers with the ability to target customers based on their geographic location. Currently, the most popular advertising delivery method to mobile devices is through plain text messaging, however, over the next few years multimedia advertisements are expected to become the dominant message format.

SPONSORSHIPS

A subtle method of advertising is an approach in which marketers pay, or offer resources and services, for the purpose of being seen as a supporter of an organization's event, program or product offering (e.g., section of a website).

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UNIT: III

BATCH-2017-2019

Media Characteristics

Media	Advantages	Disadvantages
Television	<ul style="list-style-type: none">➤ Mass coverage➤ High reach➤ Impact of sight, sound, and motion➤ High prestige➤ Low cost per exposure➤ Attention getting➤ Favourable image	<ul style="list-style-type: none">➤ Low selectivity➤ Short message life➤ High absolute cost➤ High production cost➤ Clutter
Radio	<ul style="list-style-type: none">➤ Low coverage➤ Low cost➤ High Frequency➤ Flexible➤ Low production cost➤ Well-segmented audience	<ul style="list-style-type: none">➤ Audio only➤ Clutter➤ Low attention getting➤ Fleeting message
Cinema	<ul style="list-style-type: none">➤ Impact of big screen with sound, movement and colour➤ Attracts young crowd➤ Theatre viewing a socializing event➤ Selective local advertising coverage possible which can gain immediate impact	<ul style="list-style-type: none">➤ Television has eroded the cinema audience base➤ Slow buildup of audience➤ Attendance is low and infrequent➤ Commercials shown either in the beginning or at the interval, when high attendance is not ensured
Magazines	<ul style="list-style-type: none">➤ Segmentation potential➤ Quality reproduction➤ High information content➤ Longevity➤ Multiple readers	<ul style="list-style-type: none">➤ Long lead time for ad placement➤ Visual only➤ Lack of flexibility

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BATCH-2017-2019

Newspapers	<ul style="list-style-type: none">➤ High coverage➤ Low cost➤ Slick time for placing ads➤ Advertisements can be placed in interest sections➤ Timely➤ Reads control exposure➤ Can be used for coupons	<ul style="list-style-type: none">➤ Short life➤ Clutter➤ Low attention-getting capabilities➤ Poor production quality➤ Selective reader exposure
Outdoor	<ul style="list-style-type: none">➤ Location specific➤ High repetition➤ Easily noticed	<ul style="list-style-type: none">➤ Short exposure time requires short ad➤ Poor image➤ Local restrictions
Direct mail	<ul style="list-style-type: none">➤ High selectivity➤ Reader controls exposure➤ High information content➤ Opportunity for repeat exposures	<ul style="list-style-type: none">➤ High cost/contact➤ Poor image (junk mail)➤ Clutter
Internet and Interactive Media	<ul style="list-style-type: none">➤ User selects product information➤ User attention and involvement➤ Interactive relationship➤ Direct selling potential➤ Flexible message platform	<ul style="list-style-type: none">➤ Limited creative capabilities➤ Web snarl (crowded access)➤ Technology limitations➤ Few valid measurement techniques➤ Limited reach
Mobile	<ul style="list-style-type: none">➤ A communication revolution➤ Reach not dependent on location➤ Reach the right target audience➤ Permission marketing possible➤ Emotional connotations➤ An all pervasive medium	<ul style="list-style-type: none">➤ Nuisance value➤ Intrusion in privacy➤ A possible health hazard➤ Literacy barrier

MEDIA RESEARCH

Media research is the study of the social, psychological and physical aspects and effects of the different mass media. Media research includes a whole range of study about the development of media, their achievements and effects. It includes the methods used in collecting and analyzing information with regard to newspapers, magazines, radio, TV, Cinema or other mass media. It also concerns with an expanded discussion of the scientific methods of research. While studying any medium of communication we may ask series of questions. o What is the nature of the medium? o How does it work

What technology does it involve? o How is it different or similar to any other media in any ways? o What function and/or services does it provide? o How much does it cost? o Who will have access to the new medium? o Is this medium effective? o Can its performance be improved? Media research also accumulates information about the uses of the mass media and also the users of the mass media. In this connection we may ask: o How the people use a medium or the various media? o Whether it is used for information only and/or for entertainment and education also? o Which category of people use the different media more and why? o What gratification do the media provide? o What types of uses the media are put to? We have been discussing about too many questions. Well, that is what research is all about. A researcher has to have a highly inquisitive mind full of questions as he or she tries to find valid answers to these questions. Research is a never-ending process. A research project, which is originally designed to answer one series of questions, may finally give rise to a new set of questions no one had thought of before. If we take radio, there can be several studies this medium. o On the uses of radio: What specific moods radio listening generates? o Effect of radio, o Improvement in the broadcasting technologies. During World War I, Harold Lasswell studied the nature of propaganda from a stimulusresponse point of view. He thought that media could exert very powerful influence over their audiences. Some experts were of the opinion that mass communication, to be effective, need only transmit messages to an audience. By doing so they would produce preplanned and almost universal effect. This concept was later named as the Hypodermic

MEDIA RESEARCH AS A TOOL OF REPORTING:

Media research makes use of scientific methods of research. It aims at providing an objective, unbiased evaluation of data. First the research problem is identified, and then a prescribed set of procedures of research is followed to investigate the problem. Only thereafter comes report of the findings. Viewed thus, media research is an objective and systematic way of collecting information. News reporting on the other hand, tries to collect information and present them in an objective and fair manner.

The objectives of both media research and news reporting are the same. The difference lies in the processes involved. Media research uses more stringent and severe data collection and data analysis methods. So media research is often used as a tool of reporting. Major examples of this include news reporting based on surveys, opinion polls, pre-poll surveys, exit polls, etc. When media research methodology and related tools are used for news reporting, it is called precision journalism. Researchers after identifying and developing a problem or topic for investigation may give their attention to several potential sources for data. This may include a critical analysis of everyday situations and background material already available. This is done to achieve a clear perspective and make a concise presentation of results.

One needs select an appropriate method of analysis. They have to be wary of potential sources of error that may creep into the findings. They need to consider, like a good investigative reporter, every plausible alternatives and explanations. Only after making a thorough evaluation of all the data and hypotheses that these may be reported. The media researcher may be a detached observer, or a participant in the process under study. He may undertake field observation, focus groups, intensive interviews or case studies. All these methods and tools help the researcher to gather necessary data concerning the research questions. These methods provide the researcher in-depth information. Even extremely detailed information can be obtained from a small set of respondents by following in the method of intensive interviewing.

Due to the advances in computer technology, computers have come to play a useful role in mass media research. Computers have become a significant tool of research. Computers play multiple roles in gathering and evaluating of data, and also in preparing sophisticated graphic

presentations and preparation of models. Both writing a research report and news reporting follow almost the same process. The only difference is in the analysis in research. Writings in the media are important for scientific research. This is because the news reports place research studies in the public domain for perusal and validation. No research is complete with only information. It is essential to have facts and also in-depth interpretation of facts. This necessitates the adoption and application of various steps of media research that are highly reliable.

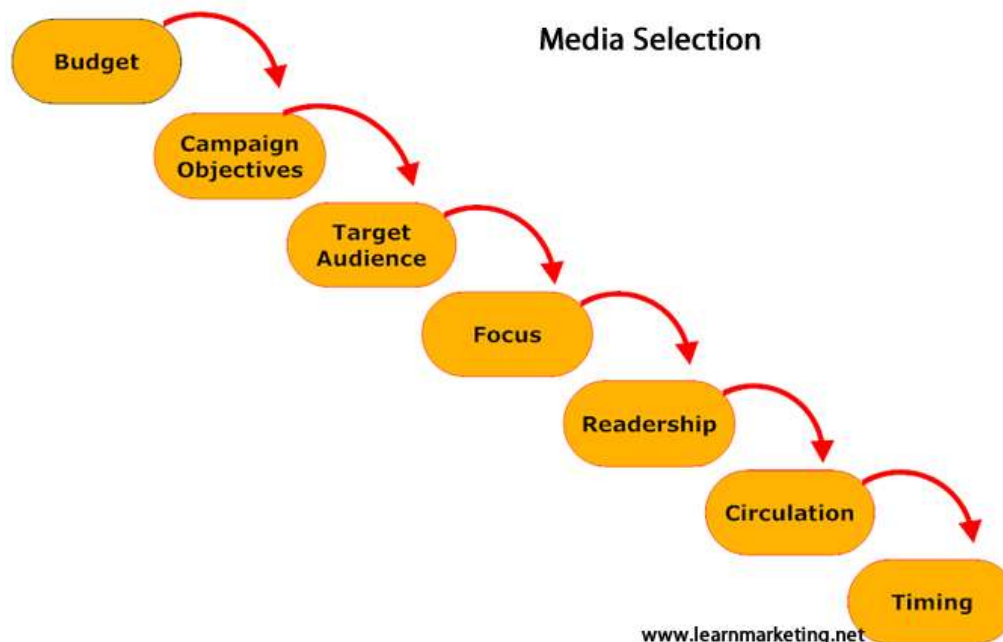
News reporting, particularly, investigative reporting is almost like research. For even the so-called fair and objective account of occurrences may be misleading, if not carefully investigated and analyzed. Sometimes it is not enough to report facts truthfully. It has become now necessary to report the interpretation of the facts. That is because mere straight reporting of the facts, while essential, may not always be sufficient. This is because data is sometimes doctored or manipulated by vested interests. Many tactics are adopted to divert the attention of the reporters, even though pictures and sound bytes from cameras and microphones from the real story support them. Those who wish to express their particular point of view manipulate the news media to communicate their own ideas or ideologies. To balance the use and abuse of views, the media people must also use analysis and interpretation as is done in media research. By doing so, facts can be put into proper perspective in order to tell what it mean, to explain, to assure, and to persuade the target audience. Now the new trend among journalists is to bring their interpretation in to the new stories they report.

This trend is a departure from the traditional practice that news and opinion should be kept separate. The reporters, in the early days, were not expected to editorialize, or to express ideas, opinion and feelings about what happened. Rather, reporters were expected to tell simply what happened. But now blurring of facts and opinion in mass media reporting has become very common. Radio and TV face a special problem in being used for interpretation and analysis. Earlier, it was held that broadcasting was such a powerful medium that it should only report facts and should not be allowed to influence the opinion. This situation no longer exists.

Advertising media selection is the process of choosing the most cost-effective media for advertising, to achieve the required coverage and number of exposures in a target audience.

When deciding which media to select for promotional purposes, firms must consider a number of factors in order to maximise the effectiveness of their marketing campaigns. In this article we briefly discuss seven of these factors.

The diagram below summarises the factors which should be considered when selecting media for your marketing campaign



Budget

What is your overall budget for advertising? Will your budget give you the coverage you want? A firm that has a limited budget for advertising will limit the amount of coverage certain media can provide. You will need to strike a balance between budget and coverage.

Campaign Objectives

One factor that will influence the budget and coverage question is the objective of the campaign. If the objective is to raise the brand awareness of the firm amongst the teenage market then this will influence any decisions you make above. You may need to spend a little more on certain publications in order to meet your objectives.

Target Audience

The media you selected is obviously influenced by the target audience. A firm must select media that the target audience is associated with e.g. the magazines or paper that they read, or the social networking site they use.

Focus

What is the message focus going to be? Will the message be emotional and work on guilt or will the message be clear cut and say why the firm is better than the leading player?

Readership of Media

What is the readership of the media you wish to select? Readership is the number times a publication has been read, so if I pick up newspaper on the train, read it and leave it on the train and that same newspaper has been read by 10 other commuters, the readership in total is 11.

Circulation of Media

A firm will need to find out what the overall circulation of the media chosen is. So how many publications are sold, and exactly who reads them.

Timing

When do you want the advertising campaign to start? Is it specific to a particular time of the year e.g. Easter or Christmas?

Selection of Advertising Media for a Company (14 Factors)

1. Objectives of Firm:

Company's general and advertising objectives are the prime considerations in media selection. Those media capable to meet company's expectations are likely to be selected. Advertising objectives may be to inform, remind, convince, create prestige, or to increase sales and profits. Different media have varying capacity to meet these objectives.

2. Costs Media and Company's Financial Position:

Media selection decision is highly influenced by media costs and firm's ability to pay. Company has to pay for buying space or time and preparing advertising copy fit for the media to be selected. TV, radio, films are costly in terms of buying time and preparing advertising copy. Print media are relatively cheaper in both space and preparation of advertising message. Some outdoor media are quite low in cost. As per media costs and company's financial capacity, the appropriate media should be selected.

3. Reach or Number of People Exposed to the Message:

It is an important criterion to choose among ad media. Reach means the number of different people exposed to a particular medium at least once during a specified time period. Mass media are capable to reach millions of people by just one exposure. Television has more exposure capacity compared to outdoor media in a particular time.

4. Company's Advertising Policy and Approach:

Company's advertising policy and approach determine which of the media should be selected. For example, if company's policy is not to spend more money for advertisement and to offer the product at a low price, it may go for cheaper media.

5. Type of Buyers:

People to be influenced should be taken into account while selecting the media. Buyers can be classified into various classes as discussed in market segmentation. Each medium has its special viewers, readers, or audience. For the firm, it is important to know whether the target groups can be exposed by the particular medium.

Television is the most common medium, but can be made more particular by selecting the special programme. Magazines are capable to appeal particular sex, age groups, or professionals. Daily newspapers are again very general in nature.

6. Condition under which Customers are Influenced:

Readers'/viewers' mood and interest determine receptivity of message. Television is the best-fit medium to associate advertising message when people are watching or enjoying related programmes. For example, advertising TVS Victor motorbike on television during the live telecast of the TVS Cup One-day Series.

7. Circulation/Coverage:

The area covered by (or number of people exposed to) the medium is an important criterion. Some media are capable to cover the globe while some can cover only the limited locality. For example, the local newspapers cover limited areas, the national newspapers like The Time of India and The Economic Times cover the whole nation.

Similarly, certain magazines have national and international circulation. And, the same is true with audio-visual and outdoor media. As per geographical concentration of customers, the suitable media should be selected.

8. Repetition or Frequency:

Repetition or frequency implies the number of times within specific time period an average person is exposed to the message by specific medium. Most of the outdoor media hold the message for relatively long time. Magazines or periodicals publish monthly or quarterly; mostly they publish advertisements only in a particular edition.

9. Credibility and Image of Media:

In case of newspapers and magazines, the factor is critical. Naturally, advertising message appears in the reputed newspapers or magazines carry heavy impression and effect than substandard media. People don't trust the appeal published in the lower standard media. Prestige

of media becomes the prestige of advertiser. Firms opt for credible or prestigious media to carry the advertising message.

10. Past Experience:

Company's own past experience may be instrumental to decide on advertising media. For example, if company has satisfactory experience of using a particular medium, there are more chances to use the same medium and vice versa.

11. Experience of other Companies:

Experience of other companies is one of the important considerations in media selection. Company may try to know what other companies say about applicability and usefulness of various media. Views of other companies must be followed with care and caution.

12. Expert Opinion:

Marketing experts or consultants who work on professional basis can be consulted to suggest an appropriate medium to carry the message. These experts, on the basis of analysis of market situations in relation to products to be advertised, can recommend the suitable media. Since they have experience and expertise in the field, they are in better position to judge the suitability of each of the media in relation to product and company's financial position. They charge fees for their consultancy services.

13. Type of Advertising Message:

Each advertising message needs specific advertising vehicle. If a message is simple, print media are sufficient. If a message is complicated, and the company wants to demonstrate and explain, audiovisual media suit the needs.

14. Others:

Apart from above mentioned factors, there are certain factors that affect media selection decision.

They are listed as under:

a. Effectiveness of Media

- b. Availability of Media
- c. Government Rules and Regulations
- d. Time and Place
- e. Type of Products, etc.

Media selection is a crucial decision. It determines the cost-effectiveness of media. Failure of advertising programme, in many cases, is attributed to use of inappropriate media. Advertiser should consider all these factors carefully and should select the most favoured or suitable media.

ADVERTISING BUDGET

The size of the advertising budget can have an impact upon the composition of the advertising mix. In general, a limited promotion budget may impel the management to use types of promotion that would not be employed otherwise, even though they are less effective than the others.

Industrial firms generally invest a larger proportion of their budgets in personal selling than in advertising, while the reverse is true of most producers of consumer goods. Organizations with small budgets may be forced to use types of advertising that are less effective than others.

Some marketers find it necessary to restrict their efforts primarily to personal selling and publicity. There are organizations with small promotion budget which take the opposite course of action. They concentrate on advertising and sales promotion, and neglect other methods. Some marketers advertise in expensive ways (through classified advertisement in newspapers and magazines) and spend virtually nothing on personal selling.

There is universal difficulty of relating advertising expenditures to sales and profit results. Determining the results of advertising and consequently the amount of money to be allocated in advertising budget are complicated by several major difficulties as follows:

- (i) The effects of external variables such as population, or income, changes on economics conditions and competitive behaviour ;
- (ii) Variations in the quality of advertising ;

(iii) Uncertainty as to the time-lag effect of advertising ; and

(iv) The effect of the firm's other marketing activities, such as product

improvement and stepped-up personal selling.

The above complexities make the companies resort to more than one method of determining the size of their advertising budget.

Advertising Budget involves the allocation of a portion of the total marketing resources to the advertising function in a firm. The size of the budget allocation should be based on the potential contribution that advertising can make. Advertising budgeting should be based on a careful analysis of the opportunity for using advertising.

Marginal analysis approach

The marginal analysis approach to the allocation of resources provides a useful framework. How much should a firm spend on advertising? A firm may choose to spend promotion funds up to the point where marginal cost equals marginal revenue. Such analysis may be used for advertising budget decision.

The allocation procedure is to increase advertising expenditure until each rupee of advertising expense is matched by an additional rupee of profit. This marginal analysis results in the maximization of the productivity. The difficulty arises in the identification of this optimal point. The following table illustrates this point.

