CHAPTER -III

PLAYERS IN ADVERTISING
# CHAPTER III

## PLAYERS IN ADVERTISING

<table>
<thead>
<tr>
<th>TOPIC NO.</th>
<th>TITLE</th>
<th>PAGE NO.</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1</td>
<td>INTRODUCTION</td>
<td>85</td>
</tr>
<tr>
<td>3.2</td>
<td>SPONSOR OR ADVERTISER</td>
<td>86</td>
</tr>
<tr>
<td>3.2.1</td>
<td>IDENTIFIED SPONSORS</td>
<td>90</td>
</tr>
<tr>
<td>3.2.2</td>
<td>SPONSORSHIP IN NEW PERSPECTIVES</td>
<td>91</td>
</tr>
<tr>
<td>3.2.3</td>
<td>PROGRAM TO BE SPONSORED</td>
<td>92</td>
</tr>
<tr>
<td>3.3</td>
<td>MEDIA</td>
<td>94</td>
</tr>
<tr>
<td>3.3.1</td>
<td>MEDIA CONSIDERATION</td>
<td>97</td>
</tr>
<tr>
<td>3.3.2</td>
<td>AUDIENCE MEASUREMENT ISSUES IN NEW MEDIA</td>
<td>99</td>
</tr>
<tr>
<td>3.3.3</td>
<td>CHANGES IN AUDIENCE INTERFACE</td>
<td>101</td>
</tr>
<tr>
<td>3.3.4</td>
<td>DIFFERENT MEDIA OF ADVERTISING</td>
<td>103</td>
</tr>
<tr>
<td>3.3.5</td>
<td>SUITABILITY OF MEDIA OF ADVERTISING</td>
<td>113</td>
</tr>
<tr>
<td>3.4</td>
<td>ADVERTISING AGENCY</td>
<td>115</td>
</tr>
<tr>
<td>3.4.1</td>
<td>TYPES OF ADVERTISING AGENCIES</td>
<td>119</td>
</tr>
<tr>
<td>3.4.2</td>
<td>INSIDE THE AGENCIES</td>
<td>121</td>
</tr>
<tr>
<td>3.4.3</td>
<td>AGENCY COMPENSATION</td>
<td>124</td>
</tr>
<tr>
<td>3.4.4</td>
<td>DUTY &amp; ROLE OF ADVERTISING AGENCIES</td>
<td>125</td>
</tr>
<tr>
<td>3.5</td>
<td>CONSUMERS OR THE TARGET AUDIENCE</td>
<td>127</td>
</tr>
</tbody>
</table>
3.1 INTRODUCTION:

Advertising has been defined as “any paid form for non-personal presentation and promotion of ideas, goods or services by an identified sponsor”\(^2\) and more narrowly as “any human communication intended to persuade or influence buyers in their purchase decisions”.\(^3\)

By looking into the meaning and definition of advertising we can sum up the following features of advertising.

(i) Non-personal presentation of message – In advertising there is no face-to-face or direct contact with the customers. It is directed to the prospective buyers in general.

(ii) Promotion of product, service or idea – Advertisement contains any message regarding any particular product, service or even an idea. Advertising agency makes such advertisement, which makes people aware about the product and induces them to buy it.


(iii) Sponsor is always identified -- The identity of the manufacturer, the trader or the service provider who issues advertisement is always disclosed.

(iv) Communicated through some media -- Advertisements are always communicated through use of certain media. In advertising the manufacturer communicates with prospective customers through different medias like, newspapers, hoardings, magazines, radio, television, etc.

All the above factors are called as players in advertising or active participants in advertising. Players in advertising are those individual or organizations, which are actively associated in the field of advertising. Players in advertising have an important role from the time the product is brought to the market, till the time it is sold to the final consumers.

Here are the four key players in the advertising world:


3.2 SPONSORS OR ADVERTISER:

The word sponsor is derived from the Latin word guarantor. To sponsor something is to support an event, activity, person, or organization financially or through the provision of products or services. Sponsorship is typically done for promotional purposes, to generate publicity, or to obtain access to a wider audience. Sponsorship may be an arrangement to exchange advertising for the responsibility of funding a popular event or entity. For example, a corporate entity may provide equipment for a famous athlete or sports team in exchange for brand recognition.
The sponsor earns popularity this way while the sponsored can save a lot of money. This type of sponsorship is prominent in sports, the arts, media and the charity ('cause-related') sector. It is also becoming increasingly important in education. Many companies want their logo on sponsored equipment in return. Other types of sponsorships revolve around companies paying for parts of television broadcasts and sporting events, which bear their name. Many times a company's motives for sponsorship are altruistic in order to create goodwill in the community, which increases their good reputation. However, sponsorship is more commonly used to derive benefit from the associations created for a company's brand(s) or image as a result of the sponsorship.