Marginal Analysis for Advertising Budgeting

(Rs. in thousands) Alternative Advertising Expenditure	Marginal Advertising Costs	Net Revenue	Marginal Revenue	Total Profit	Marginal Profit
30	-	20	-	-10	-1
35	5	24	+ 4	-11	-1
40	5	30	+6	-10	+1
45	5	40	+10	-5	+5

KARPAGAM ACADEMY OF HIGHER EDUCATION

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COURSE NAME: ADVERTISING AND SALES PROMOTION

COURSE CODE: 17CMP205A/17CCP205A

UNIT: III

BATCH-2017-2019

50	5	55	+15	+5	+10
55	5	77	+22	+22	+17
60	5	88	+11	+28	+6
65	5	95	+7	+30	+2

MEASURING ADVERTISING EFFECTIVENESS: INTRODUCTION

Advertising may be extensive but ineffective in its approach. An unnecessarily large amount is sometimes spent without any reward. An improper display may tarnish the image of the product. An advertising measurement is adopted both before and after an advertising campaign is launched. After a campaign has been launched, it is essential to know how far the advertising plans, strategies and programmes are successful in achieving the objectives so that they may be modified and redesigned for better performance if needed. This process is known as measuring the advertising effectiveness. There are several questions which are to be answered by advertising measurements.

All advertising efforts are directed mainly towards the achievement of business, marketing and advertising objectives i.e., to increase the sales turnover and thus to market the maximum profit. The advertiser spends lakhs of rupees in to this advertising activity. In the background of all these efforts, is an attempt to attract the customer towards the product through advertising.

As soon as the advertising campaign is over, a need is generally arisen to measure the effectiveness of the campaign. Whether, it has achieved the desired results i.e. desired sales profitability or results in terms the change in customer's behaviour in favour of the company's product which will naturally, affect the future sale of the product.

In order to measure the effectiveness of advertising copy, two types of tests- pretests and post tests- can be undertaken. Pretests are generally conducted in the beginning of the creation process or at the end of creation process or production stage. There are several pre and post tests techniques to measure the effectiveness of the advertising copy.

The effectiveness of advertising in a particular media may also be measured in any of the following ways – (a) by giving different addresses to different media, (b) different newspapers may be selected for advertisements of different departments, (c) coupon blank etc. May be

provided with the advertisement or (d) enquiry from consumers should mention the name of the source of information. The technique is known as keying the advertising.

Thus in measuring the effectiveness of advertising we include measuring of the effectiveness of advertising campaign, advertising copy and the effectiveness of individual media.

OBJECTIVES OF MEASURING ADVERTISING EFFECTIVENESS:

Some advertisers do not bother to measure advertising effectiveness. They expect that the sales will ultimately increase by reason of advertising. But, recently, problems and difficulties have compelled them to measure advertising effectiveness. The producers also adopt a measuring device because they incur a sizeable amount of expenditure on advertising. The effectiveness of media and message are also assessed for their use in future.

The results of same amount of advertising budget vary for several reasons. Only through the measuring of advertising effectiveness the success of a particular campaign can be known. Various measuring techniques have been developed to measure effectiveness at every stage to isolate the effects of advertising from those of other promotional and marketing activities. The copy, media and other advertising components have been tested. The factors like readership, consumer opinion, belief or disbelief, recall, attention, comprehension, attitude, etc are taken into consideration for measuring effectiveness. Positive relationships are established between these factors and sales. The best read and highly rated advertisements are determined by consumers under an advertising research programme. There are different methods of measuring audience response.

Importance of measuring the Effectiveness of Advertising

(1) It acts as a Safety measure

Testing effectiveness of advertising helps in finding out ineffective advertisement and advertising campaigns. It facilitates timely adjustments in advertising to make advertising consumer oriented and result oriented. Thus waste of money in faulty advertising can be avoided.

(2) Provides feed back for remedial measures

Testing effectiveness of advertising provides useful information to the advertisers to take remedial steps against ineffective advertisements.

(3) Avoids possible failure

Advertisers are not sure of results of advertising from a particular advertising campaign. Evaluating advertising effectiveness helps in estimating the results in order to avoid complete loss.

(4) To justify the Investment in Advertising

The expenditure on advertisement is considered to be an investment. The investment in advertising is a marketing investment and its objectives should be spelt out clearly indicating the results expected from the campaign. The rate and size of return should be determined in advance. If the expected rate of return is achieved in terms of additional profits, the advertisement can be considered as effective one.

(5) To know the communication Effect

The effectiveness of the advertisement can be measured in terms of their communication effects on the target consumers or audience. The main purpose of advertising is communicated the general public, and existing and prospective consumers, various information about the product and the company. It is therefore desirable to seek post measurements of advertising in order to determine whether advertisement have been seen or heard or in other words whether they have communicated the theme, message or appeal of the advertising.

(6) Compare two markets

Under this procedure, advertising is published in test markets and results are contrasted with other. Markets – so called control markets – which have had the regular advertising programme. The measurements made to determine results may be measurements of change in sales, change in consumer attitudes, changes in dealer display. and so on depending upon the objectives sought by the advertiser.

METHODS OF MEASURING ADVERTISING EFFECTIVENESS

Advertising is aimed at improving the sales volume of a concern so its effectiveness can be evaluated by its impact on sales. Most of the managers believe that the advertisement directly affects the sales volume and hence they evaluate the effectiveness of the advertising campaign by the increase in the sales volume.

There may be two types measures (i) Direct measures: and (ii) Indirect measures:-

(1) Direct Measures of Advertising Effectiveness

Under direct measures, a relationship between advertising and sales is established. A comparison of sales of two periods or two periods or two markets may be done and the corresponding changes may be noted. The following are some of the methods that are generally used in measuring that advertising effects.

(a) Historical Sales Method

Some insights into the effectiveness of past advertising may be obtained by measuring the relationship between the advertising expenditure and the total sales of the product. A multiple regression analysis of advertising expenditure and sales over several time periods may be calculated. It would show how the changes in advertising expenditure have corresponding changes in sales volume. This technique estimates the contribution that advertising has made to explaining in a co relational manner rather than a casual sales, the variation in sales over the time periods covered in the study

(b) Experimental Control

The other measure of advertising effectiveness is the method of experimental control where a casual relationship between advertising and sales is established. This method is quite expensive when related to other advertising effectiveness measures yet it is possible to isolate advertising contribution to sales. Moreover this can be done as a pre-test to aid advertising in choosing between alternative creative designs. Media schedules expenditure levels or some combination of these advertising decision areas.

One experimental approach to measuring the sales effectiveness of advertising is test marketing.

(i) Before-after with Control Group Design

This classic design uses several test and control cities (Fig. 14.1) in this design two types of cities are selected. Cities in which advertising campaigns are affected may be named as test cities and other cities may be called central cities.

First of all, the normal sales level is calculated for both type of cities prior to advertising campaign, and then the advertising campaign is presented to the test cities and not the central cities. The effect of advertising campaign, can then, be measured by subtracting the amount of post campaign figure of sale from the pre campaign sale figures in test cities.

The difference of post and pre campaign sales in cities is the result of advertising and all other factors that affect the sales.

(ii) Multivariable Experimental Designs

While the experimental design discussed above yields a reasonably accurate estimate of the effects of the advertising on sales, it is not successful in explaining the success or failure of the campaign itself. Multivariable designs

Produce these explanations and are, therefore used by some very large firm because of their diagnostic value.

The power of this multivariable factorial design is explained by G.H.Brown, former Fords Director of Marketing Research. For any single medium, eight possible geographic areas have been exposed and eight have not been exposed. Thus, in this experimental model it is possible to evaluate how each individual medium behaves alone and in all possible to evaluate how each individual medium behaves alone and in all possible combinations with other media.

(2) Indirect Measures

As it is very difficult to measure the direct effect of advertising on company's profits or sales, most firms rely heavily on indirect measures. These measures do not evaluate the effects of advertisements directing on sales or profits but all other factors such as customer awareness or attitude or customer recall of advertising message affect the sales or profits or goals of the business indirectly.

Despite the uncertainties about the relationship between the intermediate effects of advertising and the ultimate results, there is no other alternative but to use indirect measures. The most commonly used measures are –

(1) Exposure to Advertisement

In order to be effective, the advertisement must gain exposure. The management is concerned about the number of target audiences who see or hear the organisation message set in the advertisement. Without exposure, advertisement is bound to failure.

Marketers or advertisers may obtain an idea of exposure generated by the medium by examining its circulation or audience data which reveal the number of copies of the magazine, newspaper or journal sold the number of persons passing the billboards or riding in transit facilities, or the number of persons living in the televiewing or radio listening area, and the number of persons switching on their T.V. and radio sets at various points of time. This number can be estimated by interviewing the numbers of the audience for different media.

(2) Attention or Recall of Advertising Message Content

This is one of the widely used measures of advertising results. Under this measure, a recall of the message content among a specified group or groups or prospective customers is measured within 24 hours of the exposure of the advertisement.

Attention value is the chief quality of the advertising copy the advertisements cannot be said to be effective unless they attract the attention of the target consumers. There are two methods for evaluating the attention getting value of the advertisements. One is pre-test and the other is post-test.

In a pre-test evaluation, the consumers are asked to indicate the extent to which they recognise or recall the advertisement, they have already seen. This test is conducted in the laboratory setting. Here consumers read, hear or listen to the advertisement and then researchers ask question regarding the advertisement just to test the recall and then evaluate it.

In post-test method, the consumers are asked questions about the indication of recognition or recall after the advertisement has been run.

These measures assume that customers can recall or recognise what they have viewed or listened to.

Various mechanical devices are being used in the western countries which provide indices of attention such as eye-camera etc.

(3) Brand Awareness

The marketers who rely heavily on advertising often appraise its effectiveness by measuring the customer's awareness about the particular product or brand. The assumption of this type of measure is that there is a direct relationship between the advertisements and the awareness. This type of measure is also subject to the same criticisms as is applicable to direct measures of effectiveness (sales measures because awareness is also not the direct result of the advertisements. It is also affected by many other factors. But, for new products, changes in awareness can often be attributed to the influence of advertising.

(4) Comprehension

Consumers generally use advertisements as a means of obtaining information about the product, brand or the manufacturer. They cannot be informed unless they comprehend the message (grasp

the message mentally and understand it fully). Various tests for valuating comprehension are available –

One is recall tests – an indicator of comprehension because it is evident that consumers recall what they comprehend. Another measure of the variable is to ask questions about subjects how much they have comprehended a message they have recently heard or seen. One may employ somewhat imprecise test of the comprehension of a newspaper and radio advertisement. One may ask typical target consumers from time to time such questions like „what did you think of our new commercial?“ and „Did it get the message across“? The answers of these questions will provide sufficient insight into advertising decision making.

(5) Attitude Change

Since advertising is considered to be one way of influencing the state of the mind of the audience towards a product, service or organisation, the results are very often measured in terms of attitudes among groups exposed to advertising communication. Several measures are used ranging from asking the questions about willingness to buy the likelihood of buying to the measurement of the extent to which specific attributes (such as modern or new) are associated with a product.

(6) Action

One objective of advertisement may be assumed to be to stimulate action or behaviour. The action or intention to take an action may be measured on the intention to buy measuring instrument. Under this type of measure, consumers are asked to respond why they are interested in purchasing the product or brand.

One type of action that advertisers attempt to induce is buying behaviour. The assumption is that if an increase in sales follows a decrease in advertising expenditure, the change in sales levels are good indicators of the effectiveness of advertising. Logic suggests that measurement of sales is preferable to other measurements.

Thus, these above measures (direct or indirect) are used to evaluate the effectiveness of advertisements. It seems from the analysis of the above methods of measuring effectiveness that directly or indirectly changes in sales or profits are taken as the measuring rod of the effectiveness of the advertising.

According to Philip Kotler and Armstrong, the Gurus Of Marketing, there are two most popular areas which need to be measured for knowing the effectiveness of advertisement and they are:

- Communication Effect
- Sales Effect

Communication Effect Research consists of three types of researches:

1. **Direct Rating Method** - here, customers are directly asked to rate the advertisement and then these rating are calculated.
2. **Portfolio Tests** - here, the customers see the ads and listen carefully to the ads and all the contents of the ads and then they are asked to recall the ad and the contents. Then the calculations are done with help of this data.
3. **Laboratory tests** - here, the apparatus to measure the heart rates, blood pressure, perspiration, etc are used on the customer after he watches the ad, to know the physiological reactions of the body.

Sales Effect Research totally depends on the sales of the company. The sales keep varying from time to time. There are some factors affecting sales like product availability, the price of the product, contents of the product, and sometimes the competitors. So this method is a little difficult than the communication one. The company doing sales effect research generally bothers about the sales of the product, they try to know whether or not the money they are spending on the ads is enough or excess.

As earlier said, it is not possible to measure each and everything and the chances are at the lower end if the company has many ads running through various mediums at the same time. So suggestion is that the advertiser or the company should use appropriate and different methods which are most suitable for the media under use.

- The company can hold surveys and product recognition tests
- Questionnaire or feedback flyers can be distributed and customers could be asked to fill it up.

- Toll free number can be highlighted on the ads so that customers can call up.
- The response rates can be increased by telling customers what to do. For e.g. some ads have lines in flashy color like “Hurry Up” or “No one can eat just one” or “be the first” etc.

These are the traditional ways. Now days, internet is the modern tool for measuring the effectiveness of an advertisement. There are some types such as:

Integrated direct marketing - This is an internet based tool where they have a response corner designed on the websites. Whenever the customers visit the sites, they fill up their contact details and give feedbacks. Thus the company supplies more information and sends newsletters and also gets the idea for further action. But then its not that only online advertiser have this facility but then advertisers who don't work online can use coupons, discount vouchers, etc. to do this.

Analysis tool - there is an analysis tool available on internet by using which the advertiser will know how many customers are visiting the site, who are shopping online, how many pages are viewed, etc. which in turn will help advertiser to measure the effectiveness.



The Advertising Plan

As pointed out earlier, advertising plan and decision making focus on three crucial areas; objectives and target selection, message strategy and tactics, and media strategy and tactics. Let us elaborate on these points:

1. Objectives and Target Selection

Objectives in advertising can be understood in many ways. An important part of the objective is the development of a precise, disciplined description of the target audience. It is often tempting to direct advertising at a broad audience; but everyone is a potential customer. It is best to consider directing the advertising to more selected groups to develop stimulating copy. It is quite possible to develop several campaigns, each directed at different segments of the market, or to develop one campaign based on multiple objectives.

2. Message Strategy and Tactics

Messages strategy must decide what the advertising is meant to communicate – by way of benefits, feelings, brand personality, or action content. Once the content of the campaign has been decided, decisions must be made on the best-most effective-ways of communicating that content. The decisions, such as the choice of a spokesperson, the use of humor or fear or other tones, and the selection of particular copy, visuals, and layout, are what we call “message tactics”

3. Media Strategy and Tactics

Message strategy is concerned with decisions about how much is to be allocated to create and test advertising copy, media strategy concerns decisions on how many media rupees to spend on an advertising campaign. Media tactics comprise the decisions on which specific media (television, radio magazines, etc.) or media vehicles (Reader’s Digest, etc.) to spend these dollars.

EXTERNAL FACTORS

The external factors in the planning framework are environmental, social and legal considerations. To a considerable extent, these exist as constraints on the development of an advertising plan and decision making. In developing specific advertisement, there are certain legal constraints that must be considered. Deceptive advertising is forbidden by law. What is deceptive is often difficult, because different people can have different perceptions of the same

advertisements. Thus, an advertiser who attempts to provide specific, relevant information must be well aware of what constitutes deception in a legal and ethical sense and of other aspects of advertising regulation.

Even more difficult consideration for people involved in the advertising effort is broad social and economic issues as stated below.

- Does advertising raise prices or inhibit competition?
- Is the use of sex or fear appeals is appropriate? Women and minority groups are exploited in advertising by casting them in highly stereotyped roles.
- Is it more irritating than entertaining?
- Is an intrusion into an already excessively polluted environment?
- Advertising directed at children.

Media Testing and Test Marketing Procedures

Aggressive growth objectives resulting from new product acquisitions and the expansion of existing business units demand a disciplined approach to test marketing on different brands. Testing affords Management the opportunity to minimize financial risk while assessing the potential of new marketing and media strategies. The evolution we are experiencing today in media places additional pressures on the media professional to design and implement test market plans that accurately replicate the National Theoretical Plan. Although developed primarily to establish a procedure for the uniform translation of national plans, this document also addresses key issues relevant to test marketing theory and execution applicable to the less formal nature of Vitality Tests. At WFofR, we have executed media tests in as few as two markets. Our tests generally lead to expanded media presence in additional markets depending on the client's media and brand objectives. Opportunities New marketing concepts that require test market experience of a national media plan usually involve consideration of:

- New product introduction
- New feature of existing product (includes line extensions)
- Alternative marketing strategy

- Alternative media strategy
- Alternative creative strategy
- Varying advertising weight levels

Only one element should be tested at a time in a given market area to isolate the variable being measured. Additionally, the element tested should represent a significant difference versus the control to insure readability.

Objectives

The only way to determine the success or failure of a test is to establish an objective before it starts. The objective should be compatible with the brand's marketing goals and must be quantifiable.

Typical measures of performance include:

- Dollar sales
- Quantity sales
- Market share
- Distribution
- Purchase frequency
- Advertising awareness

Necessity of a National Plan

Since the primary purpose of a market test is to help determine whether the marketing concept can be expanded profitably on a national basis, the marketing manager would need to know:

1. National costs of the plan to be tested to determine profit objectives.
2. Marketing objectives of the national plan so as to evaluate test market performance.
3. Elements of the national plan to determine a course of action in test market to duplicate these same elements. The development of a national plan is necessary because it:
 - a. Determines the objectives and rational to be tested and evaluated.
 - b. Establishes the national media objectives, which are then translated and tested in-market.
 - c. Places the objective in an overall marketing context.

POSSIBLE QUESTIONS

PART -A (1 mark)

(Online Question)

PART -B (6 Marks)

1. Explain the print media in advertising.
2. Describe the advertising media research.
3. Discuss in detail about the various types of print media.
4. Explain the methods of measuring advertisement effectiveness
5. Describe the allocation of advertisement budget.
6. Explicate in detail on advantages and disadvantages of television media
7. State and explain the steps involved in the development of media plan.
8. Explicate in detail on online advertising.
9. Elucidate in detail on various kinds of Advertising Media.
10. Explain in detail an Importance of measuring the Effectiveness of Advertising.

KARPAGAM ACADEMY OF HIGHER EDUCATION**CLASS: I M.COM & M.COM CA****COURSE NAME: ADVERTISING AND SALES PROMOTION****COURSE CODE: 17CMP205A/17CCP205A****UNIT: III****BATCH-2017-2019****PART A
ONLINE QUESTIONS**

S.No.	QUESTION	OPTION 1	OPTION 2	OPTION 3	OPTION 4	ANSWER
1	Lithography is also known as _____	Typography	Administration	Decision	Phonography	Phonography
2	_____ is used extensively for direct mail advertising	Typography	Administration	Lithography	Phonography	Lithography
3	Typography series runs from _____ point to 72 point size	5	2	3	4	5
4	Typography series runs from 5 point to _____ point size	70	58	62	72	72
5	Every advertisement is the outcome of the contribution of _____	Contributors	Specialists	Advertiser	Artists	Specialists
6	Every advertisement is the _____ of the contribution of specialists	Profit	Overcome	Outcome	Loss	Outcome
7	The role of slogan cannot be _____	Over-estimated	Estimated	Under-estimated	Estimated	Over- estimated
8	A good appeal made by the good _____	Artists	Advertiser	Contributors	Specialists	Advertiser
9	Advertising appeals are related to _____ motives	Producing	Designing	Buying	Motivating	Buying
10	A good appeal evinces _____ of the readers	Interest	Idea	Intention	Less Interest	Interest
11	A layout plan indicates the shape, the size and the _____ of the illustration	Interest	Idea	Intention	Location	Location
12	Campaign planning means.....	Deciding in advance	Deciding after accomplishment	Planning	Directing	Deciding in advance
13	“Planning is deciding in advance what is to be done” defined by.....	M.E.Herely	Phillipkotler	Stanton	Hall	M.E.Herely

KARPAGAM ACADEMY OF HIGHER EDUCATION

CLASS: I M.COM & M.COM CA

COURSE NAME: ADVERTISING AND SALES PROMOTION

COURSE CODE: 17CMP205A/17CCP205A

UNIT: III

BATCH-2017-2019

14	.”Planning is deciding in the present what to do in future” defined by.....	M.E.Hereley	Phillipkotler	Stanton	Hall	Phillipkotler
15	... ..Is the visual plan for arranging the element of an advertising message in printed form.	Advertising copy	Advertising layout	Advertising budget	Advertising planning	Advertising layout
16	.....Is called title of the advertisement.	Slogans	Sub headlines	Illustrations	Head lines	Head lines
17	..... Is called subordinates the main headlines.	Slogans	Sub headlines	Illustrations	Head lines	Sub headlines
18	..... to use the pictures, cartoons etc ... to be understood even by the illiterate.	Slogans	Sub headlines	Illustrations	Head lines	Illustrations
19	..... Short ,simple and colorful world which is used to attract and hold the attraction of the readers.	Slogans	Sub headlines	Illustrations	Head lines	Slogans
20	BPL means.....	Business process layout	Buyer’s procurement leader	Believe in the best	Business people leader	Believe in the best
21	LG means.....	Life’s good	Live good	Live green	Like good	Life’s good
22	..... world’s finest fabrics since 1925.	LG	BPL	Raymond’s	ARC	Raymond’s
23	HCL means.....	Hindustan Company limited	Honda Company limited	Host Corporation limited	Hindustan Corporation limited	Hindustan Company limited
24	Adidas means.....	All day 1 dream about sports	All day 1 decision about success	All day 1 decisions about sports	All day dream about sports	All day 1 dream about sports
25	ITC means.....	Industrial Training	Indian tobacco Corporation	Industrial training centre	Industrial training company	Indian tobacco Corporation

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COURSE CODE: 17CMP205A/17CCP205A

UNIT: III

BATCH-2017-2019

26 is a process concerned with the physical arrangements of all the elements of advertising message for faster& better.	Advertising layout	Advertising copy	Advertising budget	Advertising planning	Advertising layout
27	..... may be defined as the title of the advertisement.	Headline	Subhead line	Slogans	Illustrations	Headline
28	..... is to used to attract and make the attention to the readers	Headline	Subhead line	Slogans	Illustrations	Slogans
29	.....is a word or a design by which a commodity is identified	Trade marks	Brand name	Subhead line	Slogans	Trade marks
30	.....are the identification of the product produced by the producer.	Brand name	Trade marks	Good will	Images	Brand name
31	The world's famous producer HAIER'S slogan is.....	Inspire the next	Achieve success	Reach the mountain	Inspire the people	Inspire the next
32	Sales force management is a specialized type of _____ management	Impersonal	Advertising	Personal	Agency	Personal
33	The personnel turnover rate is analysed _____ to determline the causes	Periodically	Annually	Weekly	Yearly	Periodically
34	The _____ turnover rate is analysed periodically to determine the causes	Impersonal	Advertising	Personal	Agency	Personal
35	Sales force management is a concern of sales _____ at all organizational levels	Periodically	Annually	Weekly	Executives	Executives
36	_____ management is a concern of sales executives at all organizational levels	Advertising	Sales force	Personal	Agency	Sales force
37	Sales force management is a concern of sales executives at all _____ levels	Organizational	Institution	Company	Manager	Organizational

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COURSE CODE: 17CMP205A/17CCP205A

UNIT: III

BATCH-2017-2019

38	Recruitment source evaluation is analyzed Quantitatively and _____	Forcelly	Friendly	Qualitatively	Value	Qualitatively
39	Recruitment source evaluation is analyzed Qualitatively and _____	Forcelly	Friendly	Harshly	Quantitatively	Quantitatively
40	Sources within the firm is _____	Internal	Estimated	External	Personal	Internal
41	Sources outside the firm is _____	Internal	Estimated	External	Personal	External
42	Many companies provide specialized _____ for interviewing	Meeting	Training	Exercise	Experiment	Training
43	_____ interview is one of the kind of informal interview	internal	estimated	external	patterned	patterned
44	The promotion tool that may include coupons, contests, premiums, and other means of attracting consumer attention is best described as being which of the following?	Advertising	Personal selling	Public relations	Sales promotion	Sales promotion
45	_____ is well suited to highly targeted marketing efforts and to building one-to-one customer relationships.	Advertising	Public relations	Sales promotion	Direct marketing	Direct marketing
46	A _____ is a promotion strategy that calls for using the sales force and trade promotion to move the product through channels.	Push strategy	Pull strategy	Blocking strategy	Integrated strategy	Push strategy
47	Modern sales manager practice the principles of -----management	Internal	Estimated	Scientific	Patterned	Scientific
48	The salse manager must ensure the -----of the plan	Exceution	Termination	Exercise	Nominal	Exceution
49	The salses manager must set up	Internal	Estimated	External	Objectives	Objectives

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COURSE CODE: 17CMP205A/17CCP205A

UNIT: III

BATCH-2017-2019

	appropriate -----					
50	Sales management is both ----- and profession	Science	Job	Analysis	Object	Science
51	It is the salesmans duty to ----- daily tasks	Divert	Allocate	Change	Avoid	Allocate
52	The salesman must provide ----- to the staff under him	Meeting	Training	Effective leadership	Harshly	Effective leadership
53	The cotrol of salesman may be effected through -----	Impersonal	Advertising	Personal	Correspondence	Correspondence
54	The most logical budget setting method is found in	Affordable method	Percentage-of-sales method	Competitive-parity method	Objective-and-task method	Objective-and-task method
55	All of the following are commonly recognized promotion budget formats except	The affordable method	The LIFO method	The percentage-of-sales method	The objective-and-task method.	The LIFO method
56	A _____ is a promotion strategy that calls for spending a lot on advertising and consumer promotion to build up consumer demand. If the strategy is successful, consumer demand will move the product through the channel.	Push strategy	Pull strategy	Blocking strategy	Integrated strategy	Pull strategy
57	Which of the following strategies is usually followed by B2C companies with respect to promotion strategy?	Push strategy	Pull strategy	Blocking strategy	Integrated strategy	Pull strategy
58	Which of the following strategies is usually followed by B2B companies with respect to promotion strategy?	Push strategy	Pull strategy	Blocking strategy	Integrated strategy	Push strategy
59	Communication activities which provide incentives to customer is	Sales promotion	Advertising	Personal selling	Publicity	Sales promotion

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UNIT: III

BATCH-2017-2019

	known as _____					
60	Selection involves the number of ----- ---- required	Sales man	Purchaser	Buyer	Consumer	Sales man

Unit –IV

Syllabus

Sales Promotions - Scope - Functions and Importance - Sales Promotional Methods - Fundamental of Successful Selling - Retail Marketing

Sales Promotion

Sales promotion is one of the most loosely used terms in the marketing vocabulary. We define sales promotion as demand. Stimulating devices designed to supplement advertising and facilitate personal selling. In other words, sales promotion signifies all those activities that supplement, co-ordinate and make the efforts of personal selling and advertising more effective. It is non recurrent in nature which means it can't be used continuously.

Concept of Sales Promotion

Sales promotion consists of diverse collection of incentive tools, mostly short-term designed to stimulate quicker and / or greater purchase of a particular product by consumers or the trade. Where as advertising offers a reason to buy, sales promotion offers an incentive to buy. Sales promotion includes tools for consumer promotion (for example samples, coupons, prizes, cash refund, warranties, demonstrations, contest); trade promotion (for example buying allowances, free goods, merchandise allowances, co-operative advertising, advertising and display allowances, dealer sales contests); and sales-force promotion (for example bonuses, contests, sales rallies).

Sales promotion efforts are directed at final consumers and designed to motivate, persuade and remind them of the goods and receives that are offered. Sales persons adopt several techniques for sales promotion. Creative sales promotion can be very effective. It is the marketing manager's responsibility to specify promotion objectives and policies.

Definitions of Sales Promotion

According to American Marketing Association “ Those marketing activities other than personal selling advertising and publicity that stimulate consumer purchasing and dealer effectiveness such as display shows and exhibitions, demonstrations and various non-recurrent selling efforts not in the ordinary routine.”

W.J. Stanton defines sales promotion as all those activities other than advertising, personal selling, public relations and publicity that are intended to stimulate customer demand and improve the marketing performance of sellers.

Purpose of sales Promotion

Sales promotion tools vary in their specific objectives. A free sample stimulates consumer trial, while a free management advisory service cements a long-term relationship with a retailer.

From the marketer’s perspective, sales promotion serves three essential roles it informs, persuades and reminds prospective and current customers and other selected audiences about a company and its products. The relative importance of those roles varies according to the circumstances faced by a firm.

The most useful product or brand will be a failure if no one knows it is available! Because distribution channels are often long, a product may pass through many hands between a producer and consumers. Therefore, a producer must inform middlemen as well as the ultimate consumers or business users about the product. Wholesalers, in turn must inform retailers and retailers must inform consumers. As the number of potential customers grows and the geographic dimensions of a market expand, the problems and costs of informing the market increase. Another purpose of sales promotion is persuasion. The intense competition among different industries, puts tremendous pressure on the promotional programmes of sellers. In India, even a product designed to satisfy a basic physiological need requires strong persuasive promotion, because consumers have many alternatives to choose from. In the case of luxury product, for which sales depend on the ability to convince consumers that the products benefits exceed those of other luxuries, persuasion is even more important.

Consumers also must be reminded about a product's availability and its potential to satisfy. sellers bombard the market place units hundreds of messages every day in the hope of attracting new consumers and establishing markets for new products. Given the intense competition for consumers' attention, even an established firm must constantly remind people about its brand to retain a place in their minds. Much of a firm's sales promotion may be intended simply to offset competitors marketing activity by keeping its brand in front of the market.

Objectives of Sales Promotion

The basic objectives of sales promotion are:

i) To introduce new products

To induce buyers to purchase a new product, free samples may be distributed or money and merchandise allowance may be offered to business to stock and sell the product.

ii) To attract new customers

New customers may be attracted through issue of free samples, premiums, contests and similar devices.

iii) To induce present customers to buy more

Present customers may be induced to buy more by knowing more about a product, its ingredients and uses.

iv) To help firm remain competitive

Sales promotions may be undertaken to meet competition from a firm.

v) To increase sales in off season

Buyers may be encouraged to use the product in off seasons by showing them the variety of uses of the product.

vi) To increase the inventories of business buyers

Retailers may be induced to keep in stock more units of a product so that more sales can be effected.

Rationale of sales promotion

Rationale of sales promotion may be analysed under the following points.

Short-term results

Sales promotion such as coupons and trade allowances produce quicker, more measurable sales results. However critics of this strategy argue that these immediate benefits come at the expense of building brand equity. They believe that an over emphasize on sales promotion may under mine a brand's future.

Competitive Pressure

If competitors offer buyers price reductions, contest or other incentives, a firm may feel forced to retaliate with its own sales promotions.

Buyers' expectations

Once they are offered purchase incentives, consumers and channel members get used to them and soon begin expecting them.

Low quality of retail selling

Many retailers use inadequately trained sales clerks or have switched to self service. For these outlets, sales promotion devices such as product displays and samples often are the only effective promotional tools available at the point of purchase.

Types of Sales Promotion

In using sales promotion, a company must fulfill the objectives of the organization. Sales promotion objectives are derived from broader promotion objectives, which are derived from more basic marketing objectives developed for the product. The specific objectives set for sales promotion will vary with the type of target market.

For consumers, objectives include encouraging purchase of larger-size units, building trial among non users and attracting switches away from competitors' brands. For retailers objectives include inducing retailers to carry new items and higher levels of inventory, encouraging off-season buying, encouraging, stocking of related items, off setting competitive promotions, building brand loyalty of retailers and gaining entry into new retail outlets. For sales force, objectives include encouraging support of a new product or model, encouraging more prospecting and stimulating off-season sales.

Many sales promotion tools are available to accomplish these objectives at the consumer level, and at the middle men level. For the purpose of convenience, the types of sales promotion methods may be grouped under three categories:

1. Types of sales promotion directed at consumers.
2. Types of sales promotion directed at dealers and distributors.

Consumer Promotion Tools

The main consumer promotion tools include samples, coupons, cash refund offers, price packs, premiums, prizes, patronage rewards, free trials, product warranties, tie-ins, and point of purchase displays and demonstrations.

Samples

Samples are offers of a free amount or trial of a product to consumers. The sample might be delivered door to door sent in the mail, picked up in a store, found attached to another product or featured in an advertising offer. Sampling is the most effective and most expensive way to introduce a new product.

Coupons

Coupons are certificates entitling the bearer to a stated saving on the purchase of a specific product. Coupons can be mailed, enclosed in or on other products or inserted in magazine and newspaper advertisements. Coupons can be effective in stimulating sales of a mature brand and inducing early trial of a new brand.

Cash Refund Offers or Rebates

These are like coupons except that the price reduction occurs after the purchase rather than at the retail shop. The consumer sends a specified “proof of purchase” to the manufacturer, who in turn „refunds” part of the purchase price by mail. Cash refunds have been used for major products such as automobiles as well as for packaged goods.

Price Packs

These are offers to consumers of savings off the regular price of a product, flagged on the label or package. They may take the form of a reduced-price pack which is single packages sold at a reduced price (such as two for the price of one) or a banded pack, which is two related products banded together (such as a tooth brush and tooth paste). Price packs are very effective in stimulating short term sales, even more than coupons.

Premiums or Gifts

These are merchandise offered at a relatively low cost or free as an incentive to purchase a particular product. Sometimes the package itself, is a reusable container may serve as a premium. A self-liquidating premium is an item sold below its normal retail price to consumers who request it.

Prizes

These are offers of the chance to win cash, trips or merchandise as a result of purchasing something. Pepsi-cola offered the chance to win cash by matching

numbers under the bottle cap with numbers announced on television. Sometimes the prize is a person, offering the winner either cash or dinner with actor Sharuk Khan.

Patronage Awards

These are values in cash or in other forms that are proportional to one's patronage of a certain vendor or group of vendors. Most airlines offer "frequent flyer plans" providing points for miles traveled that can be turned in for free airline trips. Cooperatives pay their members dividends according to their annual patronage. Le Meridian adopted an "honoured guest" plan that awards points for users of their hotels.

Free Trials

Free trials consist of inviting prospective purchasers to try the product without cost in the hope that they will buy the product. Thus, often we see, auto dealers encourage free test drives to stimulate purchase interest.

Product Warranties

These are an important tool, especially as consumers become more quality sensitive. When My TVS offered a two year car warranty, substantially longer than other competitors' customers took notice. They inferred that My TVS quality must be good or else the company would be in deep trouble. Companies must carefully estimate the sales-generating value against the potential costs of any proposed warranty programme.

Tie-in Promotions

These are becoming increasingly popular. In a tie in promotion two or more brands or companies team up on coupons, refunds and contests to increase their pulling power. Companies pool funds with the hope of broader exposure, while several sales forces push these promotions to retailers, giving them a better shot at extra display and ad space.

Point-of-Purchase Displays

These take place at the point of purchase or sale. Display of visible mark or product at the entrance of the store is an example. Unfortunately many retailers do not like to handle the hundreds of displays, signs and posters they receive from manufacturers. Hindustan Lever often use this tool to promote its products in the retail market.

Product Demonstrations

Products are being shown in action. Consumers can visit the store and see the usage of product in live action so that doubts of the consumers can be clarified in the store itself. When a new product is introduced in the market, the sales promotional tool is often used. For example ultra modern grinder mixie being used by the company to demonstrate its speciality than the other product.

Trade Promotion Tools

More sales promotion rupees are directed to the trade than to consumers. Manufacturers seek the following objectives in awarding money to the trade:

- i. Trade promotion can persuade the retailer or wholesaler to carry the brand.
- ii. Trade promotion can persuade the retailer or wholesaler to carry more than it normally carries.
- iii. Trade promotion can induce the retailers to promote the brand through featuring, display, and price reduction.
- iv. Trade promotion can stimulate retailers and their sales clerks to push the product.

Manufacturers use several promotion tools. Some of which are mentioned below:

Price – Off

Manufacturers may offer a price – off, which is straight discount off the list price on each case purchased during a stated period of time. The offer encourages dealers to

buy a quantity or carry a new item that they might not ordinarily buy. The dealers can use the buying allowance for immediate profit or price reductions.

Allowance

Manufacturers may offer an allowance in return for the retailer's agreeing to feature the manufacturer's products in some way. An advertising allowance compensates retailers for advertising the manufacturer's product. A display allowance compensates them for carrying a special display of the product.

Free Goods

Manufacturers may offer free goods, which are extra cases of merchandise to middlemen who buy a certain quantity of items.