People may sponsor an individual or group of people to undertake a fund raising task, usually for a charity or other cause requiring funds. Sponsorship belongs to the promotional tool of Public Relations. Sponsor or Advertiser is one who pays for part or all of a television or radio program by running one or more advertisements during the program. Sponsorship entitles the advertiser to mention as the program's sponsor, and to a specific amount of commercial time throughout the program, depending on the time of day, the type of program (local vs. Network), and the station's regulations. Sponsor is one who provides a substantial portion of the funding to an event. Event sponsors typically receive publicity such as banners and signs at the event as well as prominent mention in printed materials and event advertisements. Sponsorships enable marketers to leverage their marketing funds by gaining more publicity and goodwill than those same funds could have purchased directly. Sponsor is a Radio or television advertiser in a strict sense one that pays for
program time as distinguished from an advertiser who pays for only announcement or commercial time. On scrutiny of the definition of advertising, it emerges that the advertisers use the audio or video media for a sponsored communication to influence buyers' behavior. Sponsor pays for it with the objective directed at mass audience viewers of program or listeners of radio.

The sponsor's objective is also to promote ideas, goods and services with identification during the programs, sometimes in the beginning, in the middle and/or at the end of the program. The announcement made on the media used is sufficient. The 10/15 minutes program has 8/10 seconds for identification of the sponsors and this being a costly advertisement in a country like India. Only a few big companies or manufacturers use this promotional strategy. The purpose is to keep in the mind of the potential consumers the name of the sponsor and his different brands in the market.

The third objective of the sponsor is to project the sponsor as "superior to all others" or to project one's image. Providing a good entertainment program is also a public service. The audience desired watches/listens to the program and become prospective buyers or continues to buy the goods manufactured/marketed by the sponsor.

The forth object is social or directed towards bringing a social awareness, change in the habits, education and for providing information to make the modern society to live well, do well and feel well. For example discontinuance of smoking,
family planning, physical fitness, elimination of drug abuse and understanding AIDS etc.

Advantages to the sponsors for their advertising on Radio & Television programs are as follows.

1. Prestige for the advertisers and for their products.
2. The sponsor is regarded as big companies and prosperous.
3. Improves image as compared to other business in the area.
4. The program is designed to specific sponsors and their products.
5. Program content can be tailored to fit the entertainment preferences of logical prospects for the advertiser's products.
6. The sponsors can build groups of loyal followers for programs.
7. These viewers receive repeated advertising messages of the benefits the product offer.
8. If the program is attracting listeners who are logical prospects for the products, they will be converted into customers.

Sponsors have to select a program, which will be listened on Radio or seen on Television by his listeners, or viewers, which he wants for this. The sponsor must know the technique of selection and the program must have good entertainment value. The program must have good appeal to potential customers who might buy his products. The sponsor achieves a general communication, seeks to inform, persuade and prepare the prospects.
The first consideration is the selection process to choose a program with appeal to potential customers. The governing principal in program selection is acceptability to the consumers. If the consumer does not like the program, he obviously will not listen to it. The cost is the main consideration in the choice of the media for sponsored program. If the budget is small Radio announcement of the advertiser is sufficient, if the budget is quite good for a large amount, the Television sponsored program can be worked out by one sponsor otherwise he can associate with co-sponsor who will have the advertising time for their products. Only requirement is that the co-sponsor must be non-competitive.

3.2.1 IDENTIFIED SPONSORS

Identified sponsors mean whoever is putting out the ad tells the audience who they are. There are two reasons for this: first, it's a legal requirement, and second, it makes good sense. Legally, a sponsor must identify himself as the sponsor of an ad. This prevents the audience from getting a misleading idea about the ad or its contents. For example, many ads that appear in newspapers look like news articles: same typeface, appearance, use of columns, etc. If the ad is not identified as such, the audience could perceive it as news about a product, rather than an attempt to persuade the audience to buy it. For example: a news article discusses a weight-loss plan. In journalistic style it talks about the safety, efficacy, and reasonable price of the product. A reasonable person might perceive the "article" as having been written by a reporter who had investigated weight-loss programs and decided to objectively discuss this particular one. Such a perception is misleading, and illegal.
Since it is an ad, somewhere on it there must appear the word "advertisement" to ensure the audience does not think it is an objective reporting of news.

Second, it makes good sense for a sponsor to identify himself in the ad. If the sponsor doesn't, it is possible for the audience to believe the ad is for a competitor's product, thus wasting all the time, creativity and money that went into making and placing the ad.

3.2.2 SPONSORSHIP IN NEW PERSPECTIVES:

Certain social, cultural events and sports activities have been dominating the use of print and audio-video media for advertising. The boom period in the twentieth century is seen at ASIAD, Olympic games, Wimbledon Tennis, Annual sports, drama and dance festival, seasonal religious festivals such as Ganesh festival, Diwali in particular with a view to sell more and reap the profits and stock clearance of goods are glaring examples of the use of print and other media to project the brand image and the sponsors name. Even hand bills, Railway timetable printing, shops nameplates painted and side-by-side sponsors resorting to painting shops doors, walls and blocking a space with Fine advertising are new dimensions and new perspective of sponsors. Big hording, illuminated advertisements on best views have good market demand for advertising.