Push Money

Manufacturers may offer push money which is cash or gifts to dealers or their sales force to push the manufacturer's goods.

Speciality Advertising Items

Manufacturers may offer free specialty advertising items to the retailers that carry the company's name such as pens, pencil, calendars, paper weights, and memo pads.

Sales Promotions is one of the important elements of the marketing promotion mix or the integrated marketing communication. In this age of intense competition, where the bottom line is quick sales, marketers are beginning to rely more and more on short term tactics to win the battle for consumer's minds and wallets. Short term tactics to accelerate sales come under the category of sales promotions.

A formal and comprehensive definition of Sales Promotions is one given by the American Marketing Association-
namely that sales promotions consists of "those marketing activities other than

the personal selling, advertising, direct marketing and public relations, that stimulate consumer purchasing and dealer effectiveness". Clearly, sales promotions are a marketing activity or tool used for the purpose of generating sales, by targeting either the final consumer or the trade. The difference is that sales promotions have specific and sole purpose of directly trying to generate quick sales. Sales Promotions and advertising are both part of the marketing communication mix.

METHODS OF SALES PROMOTIONS

There are four methods involved in sales promotions

1. Consumer sales promotions
2. Trade sales promotions
3. Business to business promotions
4. Sales persons promotions

CONSUMER SALES PROMOTIONS (CSP)

In the previous section, we defined sales promotion as "those marketing activities other than selling, advertising and publicity, that stimulate consumer purchasing and dealer effectiveness". In this section we are going to discuss promotional activities aimed at the final consumer. These activities rely on what is known as a "pull strategy"- that is they depend on the consumer to literally pull the product through the distribution channels. Before looking at the tools and techniques of (CSP) let us look at some of its specific goals:

- a) Encourage trial: Most new products fail because too few people try the product or because trial does not lead to repeat purchase. Especially when the concept is new, most people are hesitant to take risks. Sales promotion directed at the consumer offers a reason for trying the new offering.

b) Encourage brand loyalty: It is not enough to persuade consumers to try your product. The real challenge lies in getting them to stay with your

brand. As we saw with the subscription wars competitors are always ready to come up with counter offers to woo away your customers.

c) Increase product usage: (CSP) could also aim to persuade customers to buy a product in larger quantities.

d) Encourage consumption of other products in your line: when marketer's product portfolio consists of several related products, (CSP) may aim to create demand for more than one product.

e) Reinforce advertising efforts: (CSP) could help to emphasize product benefits highlighted in the advertising.

Once you have decided what you want the (CSP) to achieve, a technique has to be chosen. A single technique, or a combination of techniques may be used. The various tools/techniques involved in the (CSP) are:

Sampling:

This consists in offering a small quantity of the product free, or at a very low cost, in order to encourage trial. It is most commonly used by large firms which produce packaged foods, health and beauty items. Hindustan Lever's and P&G samples for their detergent brands. Samples may be distributed door-to-door, through the mail, with magazines and newspapers in the store, or anywhere where your audience is likely to be. A sample can stimulate a higher rate of trial than any other promotional efforts. Sampling is however a costly way of introducing or encouraging trial of a new product. Sampling will only be successful only if trial translates into repurchase.

Couponsing:

A coupon is a certificate good for a specific price reduction, on a particular product, for a specific time period. It is a medium by which the manufacturer offers a consumer a price deal. If redeemed at a retail store, the coupon is used by the retailer and the wholesaler to gain reimbursement from the manufacturer. Coupons are most commonly used by manufacturers of packaged foods. Coupons can help a new product to be launched, build market share.

Money-back offer:

In this case the marketer offers to return a certain amount of money to the consumer if he is not satisfied with the product. This may take the form of a full or partial refund, after the product is returned. Money-back offers help to reduce the risk involved in trying new products. They also help to reward existing customers, encourage multiple purchases, and persuade consumers to buy now rather than later. The disadvantage with this technique is that refunds are not available on the spot. Consumers are normally reluctant to go through the process of filling out refund forms, sending them in and waiting for cash back.

Price incentives:

This is the use of a short term reduction in price to stimulate demand for an established product whose sales is declining. Such price incentives may take the form of price promotions or price packs. A price promotion is a short term reduction that is available to everyone who buys the product during the promotional period.

While some price promotions decrease the selling price by a specific amount (Rs 100 or Rs 500 off, depending on the product), others reduce it by a certain percentage (20% or 50% off). Price packs are generally more effective than price promotions. A price pack normally includes something extra with the regular product package. One type of price pack is the

“bonus pack” which offers more of the product at the regular price. A second type of price pack is the “banded pack”. Here two or more units of a product are sold together at a lower price than if purchased separately. The “buy one get one free” offers are examples of banded packs.

Premiums:

A premium is the offer of some type of merchandise or service either free or at a greatly reduced price to induce purchase of another product or service. The specific purpose of a premium is to induce present consumers to increase their use of brands or to purchase it in larger sized packets. It can also help to switch consumers from their present brand to that of the promoters brand in order to gain trial use, with hopes of repurchase. Premiums may be distributed in a no of ways:

By enclosing it in a product package known as a “in-pack” premium.

By attaching it onto the package known as a “on pack” premium.

By giving it away at the point of purchase, known as a “shop or store” premium.

By offering it as a container holding a product, called a “container” premium.

By distributing it through mail in return for proof of purchase known as a “mail premium”.

Premiums may be classified In terms of whether they are offered free or at a reduced price. Premiums offered at reduced price are known as “ self liquidating” premiums. The purpose of such a premium is to cover the manufacturers out of pocket costs. Premiums are also an expensive technique and unless tremendous volumes are generated no company can afford to do this.

Contests and sweepstakes: A contest is a promotion based purely on the participants skills and abilities. It requires that the participants apply a skill in

creating an idea, a concept or an end product contests are usually based on coining a name or a slogan for a new or existing product or answer a question related to a product. A sweepstake on the other hand is purely based on chance. Each participant has an equal chance of winning a prize from an extensive and expensive list of rewards lucky draws and lottery's are examples of this. Both contests and sweepstakes are powerful sales promotions devices as they have the ability to involve the customer and build excitement around the product. The disadvantage with these techniques is that it is difficult to test them in a limited market before using them on a national basis.

Frequency programmes: As the name suggests the purpose of such a promotion is to increase frequency of purchase. This is usually an on-going promotion used commonly by service industries. The "frequent flyer" programme offered by the airlines is the best example of this. The advantage of such a programme is that they build a long term brand loyalty with the customer.

Point of purchase displays: Attractive displays of a product can trigger purchases even if the purchase was not originally planned. Point of purchase display materials such as special merchandise racks, banners and danglers etc. can be used to effect, to encourage consumers to try new products, switch brands or make unplanned purchases.

Joint sales promotion: Consumer sales promotions need not always be for a single advertiser's product. Often two or more marketers join together and offer a combined promotion. The biggest advantage with this type of promotion is that the sharing of work loads and expenses. The disadvantage is that the loss of control over creative, media and budget elements.

TRADE SALES PROMOTIONS (TSP)

CSP contributes only partially to the success of a product. Much also depends on the willingness of wholesalers and retailers to carry and sell the product. This is particularly important today when power has shifted from the marketer to the retailer. A few years ago, companies with huge advertising budgets and extensive distribution networks could use their marketing muscle to move products onto retail shelves. Today retailers command terms and demand incentives from the manufacturer for giving preference to his products. Some specific objectives of TSPS are:

- Encourage stock of new products.
- Raise or lower inventory levels of an existing product.
- Provide an incentive to sell a product.
- Encourage more prominent and attractive display of a product. Offer support and training for distributors and the sales force. Strengthen relations with the trade.
- Either one or a combination of tools/techniques may be used to achieve the above goals:

Trade deals: This is a short term arrangement whereby the wholesaler and the retailer agrees to give a manufacturers product a special promotional effort. The deal could take the form of product discounts, cash payments or additional discounts offered by the manufacturer.

Buying allowance: this could take the form of cash payment, a product discount or additional goods offered to a distributor to encourage him to carry a new item that he may not ordinarily buy or to encourage purchase of a certain quantity of an existing product during a certain period. It is a push strategy.

Display allowance: this is a cash payment given in a form of a fee or a discount in exchange of a desirable shelf, location or space for a point of purchase display. It is generally given to support an established product.

Slotting allowance: this is a technique generally used to promote new products. It also involves a cash payment or a fee given to the retailer in exchange for a slot or position on a shop shelf.

Sales support: both dealers and the sales force need to be equipped with some basic selling tools in order to push the product. Sales support could take the form of training programmes, seminars, product demonstrations and distribution of materials such as brochures, videotapes and slides that show detailed product information. Prepared by the advertiser for dealer or salespersons use these materials could be presented to prospects during sales calls at (POP) or at trade shows.

Yellow pages advertising: this form of advertising is much more common in the U.S. Than in India. An ad in the yellow pages of a directory creates awareness regarding availability of your product. Once a prospect has seen an ad or a commercial for your product he tends to check the yellow pages to see where he can buy it.

Specialty advertising: This way of advertising in non-traditional media. Pens, calendars, diaries are all examples of specialty advertising. In contrast to premiums which are given only when purchasing a product, specialty items are offered free of charge without having to purchase something. Their purpose is to create goodwill.

BUSINESS TO BUSINESS (B2B)

Business to business is also an important method of sales promotions. But they are used for industrial products and not much for consumer products. Therefore their sales promotions techniques may also differ from that of consumer

products. For example a company needs spare parts as a major input or raw material then it will have an auction where different suppliers will come and the supplier that bids the lowest price will be chosen. Now suppose the company wants 1,00,000 spare parts then it will go for economies of scale and try and purchase say about 80,000 spare parts from that particular supplier with some sort of concession.

SALES PERSON'S PROMOTIONS

The following promotion aids are used for sales force promotions:

a) Sales meetings: producers often organize annual meetings for the sales force for giving them necessary information about any new product to be introduced, new sales plans and techniques and the new sales programme of the producers.

b) Contest: sales contest for the salesman are organized from time to time by the producers. They are awarded with cash prizes and other benefits on the basis of highest sales, minimizing field expenses etc.

c) Sales literature and letters: salesmen are provided with various printed literatures, such as sales manuals, folders, price lists, designs and directories of customers etc. it is extremely helpful to them in their contacts with customers.

d) Product demonstration kits and visual sales aids: salesmen are often provided with sales kits, containing the models of industrial and technical products

Methods Or Tools Of Sales Promotion

The Short-term methods to be used by any business firm to increase sales volume are called means or tools of sales promotion. Such short-term methods or tools are directed towards consumers, middlemen and even to the sellers appointed by the

producers. So, the methods of sales promotion can be divided in three groups as consumer, promotion, middlemen/trade promotion and sales-force promotion.

1. Consumers promotion

Sales promotion means are directed to make the current consumers increase the use of products and attract new consumers. Along with this, consumer-oriented sales promotion methods are also used to offset competitors' sales promotion strategies or to minimize the decline of sales volume at the time. Free samples, coupon, price-off promotion, premium, consumer contests and demonstration are the consumer-oriented promotion methods.

2. Middlemen/Trade promotion

Only encouraging consumers or customers to buy products is not enough for the producers or sellers, they should also encourage middlemen. They should encourage **wholesalers, retailers, dealers**, distributors, etc. to buy products in large quantity. The method to stimulate middlemen is called trade promotion. Dealers, distributors, or other middlemen can be encouraged to buy and keep more inventory of goods. Middlemen can be attracted through different methods or tools such as cash discount, price-off promotion, contests, gift, display and **advertising** allowance etc. Besides these methods, the producers may increase sales volume by organizing time-to-time training and workshops, giving instruction and advices to the middlemen.

3. Sales-force promotion

Manufacturers appoint **salespersons** to sell or distribute their products. Such salesman are sales-force. Sales volume can also be increased through effective mobilization and encouragement to the sales-force. Different methods like bonus, sales-force contest and sales meetings can be applied as sales-force promotion. In this way, the methods used in sales promotion can be divided in three classes. Any one or more methods can be used according to the promotional objectives of the business firm, target market for promotion, nature of products, methods of promotion and its cost, current financial position et

Objectives and Functions Of Promotion

Promotion has its own importance in marketing. Promotion function has crucial role in informing customers about firm's products and motivate them to buy. So, main functions and objectives of promotion can be mentioned as follows:

1. Informing

The first objective and function of promotion is to make flow of information about goods and services. **Different channels** are used to supply products to the final consumers from producers. So, producers should give information about their goods or services to middlemen, final consumers and industrial users. Similarly, wholesalers should communicate the information to retailers and retailers to final consumers. It is usual that the problems of market **communication** go on increasing due to increase in the prospective customers and geographical diversity of market expansion. Even a very useful product cannot get success in market if nobody gets any information about it. So, giving information about the product to prospective consumers is one of the important objectives and functions of promotion.

2. Persuading

The other important function of promotion is persuading. Persuading is to motivate customers to buy products. It becomes essential for producers or sellers to make persuasion program under promotion due to intense competition among different industries producing similar **types of products**. Only information about goods or services can do nothing. The sellers should give information about the benefits, quality, utility, price etc. of products to make consumers confident that their needs will be satisfied with the goods or services. The sellers should have such ability. For this, persuasion is very important.

3. Reminding

The consumers should be reminded time to time of the availability, satisfaction, utility, benefits etc. of products. Many producers or sellers disseminate thousands of messages and information about their products to attract new customers, expand and establish markets of their **new products**. So, even the manufacturing firms already holding markets should remind customers of their products. Because of cut-throat competition in production and marketing, every firm should always conduct promotional programs to remind the customers of their products and exist in markets.

4. Reassuring

After buying a product, the customers may not be confident in their buying decision. They may feel whether they took right or wrong decision to buy a certain product. So, promotion plays an important role to make them confident about the quality, utility and benefits of the goods they have bought. This makes them free from worry about the brand of the product, increases brand loyalty in them and improves image of the firm. This is called reassuring. In this way, giving information and messages about firm's products to the customers, stimulate and persuade them to buy, remind and reassure them are the main functions of promotion.

The Rules of Selling

Here are eight basic rules that can help you find success in sales.

Fill the pipeline. Many people experience tremendous peaks and valleys in their sales because they do not consistently prospect for new business. This frequently occurs when a sales person is busy. They neglect to prospect because it is the least enjoyable aspect of their job but when the sales drop or business with their current clients ends, they scramble to generate new business. Invest time filling your pipeline on a regular basis and you will seldom have to worry about reaching your targets.

Ask high-quality questions. I have written about this before but the vast majority of sales people (even seasoned pros) fail to ask their prospects and customers high-quality questions. This can happen because they have never been taught to ask questions or because they think that they do it. Unfortunately, failing to ask high-quality questions early in the sales process means they often mis-pitch their product, service or solution which causes the prospect to voice more objections. And once you ask a question, be quiet, wait for an answer. Too many sales people give their prospects answers to the questions or continue talking after the question has been asked.

Listen. I believe that the best salespeople are the best listeners. If you invest time asking great questions it is critical to listen to what the other person tells you. Many things can get in your way and prevent you from accurately hearing what has been said. Try this; at the end of a sales meeting, summarize your understanding of the conversation in your own words and check the accuracy of this summary with your prospect.

Focus your presentation. Make your presentation all about the customer. It's not about you, your company or your product. Virtually every sales presentation I have been subjected started with the sales person talking about their company; reciting stats about how long they have been in business, who they have as clients, etc. Adapting the presentation to meet the specific needs of each individual customer is what the top sales people do. Regardless of what your marketing department thinks people seldom care about your company. They want to know what problem your solution will solve. Avoid using unnecessary jargon or terminology. The simpler your presentation, the easier it is to understand.

Trust is essential. If people don't trust you chances are they won't buy from you. This is more challenging than it sounds because your prospects are inundated with calls and emails from other people all trying to sell them something. And, because of the less-than-honest experiences decision-makers have encountered, they are more reluctant to trust someone they don't know. That means you need to demonstrate

exactly why a prospect should trust you. You can't tell them; you must show them. You can do this by acting in a professional manner, treating the people at your prospect's company with respect and dignity, and respecting the time of your prospect.

Show value. The best way to demonstrate value is to show exactly how your solution will benefit your prospect. Contrary to popular belief this does not mean talking at great length about it or telling your prospect everything there is to know about your product or service. Showing value means discussing the aspects of your solution that are most relevant to each customer or prospect, in terms that are easy to understand.

Do what you say you will do when you said you would do it. Sounds simple, huh? Personal experience has taught me that sales people frequently say they will do something then fail to follow through on their commitment. This lack of attention to detail demonstrates a lack of respect and quickly leads to a loss of trust.

Know when to let go. I often talk to sales people who continue following a lead even when it is clear that a sale will not happen. This usually happens when their pipeline is not active with prospects. If you have done everything you can to move the sales process forward but it has ground to a halt you must consider whether it is the best use of your time to keep trying to make it happen. More often than not, it is not worth the time and effort. You have a finite amount of time in a day or week which means you need to focus your attention on leads and prospects who are interested in your product, service or solution

Retail Marketing: Meaning and Types of Major Retail Outlets

Retail marketing comprises the activities related to selling products to the consumers through channels such as stores, malls, kiosks, vending machines, or other fixed locations. In contrast, direct marketing to consumers attempts to complete a sale through phone, mail, or web site sales.

Retailing occupies a key role in the world of economy. Retailing involves all the activities incidental to selling to ultimate consumers for their personal, family, and

household use. It does this by organizing their availability on a relatively large scale and supplying them to the customers on a relatively small scale.

A retailer is any person/organization instrumental in reaching the goods, or merchandise, or services to the end users. A retailer is a must and cannot be eliminated. Retail marketing comprises the activities related to selling products to the consumers through channels such as stores, malls, kiosks, vending machines, or other fixed locations. In contrast, direct marketing to consumers attempts to complete a sale through phone, mail, or web site sales.



Definition of Retail Marketing

Retail is the sale of goods and services from businesses to an end user (called a customer). Retail marketing is the process by which retailers promote awareness and interest of their goods and services in an effort to generate sales from their consumers. There are many different approaches and strategies retailers can use to market their goods and services (see below).

Retail Marketing Mix: The Four Ps of Retail Marketing

Retailers use various advertising and communication tools to grow awareness and considerations with future customers. Finding the right marketing mix can lead to a profitable growth and a higher return on investment. By considering the right advertising strategy retailers can persuade consumers to choose to do business with their retail brand. The fundamental approach used by modern retailers in marketing their products is the Four Ps of Retail Marketing.

Product: There are two primary types of merchandise. Hard or durable goods like appliances, electronics, and sporting equipment. And soft goods like clothing, household items, cosmetics, and paper products. Some retailers carry a range of hard and soft items like a supermarket or a major retail chain while many smaller retailers only carry one category of goods, like a boutique clothing store.

Price: Pricing is a key element to any retail strategy. The retail price needs to cover the cost of goods as well as additional overhead costs. There are four primary pricing strategies used by retailers:

1. **Everyday low pricing:** The retailer operates in thin margins and attracts customers interested in the lowest possible price. This strategy is used by big box retailers like Wal-Mart and Target.
2. **High/low pricing:** The retailer starts with a high price and later reduces the price when the item's popularity fades. This strategy is mainly used by small to mid-sized retailers.
3. **Competitive pricing:** The retailer bases the price on what their competition is charging. This strategy is often used after the retailer has exhausted the higher pricing strategy (high/low pricing).
4. **Psychological pricing:** The retailer sets the price of items with odd numbers that consumers perceive as being lower than they actually are. For example, a list price of

\$1.95 is associated with spending \$1 rather than \$2 in the customers mind. This strategy is also called pricing ending or charm pricing.

Place: The place is where the retailer conducts business with its customers. The place can be a physical retail location or a non-physical space like a catalog company or an e-store. While most retailers are small, independently owned operations (over 90%), over 50% of retail sales are generated by major retailers often called “big box retailers” (see the list of the top 20 big box retailers below).

Promotion: Promotion is the final marketing mix elements. Promotions include personal selling, advertising, sales promotion, direct marketing, and publicity. A promotional mix specifies how much attention to pay to each tactic, and how much money to budget for each. A promotion can have a wide range of objectives, including increasing sales, new product acceptance, creation of brand equity, positioning, competitive retaliations, or the creation of a corporate image.

Types of Major Retail Outlets:

Departmental Stores:

A departmental store offers several product lines such as clothing, home furnishing and household goods under one roof. Each line operates as a separate department. For example, Akbarallys.

Speciality Stores:

A specialty store concentrates on a narrow product line or a specialized product line; for example, footwear and jewellery.

Supermarket:

A supermarket provides relatively large low-cost, low-margin, high-volume, self-service operation; for example. Big Bazar.

Convenience Stores:

A convenience store is conveniently located in suburban areas and charges a slightly higher price and provides groceries and non-food items.

Discount Stores:

A discount store offers standard merchandise at low price with low margin and high volume.

Factory Outlets:

A factory outlet is opened and operated by manufacturers, and sells surplus or discounted goods.

Shopping Malls:

Shopping malls are the new format of retail outlets. They provide several products under one roof. They also provide means of entertainment such as mini theatre and food courts.

The Four Ps Revisited: Customer-Oriented Retail Marketing

In recent years, to address the need of taking a more customer-oriented approach to marketing, the 4 Ps of Retail Marketing have been revised and replaced by the 4 Cs: Consumer, Cost, Communication, and Convenience.

Consumer (versus Product): Instead of focusing on the product the retailer wants to sell, a smart retailer studies the wants and needs of its consumers before going to market. The more clearly a retailer understands the wants and needs of its customer base, the greater chance it will have of attracting customers and increasing sales.

Cost (versus Price): In retail a cost is the value of money that has been used up to produce something. Factors that influence cost include the customer's cost to change to a new product and the customer's cost for not selecting a competitor's product.

Convenience (versus Place): The Internet has made Place less of a factor in consumer purchasing decisions. Convenience addresses the ease of completing a transaction including the ease of finding information about a product, finding the right product, and purchasing a product.

Communication (versus Promotion): Communications including a range of efforts including advertising, public relations, grassroots efforts, social media, and any other form of communication between the company and the consumer.

POSSIBLE QUESTIONS

PART –A (1 mark)

(Online Question)

PART –B (6 Marks)

1. Explicate in detail on various methods of sales promotion.
2. Elucidate the major types of retail marketing.
3. Discuss in detail on functions of sales promotion
4. Explain in detail the stages involved in implementing a sales promotion strategy.
5. Discuss in detail on the objectives of sales promotion.
6. Explain in detail the stages involved in implementing a sales promotion strategy.
7. Describe the functions of sales promotions.
8. Define retail marketing. Explain the 4 p's of retail marketing.
9. What are the various types of sales promotion? Explain.
10. Discuss the functions of sales promotion.

KARPAGAM ACADEMY OF HIGHER EDUCATION

CLASS: I M.COM & M.COM CA

COURSE NAME: ADVERTISING AND SALES PROMOTION

COURSE CODE: 17CMP205A/17CCP205A

UNIT: IV

BATCH-2017-2019

PART A ONLINE QUESTIONS

S.No.	QUESTION	OPTION 1	OPTION 2	OPTION 3	OPTION 4	ANSWER
1	One of the important sources of recruitment	Execution	Termination	Company's advertisement in news paper	Company	Company's advertisement in news paper
2	Internally from members of the existing staff-----	Purchaser	Clerks	Buyer	Consumer	Clerks
3	One of the types of training-----	Coaching in the field	Execution	Termination	Exercise	Coaching in the field
4	Group training is most suitable for the development of-----	Buyer	Consumer	Attitudes	Sales man	Attitudes
5	Telling showing and----- are the three basic methods of group training	Execution	Termination	Exercise	Conferring	Conferring
6	One of the training method is-----	Execution	Termination	Exercise	On-the-job training	On-the-job training
7	Type of report forms is-----	Daily calls	Execution	Termination	Exercise	Daily calls
8	Promotions that are aimed at intermediary in the distribution channel are known as _____	Trade promotions	Sales promotion	Consumer promotion	Sale force promotion	Trade promotions
9	The strategy that encourages dealers and distributors to sell a product is known as _____	Push	Pull	Combination	Marketing	Push

10	Incentives offered to the consumer to buy the product is known as _____	Publicity	Advertisement	Media	Sales promotion	Sales promotion
11	_____ is direct communications with carefully targeted individual consumers to obtain an immediate response.	Personal selling	Public relations	Direct marketing	Sales promotion	Direct marketing
12	Telling ----- and conferring are the three basic methods of group training	Divert	Showing	Hotel routing	Purchaser	Showing
13	Selection involves the ----- required in the sales men	Hotel routing	Purchaser	Qualities	Science	Qualities
14	Selection involves the ----- procedure to be adopted	Selection	Purchaser	Clerks	Buyer	Selection
15	One of the type of training is ----- -	Exceution	Termination	Initial or break-in-training	Correspondence	Initial or break-in-training
16	Conferring, showing and----- are the three basic methods of group training	Exceution	Termination	Exercise	Telling	Telling
17	Changes in money supply and interest rates lead to an era of continuous	Sales Promotion	Promotion	Product	Product mix	Sales Promotion
18	Number of products in each group increasing the _____ benefit	seller	Customer	Purchaser	Outsider	Customer
19	The need to give that entra benefit to link the order leads to _____	Appreciation	Promotion	Product	Product mix	Promotion
20	_____ need some stimulus to buy the product	Purchaser	Outsider	Consumers	Seller	Consumers
21	The dealers and retailers extract benefit to the stock and _____ the product	Pull	NET	NOT NEW	Push	Push

22	The promotional activities _____ be advertised to be of any value in increasing market share	Must not	Must	May	May not	Must
23	The promotional activities should increase _____	Market share	Showing	Satisfaction	Shop	Market share
24	One of the importance of selling is --- -----	Appreciation	Satisfaction	Market share	Showing	Appreciation
25	The personal presentation by the firm's sales force for the purpose of making sales and building customer relationships is called _____	Personal selling	Public relations	Direct marketing	Sales promotion	Personal selling
26	Conferring, showing and----- are the three basic methods of group training	Execution	Termination	Exercise	Telling	Telling
27	What two major communication channels do marketers use to convey their product to consumers _____	Message source and feedback	Word-of-mouth and commercials	Personal and non-personal channels	Print media and events	Personal and non-personal channels
28	Which tool of the promotional mix consists of short-term incentives to encourage the purchase or sale of a product or service?	Advertising	Public relations	Direct marketing	Sales promotion	Sales promotion
29	_____ is direct communications with carefully targeted individual consumers to obtain an immediate response.	Personal selling	Public relations	Direct marketing	Sales promotion	Personal selling
30	Many companies provide specialized _____ for interviewing	Meeting	Training	Exercise	Experiment	Training

31	The personal presentation by the firm's sales force for the purpose of making sales and building customer relationships is called _____	Personal selling.	. Public relations	Direct marketing	Sales promotion	Personal selling.
32	Which of the following major promotional tools use the telephone, mail, fax, e-mail, and the Internet to communicate directly with specific consumers?	Advertising	Public relations	Direct marketing	Sales promotion	Direct marketing
33	Current trends in communications and promotions indicate that companies are doing less _____	Marketing and more promotion	Broadcasting and more narrowcasting	Selling and more advertising	Communication and more manipulation	Broadcasting and more narrowcasting
34	The communications process should start with _____	A basic belief about the communication piece.	An audit of all the potential contacts target customers	An evaluation of the history of advertising used by the firm	Hiring communications experts to handle the communication problems of the firm	An audit of all the potential contacts target customers
35	Which of the following promotional forms is often described as being too impersonal and only a one-way communication form _____	Advertising	Personal selling	Public relations	Sales promotion	Advertising
36	Personal selling is an expensive form of promotion. For example, research shows that personal selling costs companies _____ per sales call	\$170	\$140	\$100	\$75	\$170

37	The promotion tool that may include coupons, contests, premiums, and other means of attracting consumer attention is best described as being which of the following	Advertising	Personal selling	Public relations	Sales promotion	Sales promotion
38	Which of the following promotional tools can reach many prospects who otherwise avoid salespeople and is received as news rather than as a sales-directed communication?	Advertising	Personal selling	Public relations	Sales promotion	Public relations
39	_____ is well suited to highly targeted marketing efforts and to building one-to-one customer relationships	Advertising	Public relations	Sales promotion	Direct marketing	Direct marketing
40	Which type of sales promotion uses free samples, coupons, and rebates	Consumer promotion	Trade promotion	Sales force promotion	Place promotion	Consumer promotion
41	Which of the following consumer-promotion tools is the most effective, but most expensive, way to introduce a new product	Coupons	Price packs	Contests	Samples	Samples
42	The selection procedure consist of a job analysis and-----	Revenge	Unkind	Discussion	Man specification	Man specification
43	_____ are certificates that give buyers a saving when they purchase specified products	Samples	Premiums	Coupons	Patronage rewards	Coupons
44	Manufacturers direct most of their sales promotional dollars toward which of the following groups	Consumers	Retailers and wholesalers	Lobbyists	Publics such as shareholders	Retailers and wholesalers

45	Which promotional tool is most effective in building up buyers' preferences, convictions, and, most importantly, actions_____	Personal selling	Mass-market advertising	Sales promotion	Promotion	Personal selling
46	Store signs, displays, and free sample distribution would be among_____	Those items called advertising	Efforts called personal selling	Examples of sales promotion	Titled public relations	Examples of sales promotion
47	Which of these is not a sales promotion technique_____	Loyalty card	Bonus pack	Coupon	Questionnaire	Questionnaire
48	Sales promotions are primarily used to increase sales levels in the_____	Medium term	Long term	Short term	Purchaser	Long term
49	The credibility of a sales promotion event is usually_____	Low	Of no consequence	Medium	High	High
50	Sales promotion is usually targeted toward either_____	The ultimate consumer or media	Members of the marketing channel or advertising agencies	Direct mail clients or retailers	The ultimate consumer or members of the marketing channel	The ultimate consumer or members of the marketing channel
51	Which of the following would be considered a major element of the promotional mix_____	Marketing research and reporting	Personal selling	Product design	Negotiating a distribution channel	Personal selling
52	One of the type of sales man----- ---	purchaser	buyer	expoters sales man	Consumers	expoters sales man
53	Indoor sales men is otherwise called as -----	Consumers	Retail store salesmen	Purchaser	Buyer	Retail store salesmen
54	Outdoor sales men is otherwise called as -----	Purchaser	Buyer	Consumers	Travelling salesmen	Travelling salesmen
55	Wholesaler is really the ----- between the manufacturer and the	Middleman	Retailer	Wholesaleler	Company	Middleman

	retailer					
56	Wholesaler is really the middleman between the----- and the retailer	Retailer	Wholesaleler	Manufacturer	Purchaser	Manufacturer
57	Wholesaler is really the middleman between the manufacturer and the ---- -----	Wholesaleler	Retailer	Manufacturer	Purchaser	Retailer
58	Speciality goods are generally sold by a----- salesman	Wholesaleler	Retailer	Manufacturer	Travelling	Travelling
59	Travelling sales man generally sold--- -----goods	Speciality goods	Wholesaleler	Retailer	Manufacturer	Speciality goods
60	The word ... refers to all persons who are engaged in the field of selling	Sales man	People	Sales manager	Public	Sales man

Unit – V

Syllabus

Salesmanship - Salesmen Recruitment and Training - Personnel Selling - Skills for Good Salesmanship - Training of Sales Personnel - Motivating and Evaluating Sales Personnel - Sales Records - Rewarding Good Salesmanship

Salesmanship: Definition, Importance, Duties and Types

“The personal selling” and “salesmanship” are often used interchangeably, but there is an important difference. Personal selling is the broader concept. Salesmanship may or may not be an important part of personal selling and it is never ‘all of it. Along with other key marketing elements, such as pricing, advertising, product development and research, marketing channels and physical distribution, the personal selling is a means through which marketing programmes are implemented.

The broad purpose of marketing is to bring a firm’s products into contact with markets and to effect profitable exchanges of products for money. The purpose of personal selling is to bring the right products into contact with the right customers, and make ownership transfer.

Salesmanship is one of the skills used in personal selling, as defined by Stroh, “it is a direct, face-to-face, seller-to-buyer influence which can communicate the facts necessary for marketing a buying decision; or it can utilize the psychology of persuasion to encourage the formation of a buying decision”.

Salesmanship is seller-initiated effort that provides prospective buyers with information and motivates or persuades them to make favourable buying decisions concerning the seller’s products or service. The salesman of today has to react and interact in any different ways to many different people.

Apart from the knowledge of the product, a salesperson has to be a psychologist with one prospect, a human computer with another, an adviser with another, and at the same time a friend with some buyers. Salespersons must adjust their personalities on

every call. Salesmanship may be implemented not only through personal selling but through advertising. Thus, advertising has been described as “salesmanship in print.”

Some definitions emphasize that salesmanship is the art of influencing or persuading people to do what sales representative wants them to do. For instance, contractors, teachers, ministers, authors, politicians, industrial engineers etc., practice the art of influencing others to do what they want them to do. Every man is a salesman in his own walks of life.

- “He who works with his hands is a labourer.
- “He who works with his hands and his head is a craftsman.
- “He who works with his hands, HEAD and heart is an artist.
- “He who works with hands, his head, his heart and his feet is a salesman.”

Salesmanship is the ability to persuade people to want the things which they already need. Salesmanship is the ability to convert human needs into wants. The work of salesman is a service i.e., helping the consumer. The salesman gives a solution to the customer’s problems. Salesmanship is the ability to handle the people and to handle the products.

Definition:

According to W.G Carter, “Salesmanship is in attempt to induce people to buy goods.” According to the National Association of Marketing Teachers of America, “It is the ability to persuade people to buy goods or services at a profit to the seller and benefit to the buyer.”

According to Knox, “Salesmanship is the power or ability to influence people to buy at a mutual profit, that which we have to sell, but which they may not have thought of buying until call their attention to it. Salesmanship is the ability to persuade people to want they already need.”

According to Prof Stephenson, “Salesmanship refers to conscious efforts on the part of the seller to induce a prospective buyer to purchase something that he had not really decided to buy, even if he had thought of it favourably. It consists of persuading

people to buy what you have for sale in making them want it, in helping to make up their minds.”

According to J.C. Jagasia, “It is an ability to remove ignorance, doubt, suspicion and emotional objection concerning the usefulness of a product.”

According to Holtzclaw, “Salesmanship is the power to persuade plenty of people to pleasurably and permanently purchase your product at a profit.”

According to Carfield Blake, “Salesmanship consists of winning the buyers’ confidence for the sellers’ house and goods, thereby winning regular and permanent customers.”

According to Sefred Gross, “Salesmanship is the art of increasing satisfaction by persuading those people who should do so to buy specific goods or service.”

Thus, salesmanship is the process of persuading a person to buy goods or services. It does not mean that salesmanship is applied only to personal selling; it can also be applied to advertising- printed salesmanship. Salesmanship in its broader meaning, includes all types of persuasion means, by a seller, viz., advertising, personal selling and other methods.

Modern Concept of Salesmanship:

In olden days, a salesman takes an order. He shows the goods. He waits for an order. Then he receives the payment. He never attempts to guide, or help or persuade the consumers. But the modern concept of salesmanship is entirely different from the old concept of salesmanship. Modern concept is creative in approach. He creates needs and converts them into wants. Customer satisfaction is the main problem of salesman. Mutual profit is essential both for the buyer and the seller. Salesman guides the customer to buy things which satisfy his want. Salesman motivates the feelings of the customers to act.

Importance of Salesmanship:

In the present day, salesmanship plays an important part. Salesman is the connecting link between sellers and buyers at every step., i.e” from the collection of raw materials to the finished products. , Of all, customers are the most benefited by salesmen.

Present era is of large-scale production, which is in anticipation of demand. The market expands along with competition. This makes distribution a difficult and a complex factor in the face of still competition. The expansion of the market, growing competition etc., invite a better salesmanship.

1. Important to Producers:

Salesmanship is important to producers and manufacturers. For pushing products into the competitive market, salesmanship is necessary. To capture new markets also salesmanship is very important. Salesmen increase the sales volume. It brings larger profits to the manufacturers. Salesmen work as the “eye and ear” for the manufacturers.

They improve their products according to the taste of the consumers. They improve their sales policies by keeping in mind the suggestions, impressions and complaints of the consumers. He is the creator of demand. Hence it leads to increased production and increased business activity. As such it increases employment opportunity as well as personal incomes.

2. Important to Consumers:

Salesman educates and guides the consumers. He gives them more satisfaction. ‘Consumers are right’ in the marketing. As such, he gives more importance to them. Salesman helps the consumers in making the right decision and proper selection of the products which they want to buy. Salesmanship increases the rate of turnover, and hence reduces unsold stock. As such it minimizes the economic stagnation. Consumers can select the best products according to their requirements, taste and money.

Duties of a Salesman:

1. The principal duty is to make sales of products or services.
2. He has to do the assigned duty (travelling).
3. He has to make collection of bills relating to sale.

4. He has to make report-Sales made, Calls made, Services rendered, customers lost, competition and any other matters, relating to firm.
5. All complainants must be satisfied peacefully.
6. He has to attend sales meetings.
7. A salesman with his experience must supply information in order to solve problems relating to product or the firm.
8. He must maintain a good relation with the customers.
9. He must assist the customers to make good selection.
10. He must develop a goodwill for the firm and the products.
11. He must have cooperative habits.
- 12 He takes periodic inventories of the stocks.

Characteristics or the Qualities of a Successful Salesman:

1. Establishing good relationship with a variety of people.
2. Learning quickly and adapting smoothly.
3. Planning ahead and efficiently managing his time and efforts.
4. Working hard to achieve his goals, dedicating himself to provide long-term service, rather than having a get-rich-quick attitude.
5. Communicating clearly both in speech and in writing.
6. Thinking analytically and learning to break problems down to their basic components.
7. Producing constantly both in quality and quantity rather than performing erratically.
8. Persisting steadily his goal and not giving up easily.

9. Possessing and living up to high moral characteristics that enable people to admire,, respect and trust him.

“Personality is the personal distinction or dynamic force which is felt by everybody who comes within the radius.” Personality is the sum total of the impressions made on people with whom one comes into contact. The impression is the result of many qualities that one possesses. There are a number of qualities which make a salesman successful.

To become a successful salesman, he must master all the traits. A number of evidences as given by RG Walters, J.W. Windate, Russel etc., divide the qualities of a successful salesman into the following major factors. They are: 1. Personality of a salesman, 2. Knowledge of the product and, 3. Knowledge of the customers and their buying motives.

Type of Salesmen:

1. Manufacturer’s Salesmen:

(a) Missionary Salesmen:

They are also known as Creative Salesmen or Pioneer Salesmen. They are employed by manufacturers and do the work, of missionary nature. They create demand for the products. They usually develop goodwill. They call on distributors- wholesalers, retailers, customers, in order to educate, train and induce them to promote the products. Manufacturers of medical supplies use this type of salesmen to promote their products.

(b) Merchandising Salesmen:

They assist dealers by giving suggestions on display, store- layout, service facility etc. They arrange wide publicity and conduct demonstration for dealer salesmen, by even working along with them. They are largely involved in drugs, medicines, grocery etc. There is a wide scope for this category.

(c) Dealer-Servicing Salesman:

These salesmen call on retailers in their territory and visit them often. They bring samples of new products, take orders and make up window display.

(d) Sale Promotion Salesmen:

They are also known as Retail Salesman. They are specialised in promotional work. They are representatives of medical firms or publishers. They may not take spot orders but they try to convince people like doctors about the new drug, research work, testing, result etc. They create demand by calling on customers,

(e) Technical Salesmen:

They are trained technically. They provide technical assistance to company's customers on matter connected with the product, its quality, its design, its installation etc. Generally these types of salesmen deal with computers, equipment's, machinery items, chemical products etc.

2. Wholesaler's Salesmen:

Products reach the hands of customers through a number of channels, the main channel being wholesalers. They are the nerve-centres of distribution between manufacturers and retailers. These salesmen are mainly concerned with retailers through whom the products are to be marketed.

Their main concerns are:

1. To guide the wholesalers in giving credit transaction to retailers,
2. To collect bills from retailers and customers,
3. To collect information of the market trend,
4. To help retailers to improve sales and
5. To take orders from retailers.

3. Retail Salesmen:

They are of two types: 1. Indoor salesmen and 2. Outdoor Salesmen. Indoor salesmen work within the store—counter sales over the counter. They do not need training as

they have to face only customers and not the prospects. They deal with regular buyers. They are order filling salesmen.

They receive orders and execute them. They must have good manners and a helpful attitude. They must be able to guide the customers and help them to make quick decisions. They must also be knowledgeable and honest. Above all, they must maintain products in the shelves in an attractive manner.

Outdoor salesmen may also be called travelling salesmen. Their main job is to make regular travels, visit customers, canvass orders etc. They must possess all the qualities of ideal salesmen.

4. Speciality Salesmen:

They are to sell speciality products-expensive durable goods, furniture, books, house furnishings, washing machines, automobiles, refrigerators etc. People purchase these products only after a personal and careful selection, because they do not buy them frequently. Salesmen of this kind must be masters of the art of salesmanship. They are representatives of manufacturers, who produce special items.

RECRUITMENT AND SELECTION - CONCEPTUAL FRAMEWORK

Recruitment is the process of encouraging people to apply for jobs in the organisation and selection is choosing the best possible for the organisation. Recruitment creates a pool of potential incumbents and selection picks the best and rejects the rest. Here are a few definitions of recruitment and selection.

In the words of Koontz and O' Donnell, "Managerial selection is logically, choosing from among the candidate, the one, that best meets the position requirement."

SOURCES FOR RECRUITMENT

The sources for recruitment and selection may be divided into two categories: (i) Sources within the company or internal sources. (ii) Sources outside the company or external sources.

(a) Internal Sources – The existing employees working in the same or other departments of the company from the internal source of recruitment. Some of the

employees may be upgraded, transferred, and/or promoted to take up sales jobs. There are some advantages and disadvantages of using this source which are as under:

(b) External sources – This category calls for hiring the candidates from outside the company. The following sources comprise of external sources:

(i) Campus placements - Various organisations visit professional colleges, institutions, and universities for the recruitment of suitable candidates. Engineering colleges and Management departments are most suitable for technical and managerial staff.

(ii) Employment agencies - Private agencies and placement consultants are sometime given contract to recruit sales staff for the organisation. These agencies maintain the database of prospective candidates and supply the list of suitable candidates to the organisation from these databases.

(iii) Advertisements in Media - Companies may place advertisements in newspapers, television, magazines, and trade journals for sales jobs. Newspapers are mostly used for walk-in interviews for sales jobs.

(iv) Computerized data base - Many young person's regularly send their resume' to good organisations. Companies may create a database of these aspiring candidates that may be utilized at the time of vacancies. Some sales managers favour immediate hiring of applicants who take

the initiative in seeking sales jobs, the reasoning being that this indicates selling aggressiveness. Some companies reject all such direct applications because they believe the proportion of qualified applicants from this source is low. The most logical policy is to treat volunteer applications the same as the solicited applications. Applicants not meeting minimum requirements as set forth in job specifications should be eliminated and those meeting the requirements should be processed together with other applicants. The aim should be to recruit the better qualified

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applicants regardless of source from which they come. The main problem with direct unsolicited applications is that they do not provide a steady flow of applicants and their volume fluctuates with changing business conditions.

(v) Employees' recommendations - The employees of the organization may also recommend the names of friends and relatives as suitable candidates. Retired employees often suggest names of prospective candidates based on their experiences. Salespersons of the company may also recommend the names of their friends, salesperson working for retailers, dealers, and/or competitors. All these recommended names might be used to fill the vacancies of the organisation.

(vi) Salespeople calling on the company - Company managers, specially purchase managers, are directly in touch with sales personnel of other companies. These managers are in a position to evaluate their on-the job performances. The managers may thus pass on the names of those high caliber sales persons of other company who are willing to switch over.

(vii) Executive club - Many senior managers are members of various types of formal and community clubs. They meet young people in these clubs in parties and on other occasions. If a manager comes across good candidates, he may encourage them to apply for sales positions in his company.

(viii) Placement brochures - Many educational institutions send placement brochures to different organisations. These brochures contain information about the students who would like to take up suitable jobs in the organisations. These brochures thus serve as a source of recruitment.

(ix) Trade unions - Trade unions may also recommend the names of its members of their relatives and friends.

(x) Dot coms - In this era of information technology, various dot com companies have websites that display information about prospective candidates. These portals may also be used as a recruitment source.

(xi) Trade associations/Alumni associations - Many trade associations and alumni association also recommend the names of suitable persons for sales jobs in various organisations.

The major advantage of recruitment through external sources is that the organisation can get a person with required skills and experience. The major disadvantage is that sister concerns may demand the appropriate person from the parent organisation.

ADVANTAGES

- (i) This technique improves the morale of employees because the fear that an outsider may be given the chance to join the organization vanishes.
- (ii) Less risk is involved in using this method as the employer already knows the candidate.
- (iii) Job security and loyalty employees also increases by using this method.
- (iv) Less training effort is required as the employee doesn't require information about the company and its policies.

DISADVANTAGES

- (i) It discourages new blood and fresh ideas.
- (ii) Likes and dislikes of management may generate frustrations among those employees who are not given a fair chance.

THE SELECTION PROCESS

The objective of selection is to secure an appropriate candidate for vacant position. The procedure adopted for getting such candidate is termed as selection process. It involves a number of steps which act as filter screen that helps in getting rid of undesirable candidates. The steps of selection process are as follows:

- (i) Job analysis
- (ii) Recruitment sources
- (iii) Application blank

- (iv) Preliminary screening
- (v) Written test
- (vi) Interview and/or group discussion
- (vii) Reference checking
- (viii) Medical examination
- (ix) Selection and placement
- (x) Induction

(a) Job Analysis - The job must be studied and analyzed with a view to ascertain the knowledge, experience, skills and attitudes required to perform it effectively. Unless a proper study is made in detail of the job to be done, the manager concerned will not be in a position to select an appropriate person to fill that job. Selection process actually, calls for measuring the individual's capabilities against the job requirements.

A proper job analysis helps in the understanding of most significant aspects of the job. It describes the authority and responsibilities attached to a job. It also helps one understand the skills and capabilities needed to discharge the job effectively. The resultants of job analysis are actually the job descriptions and specifications. The following specifications, however,

may be used while selecting candidates for sales job :

- (i) Physical make-up: It includes details like height, health, age Weight, speech, appearance etc.
- (ii) Education and experience: It involves the type of education and work experience required which would be useful in performing the job.
- (iii) General intelligence: Level of general intelligence must also be specified which is different from the knowledge and skills the candidate possesses by virtue of his education.

(iv) Special aptitude: Special aptitudes like mathematical proficiency, use of words and vocabulary, mental alertness etc. that are required to perform a job must also be listed.

(v) The disposition required : This includes the degree of acceptability of the candidates to the others, his extent of dependability, self reliance, other qualities such as dominance, relaxed, suspicious etc. which may be desired.

(b) Recruitment sources - The next step in the selection process is tapping various recruitment sources to create a pool of potential employees. The recruitment sources include both internal and external sources. An organisation tries to use as many recruitment sources as possible but within the monetary constraints.

Recommendation of employees, advertisements in newspapers and magazines, and databases of the organisation and other private companies and consultants are mostly used for sales jobs. The main purpose here is to attract as many candidates as possible.

(c) Application blank - The organisation either invites the application or resume' from the desiring candidate or may send its own application blank/form to be filled by the candidates who approach it. This form contains personal information like name, address, age, marital status etc as well as information on the education, experience, and hobbies of the candidates.

(d) Preliminary screening - Preliminary screening serves the job of eliminating the totally unsuitable candidates. It's main purpose is to save the time of both the interviewer and applicant by eliminating the unqualified candidates.

Applicants are notified about the qualification, experience and other important requirements in advertisement itself Candidates who don't fulfill these requirements are not called to appear in the selection process.

(e) Written test - The use of written tests, as part of selection process, is gaining popularity especially when hundreds of candidates are applying for sales jobs. Many companies conduct written tests to check the knowledge, analytical abilities, aptitude, language usage, mathematical

and reasoning abilities, psychology, and personality etc. of the candidates. Written tests may also be designed to test the knowledge about selling techniques, customer relationship building, and negotiating abilities etc.

(f) Group Discussion - This technique is used to test the communication skills and ability to influence others. Here, the candidates are given a topic or case to discuss among themselves. Experts observe and hear the discussion carefully and short list the suitable candidates.

(g) Interview - The interview is the most widely used selection tool. Companies usually form a panel of experts that includes the sales manager, personnel manager, psychologist, academicians, and senior administrators etc. This panel interviews all the short-listed candidates and makes the final choice. Experts can judge the communication skills, personality, confidence, leadership abilities, intelligence, keenness, initiative, appearance, and attitude of the candidates with the help of interview. Experts may also clarify the doubts or insufficient information given in the resume of the candidates.

(h) References and credit checks - This process has become very important now-a-days. Companies write to the persons who know the candidate and ask for their opinions regarding the conduct, general behaviour, and the character of the candidates. Some companies write to the Principal/Head of the Department last attended by the candidate. In the case of experienced candidates, the company may write to the previous employer for his comments about the candidates. Companies have also started the credit checks to know the financial history of the candidate. Credit reports give important signals to the managers about the financial soundness or weakness of the candidate. If the candidate has a history of payment defaults, and large debts he may not be considered for the job.

(i) Medical examination - Many companies send the selected candidates for a medical examination to check whether the candidate has any chronic disease and/or disability which may hamper his performance on the job.

Every candidate should be physically fit enough to discharge his or her duties. Companies either conduct the medical examination at their own hospitals or may hire the services of private doctors.

(j) Selection and placement - After a candidate passes the medical examination, he is offered the appointment in the organization. A formal letter of appointment is issued to the candidate. This letter contains information regarding joining period, pay-scale, nature of job, and conditions of employment. If the candidate chooses to join within the given time period he is absorbed on the offered post.

(k) Induction - At the time of joining at a particular post the new incumbent need to be familiarized with the organization culture and those as well as his superiors, keeps and sub-ordinates. This gives him an understanding of the conditions within which, and human brings with who he has to work. This familiarization is very important as it instantly prepares the incumbent to feel himself a part of the organization.

TRAINING

Definition

According to Michael J. Jucious, “The term training is used to indicate only process by which the attitudes, skills and abilities of employees to perform specific jobs are increased”.

From the above definitions, we conclude that sales training is a technique or method by which efforts are made to increase the knowledge, skills and efficiency of a salesman so that he may be in a position to solve the problems of sales and provide active contribution in increasing sales of the enterprise. Training is a systematic approach of the organization which aims at increasing the aptitude, skill and the abilities of the workers to perform specific jobs. By training, the employee will acquire new practical skills, technical knowledge, problem solving ability and attitude etc.

OBJECTIVES OF SALES TRAINING

The main objectives of Sales training are:

- (i) Acquainting the newly appointed salesmen with the principles of salesmanship and techniques of selling.
- (ii) Imparting knowledge of sales canvassing.
- (iii) Making salesmen familiar with the firm's policies and practices in the field of selling and also to make them familiar with the products of the company.
- (iv) Giving information about the dealers, middlemen, and the end users of company's products.
- (v) Keeping the salesmen well informed about the laws governing sales of firm's products.
- (vi) Salesmen should also be made aware of the position of competitors in the market and to show and also and the ways of combating such competition.
- (vii) Weeding out inefficient and unsuitable appointees or promotes.
- (viii) Reducing sales force turnover.
- (ix) Keeping ready a group of trained salesmen to take place of those salesmen who resign or retire.
- (x) Increasing efficiency.

Training must not be confused with education. Training is concerned with increasing knowledge and skills in performing a particular job whereas education is concerned with increasing general knowledge and understanding of the total environment. Moreover training is imparted by the employer and education is provided by our formal school system.

THE NEED OF TRAINING

The need of training salesmen arises not only at the time of hiring salesmen but at all stages of their career. In the beginning, it is needed because the newly appointed salesmen does not have the required knowledge of the product and also the selling techniques, nor does he know about the customers and their behaviour. Experienced salesmen also need training to acquaint them with the new products of the firm and

those of the competitors. Some people believe that sales training is necessary and possible only in some big organisations with large sales force and sales budget. But this is not true. Training is needed in all organisations big or small. There are three basic reasons for this.

(1) To develop the right work-habits: Training the salesmen is necessary to develop proper work culture. By training they learn how to cover their territories, to approach customers, in what style to live while travelling, what sort of records to keep, and how to plan and execute their sales calls. Thus, they learn the best way of doing the things at the lowest cost. If sales people are trained properly, they learn the right habits and patterns, at the right time and from the right learning source.

(2) To offset the effects of Detraining: The second important point why salesmen need training is that they develop something wrong in their field experience and thereby they are constantly being detrained. They adopt undesirable shortcuts, gravitate towards ineffective ways of selling and often become discouraged and dispirited from the constant buffeting of the competitive market place. It, therefore, becomes necessary to train both new and experienced salespeople to offset the negative effects of their field sales experience.

IMPORTANCE OF TRAINING TO SALESPeOPLE AND COMPANIES

The major benefits of training for Salesmen are as follows:

(1) Lower Turnover of the Salespeople: Proper training makes the salesmen well prepared for the field work, resulting in the lower rate of turnover of sales force. If they know their work and are remunerated and motivated properly, they will not be leaving the organisation. The lower rate of turnover results in reducing high cost of training, recruitment and selection and also reduces a tag of 'never stays with one firm' which ultimately helps the salesman in long run.

(2) Greater Sales Volume: A scientifically designed training programme develops the right work habits & culture and offsets the negative effects of the field sales experience. Salesmen learn much about the product, the selling techniques and also how to behave with companies

customers. This will naturally increase the sales volume of the company and salesmen get rewards for selling more.

(3) Better Customer Relations: A well trained Salesman knows how to deal with the customers in a particular market situation. Training makes the salespeople more flexible and innovative in meeting changing competitive market situations. Training also helps in maintaining good relations with present and potential customers.

(4) Lower Supervision Costs: Well trained salespersons require less supervisory attention from their managers. They know what to do and how to do it.

(5) Reduces Selling Cost: Training reduces the selling costs per unit because of more territory coverage, higher sales volume, better use of company supplied sales tools and correct application of company's selling policy or operating procedures, etc.

CONTENTS OF A TRAINING PROGRAMME

The subject matter to be covered in a training programme varies from organization to organisation due to the nature and the size of the organisation. But, in general, an effective training programme should cover the following aspects:

1. Basic Principles of Salesmanship: A salesman should be well acquainted with the principles of salesmanship viz. how to approach and motivate the customers to buy company's products and to know how he is to satisfy customers' needs and solve their problems. Salesmanship is an art, yet it is a science too. The salesmen must know the basic principles of salesmanship.

2. Information about the Firm: The Sales representative must know about the company's sales policies and procedures, organisational set-up, company's past history, reputation and goodwill earned. It enables the salesman to do his work well.

3. Information about the Product: A good tinning programme should impart knowledge to the salesman about the characteristics of the product, its quality, usefulness and method of using it. It will enable him to persuade the potential customers and if necessary to demonstrate its use. Thus, a trained salesman can help in increasing the company's sales volume.

4. Information about the Customers: The Salesman must be trained in different types of approaches to reach the customers and must also be told about different motives which prompt them to make purchases. There are different types of customers viz. silent, talkative, ill-tempered, suspicious, nervous, hesitant, argumentative etc. The Salesman must know how to deal with each one of them and satisfy them to get the product sold. There are different motives of different customers. They include considerations of health, convenience, the sense of fear, pride, fashion, recreation, affection etc. The salesmen must also know how to cash on these motives.

5. Information about market Conditions : The sales representative should be well informed about the market conditions i.e., policies and procedures followed by the competing firms regarding pricing, discount and commissions allowed to customers, premium schemes, quality of the product etc. Such knowledge will help him in convincing the customers about the company's products and policies.

6. Matters pertaining to day-to-day work: Salesmen should also be given proper training to know the following:

- (i) Drafting of periodical reports.
- (ii) Receiving of and Replying to letters.
- (iii) Preparation of orders, cash memo and credit bills.
- (iv) Maintenance of their own Sales accounts.
- (v) Arrangement of display and demonstration of company's products.

Thus, a training programme, should cover all the above matters so that the salesman should possess ample knowledge about the firm, customers, products, and the market etc.

METHODS OF SALES TRAINING

A number of methods to train salesmen are in use. The choice of any of the methods depends upon several factors like cost of training, number of trainees, purpose of training, depth of knowledge required, background of the trainee and so on. The Sales Manager may adopt one or more of the following methods according to the needs of the organisation:

1. On the Job Training: It is one of the most popular methods of training salesman. Under this method the salesman is trained on the job itself. He is given opportunities of performing the activities of a typical salesman. Usually such on the job training is made under the supervision of a senior salesman. By keenly observing and actively participating in the training, the salesman is able to rectify his mistakes and defects. The senior salesman also points out his defects in the course of training and explains the ways to correct it. Once the trainer thinks that the salesman has gained enough knowledge and training to work independently, he is allowed to do so.

2. School and Colleges: Some concerns may have many training centers. The salesman are given the sales training in those centers. Smaller firms may admit their trainee salesmen into colleges and schools which provide coaching in salesmanship. The sponsoring authority has to pay the tuition fees of the salesman to be trained and authority also instructs them to attend such classes or courses to gain knowledge.

3. Training through Correspondence: Where the salesmen are widely scattered and training needed by them are not very critical in nature, correspondence training can be provided. It is just like getting postal coaching. The training materials are sent to the trainees by post regularly. In case of any doubts, the trainee salesman can clarify his doubt by post. After the completion of such correspondence training, the salesmen are sometimes asked to appear in a test.

4. Sales Meetings and Conferences: The members of the sales department may gather at regular intervals say for example weekly, monthly or even half yearly for a meeting or conference. These meetings or conferences of sales personnel are meant for educating sales people about various aspects of sales. The participants express their

views and opinions about the present strategies and various aspects of sales. To make these conferences and meetings interesting, sales story, dramas, demonstrations are included in the schedules.

5. Sales Manuals: A sales manual of a company is the first course for the trainee salesman. These sales manuals contain information about the history of the firm, policies, particulars of products, advertising, sales promotion activities etc. Besides, they also provide instructions to salesman from time to time. They are rightly called ready guide or a tool of self study.

6. Visual Training: Visual training programmes are imparted with the help of slides, strips, video recorders, etc. which tells a sales story or a part of it. There are also other aids like black boards, charts, graphs, diagrams, etc. with the help of which the salesmen are given training on a particular aspect of sales. For example, approaching a salesman and dealing with annoyed customers can be shown. To make such programmes successful, audio aids are also used. Audio aids include tape recorders and record players. These are meant to improve the style of speaking.

7. Role Playing: It is a newly developed method of training. Under this method a play, fully scripted and rehearsed, is presented on a stage so that the trainee salesman may understand the real life situation. By witnessing such acts, the sales man is able to know the art of dealing with various types of customers. Sometimes one salesman plays the role of a customer or prospect and another 'salesman tries to convince him in the role of a salesman.

The main advantages of this training technique are that (i) it adds realism and interest to the training; (ii) increases the knowledge of the trainees in reacting immediately to selling problems in a face to face sales situation; and (iii) the trainee gains a better understanding of the dynamics of a sales situation because they participate actively in the role playing. This type of training is useful mainly for executive position. The weaknesses of the technique are (i) trainees sometimes feel very awkward and harassed when they play their role in public and audiences pass comments; (ii) the role playing skills of the trainees vary widely and, therefore, their performance may not

be up to the mark. Both these defects can detract salesman from the effectiveness of this training device.

8. Lecture Method: This method is very commonly used in India. In cases where depth of theoretical knowledge is required, formal lectures are arranged by the organisation. Such lectures are delivered by a person presumed to be a master of the subject at hand. The speaker may be an employee of the organisation specially appointed for the purpose or an official of the organisation such as chief sales executive or sales manager or he may be an outsider but the master of the subject. Lectures sometimes are supplemented by visual aids. To make lectures effective, usually group discussions, seminars, and written tests are organised to follow such lectures. Trainee salesmen attending these lectures should take notes and ask questions.

The method is very economical as the cost of training per trainee is very low. It economizes trainees' time and trainer's time. It is very effective method for transmitting straight factual information. The difficulty inherent in the lecture method is that, unless the lecture is not carefully prepared, planned and rehearsed, the trainees will not be receptive.

9. Game or Simulation Method: This method somewhat resembles role playing. It uses highly structured contrived situations based on reality in which players assume decision making roles through successive rounds of play. A unique feature of this technique is that trainees receive informative feedback. In one game, for example, trainees play the roles of decision makers in customers' organisation, using data ordinarily available to make decisions on various aspects of the problem say, on the timing and size of orders, and so on. The results of these decisions then are calculated by referees and feedback for the players to use in their next round of decisions.

The technique is mainly used to prepare trainees for management positions. The method is not extensively used because, of the initial difficulties in preparing games.

The simulation has a number of advantages. (i) participants take active part in the games, hence they learn difficult tasks easily; (ii) players develop skills in identifying

key factors influencing decisions; (iii) Due to built-in information feedback features, games are effective in emphasizing the dynamic nature of problem situations and their inter-relationship.

10. Demonstration: Under this method, the trainer shows trainees the working of the typical and complex products which need conveying information to users. The method is highly appropriate when a new product or selling technique is developed. Demonstrating how a new product works and its uses can be extremely effective, much more so than presenting the same thing by way of a lecture.

Demonstration can generally be used in conjunction with other training methods say lectures. Showing (demonstrating) something is more effective than telling. Efficient trainers use this method very extensively.

EVALUATION OF TRAINING PROGRAMME

Sales training programmes have become a significant part of most of the companies. Their evaluation i.e., measuring programme effectiveness is necessary step, because a sales training programme requires a huge amount of investment of time, money and effort, and therefore, management must expect results commensurate with the total investment. In some respects, evaluation of sales training programme is not difficult. As soon as the training programme is over, the trainees may be tested in terms of what they feel about the training programme. Written questionnaire may also be used for this purpose during and after the programme. They may also

be tested to find out if they know the pertinent facts about products, company policies, and sales operations.

On the other hand, in the areas of sales skills and personal attitudes, the evaluation of sales training programme is difficult. There are three main reasons for this:

- (i) Skills and attitudes are difficult to observe and to evaluate objectively.
- (ii) One can never be sure to ascertain which changes in the skill and attitude is the result of training and which changes may have existed in the trainees before they are trained.

(iii) After training, one cannot be sure which skill, attitudes and knowledge the trainee has learnt from sales experience and which have come from the training programme itself.

Like other educational activities, training is also a semi-measurable activity. Evaluating the effectiveness and efficiency of sales training can never be a complete and accurate activity. During their sales career, the salespeople acquire knowledge, skills and attitudes through experience or through training – formal or informal. The process of evaluation is, therefore, an unending process and a long term activity.

MOTIVATION

MEANING OF MOTIVATION

High productivity in sales personnel come about neither naturally nor accidentally. Some sales personnel are self-starters, requiring little external, incentive to perform effectively, but they are the exceptions. The majority of sales personnel require motivational help from management in order to reach and maintain satisfactory job performance levels.

Motivation is goal-directed behaviour, underlying which are certain needs or desires. The term “needs” suggests ‘lack of something’ or a state of felt deprivation of some basic satisfaction, while the term “desires” suggests positive ardor and strength of feeling. The complex of needs and desires stemming from within individuals leads them to act in ways that will satisfy

these needs and desires.

Specifically, as applied to sales personnel, motivation is the amount of effort the salesperson desires to expend on each of the activities or tasks associated with the sales job, such as calling on potential new accounts, planning sales presentations, and filling sales reports. Expending effort on each activity making up the sales job leads to some level of achievement on one or more dimensions of job performance-total sales volume, profitability of sales, sales to new accounts, quota attainment and the like.

MOTIVATIONAL “HELP” FROM MANAGEMENT

Most sales personnel require additional motivational “help” from management in order to reach and maintain acceptable levels of job performance. They require additional motivation both as individuals and as group members. As individuals they are targets for personalized motivational efforts by their superiors.

As members of the sales, force, they are targets for sales management efforts aimed toward welding them into an effective selling team. Four aspects of the salesperson’s job affect the quality of its performance. The following discussion focuses on these aspects. Each aspect is an important reason why most sales personnel require additional motivation to perform their jobs satisfactorily.

(a) Inherent Nature of the Sales Job: Although sales jobs vary from company to company, sales jobs are alike in certain respects. To a greater or lesser extent, each sales job involves a succession of ups and downs, a series of experiences resulting in alternating feelings of exhilaration and depression. In the course of a day’s work, salespersons interact with many pleasant and courteous people; but they also meet some who are unpleasant and rude, with whom it is difficult to deal. They are frequently frustrated, particularly when aggressive competing sales personnel are vying for the same business, and they meet numerous turndowns. Furthermore, sales personnel spend not only working time but considerable after-hours time away from home, causing them to miss many of the most attractive parts of family life. These conditions can cause an individual salesperson to become discouraged, to achieve low performance levels, or even to seek a no selling position. The inherent nature of the sales job, then, often is the reason that additional motivation is required to assure acceptable job performance.

(b) Salesperson’s Boundary Position and Role Conflicts: The salesperson occupies a “boundary position” in the company and must try to satisfy the expectations of people both within the company (in the sales department and elsewhere) and in customer organizations.

There is linkage with four distinct groups: (1) the sales management group (2) the balance of the company organization who must be depended upon for order fulfillment,

1. Conflict of identification: This arises out of multi group membership. As the salesperson works with the customer, it is reasonable to expect identification with the customer rather than the company. However, on returning to the company, the salesperson must drop identification

with the customer and identify with company.

2. Advocacy conflict: This arises when the salesperson has identified with the customer, and seeks to aid the customer by advocating the customer's position to other groups in the company organization. Although this may be important-and may be encouraged by the sales management group it places the advocator in a difficult position.

(c) Tendency toward Apathy: Many sales personnel have a natural tendency to become apathetic, to get into a rut. Those who, year after year, cover the same territory and virtually the same customers, tend to lose interest and enthusiasm. Gradually their sales calls degenerate into routine order taking. Because they feel they know the customers so well. They come to believe that good salesmanship is not longer necessary. Many salespeople require additional motivation to maintain continuing enthusiasm for their work or to generate renewed interest in it.

(d) Maintaining a Feeling of Group Identity: The salesperson, working alone for the most part, finds it difficult to develop and maintain a feeling of group identity with other company salespeople. Team spirit, if present at all, tends to be weak. Thus, the contagious enthusiasm conducive to improving the entire group's performance-does not develops. If management, through providing added motivation, succeeds in developing and maintaining team spirit, individual sales personnel will strive hard to meet group performance standards : Few people who do not consider themselves members of the sales team appear as poor performers in the eyes of their colleagues in the sales force.

PART –A (1 mark)

(Online Question)

PART –B (6 Marks)

1. Describe the skills of good salesmanship.
2. Discuss the roles and responsibilities of a salesman in personal selling?
3. Describe the training methods of sales person.
4. Elucidate the various processes in personal selling.
5. Describe in detail on qualities of a salesman?
6. Explain on different methods of remunerating salesmen.
7. Elucidate in detail about the selection process of a salesman.
8. Discuss in detail about the need of training salesmen? Explain the different methods of Training salesmen
9. Explain an objectives and functions of sales promotion.
10. Elucidate the features and merits of personal selling

KARPAGAM ACADEMY OF HIGHER EDUCATION**CLASS: I M.COM & M.COM CA****COURSE NAME: ADVERTISING AND SALES PROMOTION****COURSE CODE: 17CMP205A/17CCP205A****UNIT: V****BATCH-2017-2019****PART A
ONLINE QUESTIONS**

S.No.	QUESTION	OPTION 1	OPTION 2	OPTION 3	OPTION 4	ANSWER
1	..... perform an informative & educative task that makes extremely important in the functioning of the modern Indian society.	Advertising	Production	Financing	Controlling	Advertising
2	..... defined as the estimated volume of sales of the company.	Sales territories	Sales quotas	Sales forecast	Records	Sales territories
3	The sales quota is fixed on the basis of	Sales copy	Sales forecast	Advertising copy	Advertising message	Sales forecast
4	A good sales planning is based on	Sales territories	Sales fore cast	Sales forecast	Records	Sales fore cast
5	Reports are the basis on which the .....of salesman	Sales territories	Sales quoats	Sales forecast	Record	Record
6	.....is a return part of purchase price of a product.	Rebate	Coupns	Samples	Premiums	Rebate
7	.....is a free product given to customers to encourage trials.	Rebate	Coupns	Samples	Premiums	Samples
8	.....is an industry wide exhibits at which many sellers display their products.	Trade Shows	POP	Buying Allowance	Samples	Trade Shows
9is a temporary price reduction to resellers for purchasing specified quantities of a product.	Trade Shows	POP	Buying Allowance	Samples	Buying Allowance

KARPAGAM ACADEMY OF HIGHER EDUCATION

CLASS: I M.COM & M.COM CA

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COURSE CODE: 17CMP205A/17CCP205A

UNIT: V

BATCH-2017-2019

10	A... strategy involves convincing trade intermediary channels members to push the product to the ultimate consumers.	Push	Pull	Mixed	Price	Push
11	A..... strategy attempts to get consumers to “pull” the product from the manufacturer through the marketing channels.	Push	Pull	Mixed	Rate	Pull
12	..... the order getter is responsible for what is sometimes called creative selling.	Order Takers	Order Getters	Support Personnel	Takers	Order Takers
13	An hands repeat sales in ways that maintain positive relationships with customers.	Order Takers	Order Getters	Support Personnel	Personnel	Order Getters
14	... refers to identify and developing a list of potential clients	Prospecting	Pre-approach	Approach	Closing sales	Prospecting
15	during phase of sales professional try to understand the prospects current needs, and set call objectives.	Prospecting	Pre-approach	Approach	Closing sales	Pre-approach
16	..... is a actual contact the sales professional has with the prospects	Prospecting	Pre-approach	Approach	Closing sales	Approach
17	.....a sales happens ,when product or services are delivered to the customer’s satisfaction	Prospecting	Pre-approach	Approach	Closing sales	Closing sales
18	“ selling is informing and persuading a market about a product or services” by	Still	William.J.Stanton	Govoni	Cundiff	William.J.Stanton

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BATCH-2017-2019

19	Good salespersons are problems solvers” by.....	P.Batra	William.J.Stanton	Govoni	Cundiff	P.Batra
20	..... Writes “Nothing is important to the salesman than knowing his product”	P.Batra	William.J.Stanton	Govoni	Ernest and Davas	Ernest and Davas
21	..... Writes “ A sales organization is a power station , renting out energy to the advertising and other selling units”	C,L.Bolling	P.Batra	William.J.Stanton	Govoni	C,L.Bolling
22	..... provide recruitment with a device for the conservation of time and energy.	Job analysis	Job description	job specification	job recruitment	Job analysis
23	According to..... “Recruitment is the search for the best available candidates for a sales position”.	Edwin.B.Flippo	Victor.P.Buell	J.C.Gand	P.Batra	Victor.P.Buell
24	..... is a process of searching out suitable salesman.	Recruitment	Selection	Controlling	Planning	Recruitment
25	..... Writes “ A Proper selection reduces the turnover of the salesman”	Nystorm	P.batra	William.J.Stanton	Govoni	Nystorm
26	..... is for the purpose eliminating obviously unqualified applicants and saving time of interview and applicants.	Pre-interview	Interview	Selection test	Medical Test	Pre-interview
27	..... is for the purpose eliminating obviously unqualified applicants and saving time of interview and applicants.	Pre-interview	Interview	Selection test	Medical Test	Pre-interview
28is imparted to develops the selling skill of the sales persons .	Sales training	Controlling	Sales development	None	Sales training

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UNIT: V

BATCH-2017-2019

29 methods is also known as training with in the industry.	On The Job Training	Job rotation	Personal discussion	Correspondence	On The Job Training
30	..... type of training develops the practical knowledge of the trainees on different aspects of sales.	On The Job Training	Job rotation	Personal discussion	Correspondence	Job rotation
31	..... method personal contacts are not possible between trainer and trainees.	On The Job Training	Job rotation	Personal discussion	Correspondence	Correspondence
32	“ poor motivated people can be defined as willingness to expand energy to achieve.	Allen	L.K.Johnson	Berelson	Still	Allen
33	According to “Motivation can be defined as willingness to expand energy to achieve a goal or reward.	Dale.S.Beach	L.K.Johnson	Berelson	Still	Dale.S.Beach
34	..... is a psychological concept.	Training	Motivation	Selection	Compensation	Motivation
35	By Providing higher salary,commission and other monetary incentives,the salesmen are motivated.this is called.....	Financial motivation	Non-financial motivation	Financial and Non financial motivation	Dry motivation	Financial motivation
36	.....are aids to effective motivation.	Sales compensation plans	Sales quota	Sales budget	Sales Territory	Sales compensation plans
37	..... plan pays salesmen some fixed or sliding rate related to their sales or profits volume.	Straight commission	Straight salary	Straight commission and Straight salary	Not a straight commission	Straight commission
38	“ Salesmen are often lost because they detour from the highway to an organized selling process” by.....	Edwin Chareles Grief	Dale.S.Beach	L.K.Johnson	Berelson	Edwin Chareles Grief

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BATCH-2017-2019

39	The process of looking up and checking “leads” in called.....	Prospecting	Pre-approach	Approch	Objections hanling	Prospecting
40	Prospecting means “if you adding new clients ,you start bleeding to death”	David ogily	Robert.c	Beach	Russle	David ogily
41	..... is the estimation of the future sales of an enterprise.	Sales planning	Sales budget	Sales forecasting	Sales quota	Sales forecasting
42	..... are device for directing and controlling sales operations.	Quotas	Planning	Sales territories	Total sales	Quotas
43	..... are determined on the basis of sales forecasting,sales potential,estimated of costs and other market studies.	Sales planning	Sales budget	Sales forecasting	Sales quota	Sales quota
44	“ Sales quota is a quantitative goal assignment to a specific marketing unit,such as to a salesmen or territory”by	Cundiff & still	mynard & Davis	Fedrick.R.Russes	Robert.c	Cundiff & still
45	” Sales territory is the basic unit of sales planning and sales control”writes by	Cundiff & still	Mynard & Davis	Fedrick.R.Russes	Robert.c	Mynard & Davis
46	..... is a geographical area containing a number of present and potential customers.	Sales Planning	Sales Budget	Sales Forecasting	Sales Territory	Sales Territory
47	“A sales is made not in the mind of the salesman not over the counter or desk,but in the mind of the buyer” refered by	Cundiff & still	Mynard & Davis	Fedrick.R.Russes	Robert.c	Fedrick.R.Russes
48	The control of sales operation is known as.....	Sales Planning	Sales Budget	Sales Forecasting	Sales Control	Sales Control
49	Advertising is an important tool	Promotion Mix	Marketing Mix	Product Mix	Place Mix	Marketing Mix

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BATCH-2017-2019

	of..... Mix					
50	Personal selling is an important tools of..... mix	Promotion Mix	Marketing Mix	Product Mix	Place Mix	Promotion Mix
51	..... depends on the important of earn class of buyers and the relative bary arising power of each class of buyer.	Trade Discounts	Quantity discounts	Quality discounts	Cash discounts	Trade Discounts
52	.....are price reduction granted for purchase Of larger quantities.	Trade Discounts	Quantity discounts	Quality discounts	Cash discounts	Quantity discounts
53	.....competition exists when there is a large number of sellers of a generc kind of products.	Monopolistic	b.Oligopolistic	Indirect	Direct	Monopolistic
54	..... Means no sales at a price lower than covering total costs	Full cost pricing	Promotional pricing	Contribution pricing	Pricing	Full cost pricing
55	.....is an important tools of promotional mix	Personal selling	Advertising	Sales promotion	Public relation	Personal selling
56	..... is an important tool of marketing Mix	Personal selling	Advertising	Sales promotion	Public relation	Advertising
57	The control of .....is known as Sales Control	Sales operation	Production operation	Finace operation	Personal operation	Sales operation
58	..... perform an informative & educative task that makes extremely important in the functioning of the modern Indian society.	Advertising	Production	Financing	Controlling	Advertising
59	Telling showing and----- are the three basic methods of group training	Exceution	Termination	Exercise	Conferring	Conferring
60	The control ofis known as Sales Control	Sales operation	Production operation	Finace operation	Personal operation	Sales operation

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UNIT: V

BATCH-2017-2019

KARF

Reg No.....

[17CMP205A]

Karpagam Academy of Higher Education
(Established Under Section 3 of UGC Act 1956
Coimbatore – 641021
(For the candidates admitted from 2017 onwards
I M.Com
FIRST INTERNAL TEST, JANUARY 2018
Advertising and Sales Promotion

Time: 2 hours

Maximum: 50 marks

Date & sess: 2 .02.2018 & FN

PART –A (20*1=20 Marks
Multiple choice Questions

1. _____ is one of the promotional mix
 - a Marketing
 - b Advertising
 - c Selling
 - d Buying
- 2.. _____ is a Macro concept
 - a. Marketing
 - b. Advertising
 - c. Selling
 - c. Buying
- 3.. Newspaper is _____ advertising
 - a.Indoor
 - b.Direct method
 - c.Outdoor advertising
 - d.Indirect
4. Magazines are _____ advertising
 - a.Direct method
 - b.Outdoor advertising
 - c.Direct
 - d.Indoor
5. The series of action to attain media objectives is _____
 - a. Media planning
 - b. Media strategy
 - c. Media selection
 - d. Media buying
6. Every advertisement is the outcome of the contribution of _____
 - a. Agency
 - b. Advertisement
 - c. Specialists
 - d. Advertiser
7. Advertisement copy must have a _____ appeal
 - a. Impersonal
 - b. Binomial
 - c. Personal
 - d. Nominal
8. Advertising will built the _____ image.
 - a. Packing
 - b. Trading
 - c. Designing
 - d. Brand
9. _____ is the impersonal process .
 - a.Marketing
 - b.Advertising
 - c.Selling
 - d.Buying

10. Advertising is purely _____
- a. Dependent
 - b. Nominal
 - c. Independent
 - d. Denomination
11. Advertising is a mass _____ process.
- a. Organization
 - b. Production
 - c. Selection
 - d. Communication
12. The word advertising is means turning of _____ to something.
- a. Desire
 - b. Attraction
 - c. Attention
 - d. Interest
- 13 Advertisement that uses the fame of popular person is known as _____
- a. Celebrity Ad
 - b Customer Ad
 - c. Publicity
 - d Creative
14. Advertising is an important source of revenue to _____
- a. Advertisers
 - b. Advertising company
 - c. Media
 - d. Government
15. _____ is the main aim of advertising
- a. Production
 - b. Promotion
 - c .Product
 - d. Publicity
- 16 The message delivery system in advertising is known as _____
- a. Media
 - b. Advertisement
 - c. Television
 - d. News paper
17. Fielder's 17. Advertisement copy must have a _____ appeal
- a. Impersonal
 - b. Binomial
 - c. Personal
 - d. Production
18. Advertising is a social & _____ process
- a. Production
 - b.Promotion
 - c. Public
 - d.Business
19. _____ Coordinates the work of copy-writing with the assistance of copy chief and copy writers.
- a. Media department
 - b. Advertising agency
 - c. Production department
 - d. Finance department Value
20. Advertising is a _____ concept
- a. Macro
 - b. Micro
 - c. Mini
 - d. Hypothesis

PART –B (3*2=6 Marks)
Answer All the Questions

- 21. Define advertising.
- 22. What is advertisement copy?
- 23. Briefly discuss the term target audience.

PART –C (3*8=24 Marks)
Answer All the Questions

- 24. a .What are functions of advertising? Explain.
(Or)
b. Explain the classification of advertising
- 25. a. . Explain the print media in advertising.
(Or)
b.Discuss the advertising process.
- 26. a. Describe the social aspects of advertising..
(Or)
b. Write a short note on advertiment planning.

[17CMP205A/17CCP205A]

I M.Com /IM.COM CA
FIRST INTERNAL TEST, JANUARY 2018
Advertising and Sales Promotion

Maximum: 50 marks

PART –A (20*1=20 Marks)
Multiple choice Questions

1. _____ is one of the promotional mix

a Marketing	b Advertising
c Selling	d Buying
- 2.. _____ is a Macro concept

a. Marketing	b. Advertising
c. Selling	c. Buying
- 3.. Newspaper is _____ advertising

a.Indoor	b.Direct method
c.Outdoor advertising	d.Indirect
4. Magazines are _____ advertising

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c.Direct	d.Indoor
5. The series of action to attain media objectives is_____

a. Media planning	b. Media strategy
c. Media selection	d. Media buying
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7. Advertisement copy must have a _____ appeal

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c. Personal	d. Nominal
8. Advertising will built the _____ image.

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c. Designing	d. Brand
9. _____ is the impersonal process .

a. Marketing	b. Advertising
c. Selling	d. Buying
10. Advertising is purely _____

a. Dependent	b. Nominal
c. Independent	d. Denomination
11. Advertising is a mass _____ process.

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c. Selection	d. Communication
12. The word advertising is means turning of _____ to something.

a. Desire	b. Attraction
-----------	---------------

- c. Attention**
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- a. Celebrity Ad**
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14. Advertising is an important source of revenue to _____
- a. Advertisers
- c. Media**
15. _____ is the main aim of advertising
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- 16 The message delivery system in advertising is known as _____
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17. Fielder's 17. Advertisement copy must have a _____ appeal
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19. _____ Coordinates the work of copy-writing with the assistance of copy chief
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- d Creative
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- d. Government
- b. Promotion
- d. Publicity**
- b. Advertisement
- d. News paper
- b. Binomial
- d. Production
- b.Promotion**
- d.Business
- b. Advertising agency**
- d. Finance department Value
- b. Micro
- d. Hypothesis

PART –B (3*2=6 Marks)
Answer All the Questions

21. Define advertising.

Advertising is an audio or visual form of marketing communication that employs an openly sponsored, non-personal message to promote or sell a product, service or idea.^{[1]:465} Sponsors of advertising are often businesses wishing to promote their products or services.

22. What is advertisement copy?

An Advertisement Copy is text and layout of a print, radio, or television media that aims at catching attention and holding interest of the prospective buyer, and eventually persuading him/her to make a purchase, all within few seconds.

23. Briefly discuss the term target audience.

A target audience is the intended audience or readership of a publication, advertisement, or other message. In marketing and advertising, it is a particular group of consumers within the predetermined target market, identified as the targets or recipients for a particular advertisement or message.^[1] Businesses that have a wide target market will focus on a specific target audience for certain messages to send, such as The Body Shops Mother's Day advertisements, which were aimed at the children and spouses of women, rather than the whole market which would have included the women themselves.

PART –C (3*8=24 Marks)
Answer All the Questions

24. a .What are functions of advertising? Explain.

Functions of Advertising:

Advertising has become an essential marketing activity in the modern era of large-scale production and severe competition in the market.

It performs the following functions:

(i) Promotion of Sales:

Advertising promotes the sale of goods and services by informing and persuading the people to buy them. A good advertising campaign helps in winning customers and generating revenues.

(ii) Introduction of New Products:

Advertising helps in the introduction of new products in the market. A business enterprise can introduce itself and its products to the public through advertising. Advertising enables quick publicity in the market.

(iii) Support to Production System:

Advertising facilitates large-scale production. The business firm knows that it will be able to sell on a large-scale with the help of advertising. Mass production will reduce the cost of production per unit by making possible the economical use of various factors of production.

(iv) Increasing Standard of Living:

Advertising educates the people about the products and their uses. It is advertising which has helped people in adopting new ways of life and giving up old habits. It has contributed a lot towards the betterment of the standard of living of the society.

(v) Public Image:

ADVERTISEMENTS:

Advertising builds up the reputation of the advertiser. Advertising enables a business firm to communicate its achievements and its efforts to satisfy the customers' needs to the public. This increases the goodwill and reputation of the firm.

(vi) Support to Media:

Advertising sustains press. Advertising provides an important source of revenue to the publishers of newspapers and magazines and the producers of T.V. programmes.

b. Explain the classification of advertising

1 Product advertising

A normal characteristic of advertising is to create primary demand for a product category rather than for a specific brand. It is wrongly believed that product advertising must stress on brand name. This is based on the feeling that a good image often enhances the effectiveness of product advertising. However, in practice, most companies are successful in building the product image by using the brand names (e.g., Dettol, Horlicks). In short, when the company tries to sell its product or services through advertising it is referred to as product advertising.

2 Institutional advertising

These advertisements are not always directed to consumers. Instead, it is aimed at many of the various types of public (shareholders, creditors, etc.). It is not product oriented but is rather designed to enhance the image of the company.

3 Primary demand advertising

It is intended to stimulate primary demand for a new product or product category. It is heavily utilised during the introduction stages of the life cycle of the product.

4 Selective or competitive advertising

When a product enters the growth stage of its life cycle, and when competition begins, advertising emerges and becomes selective. Here, the goal of advertising is to increase the demand for a specific product or service. Advertising may begin to stress subtle difference in brands, with heavy emphasis on 'brand name recall'. Pricing also will be used as a key promotional weapon as products become very similar.

5 Comparative advertising

This is a highly controversial trend in today's competitive market. Such types of advertising play a decisive role on comparative features of two or more specific brands in terms of product / service attributes. This method is adopted in the maturity stage when similar products fast appear in the market causing stiff competition.

6 Co-operative advertising

When manufactures, wholesalers and retailers jointly sponsor and share the expenditure on ad-vertising, it takes the form of co-operative advertising. Such advertising carry the names of all the parties involved. From the customers' point of view this is beneficial, as they can get the articles directly from the authorised outlets.

7 Commercial advertising

It is also termed as business advertising. As the name suggests such advertising is solely meant for effective increase in sales.

8 Non-commercial advertising

These are usually published by charitable institutions preferably to solicit general and financial help (such as collection of donation or sale of tickets).

9 Direct action advertising

Advertising that stresses and persuades immediate buying of the product is known as direct action advertising. Direct mail advertising is capable of achieving immediate action to a large extent.

25. a . Explain the print media in advertising.

Magazines and newspapers are the dominant traditional print media used in advertising. Brochures, flyers and other collateral pieces also are sometimes referred to as print collateral. While digital media expansion has affected use of print, it remains a viable way to advertise.

Other types of print media or materials used in advertising include:

- **Direct mail** - Companies send letters, postcards and other items in the mail to customers. Targeted mailers typically have a higher response rate than mass mailers.
- **Directories** - The evolution of online directories has minimized the impact of local print directories as of 2015. However, this format offers a low-cost way to present an enduring message and point of contact to people in a community.
- **Brochures** - Captivating and colorful brochures offer delivery flexibility and the opportunity to tell a story throughout the panels of the layout.
- **Posters and flyers** - Local companies often use low-cost posters and flyers to spread the word about a business, product or event. Though some cities have placement restrictions, distributing flyers around town is a low-cost distribution approach.

b. Discuss the advertising process.

1. **Step 1 - Briefing:** the advertiser needs to brief about the product or the service which has to be advertised and doing the SWOT analysis of the company and the product.
2. **Step 2 - Knowing the Objective:** one should first know the objective or the purpose of advertising. i.e. what message is to be delivered to the audience?
3. **Step 3 - Research:** this step involves finding out the market behavior, knowing the competitors, what type of advertising they are using, what is the response of the consumers, availability of the resources needed in the process, etc.
4. **Step 4 - Target Audience:** the next step is to identify the target consumers most likely to buy the product. The target should be appropriately identified without any confusion. For e.g. if the product is a health drink for growing kids, then the target customers will be the parents who are going to buy it and not the kids who are going to drink it.

5. **Step 5 - Media Selection:** now that the target audience is identified, one should select an appropriate media for advertising so that the customers who are to be informed about the product and are willing to buy are successfully reached.
6. **Step 6 - Setting the Budget:** then the advertising budget has to be planned so that there is no short of funds or excess of funds during the process of advertising and also there are no losses to the company.
7. **Step 7 - Designing and Creating the Ad:** first the design that is the outline of ad on papers is made by the copywriters of the agency, then the actual creation of ad is done with help of the art directors and the creative personnel of the agency.
8. **Step 8 - Perfection:** then the created ad is re-examined and the ad is redefined to make it perfect to enter the market.
9. **Step 9 - Place and Time of Ad:** the next step is to decide where and when the ad will be shown.
 The place will be decided according to the target customers where the ad is most visible clearly to them. The finalization of time on which the ad will be telecasted or shown on the selected media will be done by the traffic department of the agency.
10. **Step 10 - Execution:** finally the advertise is released with perfect creation, perfect placement and perfect timing in the market.
11. **Step 11 - Performance:** the last step is to judge the performance of the ad in terms of the response from the customers, whether they are satisfied with the ad and the product, did the ad reached all the targeted people, was the advertise capable enough to compete with the other players, etc. Every point is studied properly and changes are made, if any.

26. a. Describe the social aspects of advertising.

Deception in Advertising:

The relation between the buyers and sellers is maintained if the buyers are satisfied with what they saw in advertise and what they got after buying that product. If seller shows a false or deceptive image and an exaggerated image of the product in the advertisement, then the relation between the seller and buyers can't be healthy. These problems can be overcome if the seller keep their ads clean and displays right image of the product.

The Subliminal Advertising:

Capturing the Minds of the consumers is the main intention of these ads. The ads are made in such a way that the consumers don't even realizes that the ad has made an impact on their minds and this results in buying the product which they don't even

need. But “All ads don’t impress all consumers at all times”, because majority of consumers buy products on basis of the price and needs.

Effect on Our Value System:

The advertisers use puffing tactics, endorsements from celebrities, and play emotionally, which makes ads so powerful that the consumers like helpless preys buy those products.

These ads make poor people buy products which they can’t afford, people picking up bad habits like smoking and drinking, and buy products just because their favorite actor endorsed that product. This affects in increased the cost of whole society and loss of values of our own selves.

Offensiveness:

Some ads are so offensive that they are not acceptable by the buyers. For example, the ads of denim jeans showed girls wearing very less clothes and making a sex appeal. These kinds of ads are irrelevant to the actual product. But then there is some ads which are educative also and now accepted by people. Earlier ads giving information about birth control pills was considered offensive but now the same ads are considered educative and important.

But at the last, there are some great positive aspects which help

- Development of society and growth of technologies
- Employment
- Gives choices to buyers with self interest
- Welcomes healthy competition
- Improving standard of living.
- Give information on social, economical and health issues.
-

b. Write a short note on advertisement planning.

An advertising plan is a promotion blueprint that, when followed, provides the direction for companies and businesses to bolster sales, create awareness in the market, and engage with an entirely new customer base. An advertising plan will ensure that your company's money will be spent sensibly and will reach all of the proper target audiences.