Railway line hutment, walls and doors have been by attractive painting of advertisements adding a sense of beauty, ethics and old pattern of advertising of beedies, cigarettes, tobacco (jarda) snuff, and Gutka has now given way to hygiene,
medicines, social objectives such as grow more trees, pollution control, family planning, AIDS and many others evils and health hazards. Spread of literacy, new techniques of using water irrigation use of fertilizers, horticultural and agricultural revolutions have spread in villages due sponsors patronage and use of their resources in painting walls of educational institution, use of state transport, bus bodies and even BEST bus stop and buses are the targets effectively used by sponsors to project and keep alive the brand image before the viewers, passerby literate or illiterate masses of our country. This idea is to spread social, religious, and cultural and sports events where we watch the number of advertising displayed regularly.

3.2.3 PROGRAME TO BE SPONSORED:

Advertisers pay the money for advertising their goods and services purely based on their projection of the effectiveness of the advertisement and their calculation of reaching the target customers. How many people watch event? how many will see their advertisements and the communication of the message to their advantage are the prime consideration for image building under the umbrella of social good. These are secondary but selfish motives of advertisers equally important for continuous patronage and existence of the sponsors.

Generally, programs, which have assured and guaranteed viewers, have good sponsors-and they buy the prime time of such programmers. Antakshari, Kaun Banega Corepati, Kabhi Saas Bhi Kabhi Bhau Thi, Amul Star Voice of India
are few examples of family viewers in large numbers getting more and more sponsors, co-sponsors to share the cost an awarding or giving prizes. Modi tyres, Airline Companies, Chocolate Companies and Soft Drinks producers are common sponsors at sports event all over the world.

Consumer’s behavior has been toned and nourished to the advantage of sponsors and they resort to sponsorship of advertisements keeping in view the viewer’s age, their family size and general economy standard for advertising on the media. Children’s program have been dominating sponsors of children’s liking of products such as chocolates, school kits, soft drinks and energy giving nourishing drinks like Bournvita, Horlicks, toys and games, children’s fashion designs, shoes uniforms and women’s programs have sponsors for kitchenware, masala and food articles makers, fashion, washing machine and washing powder manufacturers, toothpaste etc.

They project their brands and make constantly new advertisement to tone the consumer behavior. The housewives dominate the buying activities of the family and effective advertisement by sponsors has created good response to brand loyalty. Cosmetics, toothpaste, suiting, shirting and dress material, education, new product inventors, soaps and toiletries are sponsored programs seen by the entire family around eight to ten at night and sponsors are ready to buy time for advertisement of such products to display their skill at such time in television advertisements. Sponsors make the best use of time and money to gain the attention
of the general public so that they can distinguish themselves and their product from their competitor's brand and product.

### Table 3.1

**INDIA'S LEADING ADVERTISERS IN 2005 BY MEDIA SPEND**

<table>
<thead>
<tr>
<th>Hindustan Lever ($99m)</th>
<th>Dabur India ($24m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maruti Udyog (Suzuki) ($27m)</td>
<td>Bajaj Auto ($24m)</td>
</tr>
<tr>
<td>Pepsico ($27m)</td>
<td>Hero Honda ($23m)</td>
</tr>
<tr>
<td>LG Electronics ($25m)</td>
<td>Nokia ($22m)</td>
</tr>
<tr>
<td>Procter &amp; Gamble ($25m)</td>
<td>Paras Pharmaceuticals ($22m)</td>
</tr>
</tbody>
</table>

Source: Group M / M&M

### 3.3 MEDIA

The term "media" refers to the entire set of channels through which it is possible to deliver message to part or all of the public. Traditionally there were two types of channels; a "mass medium" type capable of distributing the same message to many people simultaneously [e.g. radio], and a "carrier" type capable of transmitting one message to one person at a time [e.g. telephone]. The critical
The difference between carriers and media has been the level of interaction permitted by each channel. Carriers permit fully interactive, real-time dialogue while mass media typically have permitted less [or zero] interaction between message senders and recipients. Today, most new media have blended these channel characteristics and are able to reach many people almost simultaneously and provide a high level of interaction [e.g. personalized grocery store checkout coupons, the internet and personal in-flight video screens] but the essence of the definition is the same.

MEDIA (singular medium) are the print (newspaper, magazines, etc.) and electronic (radio, television and computer) communication devices used for advertising. Effective advertising is saying the right thing in the right medium at the right time. That creating advertising message is only one stage where creativity plays an important role in advertising management. A well-designed advertisement is thus clearly recognized.

A well-designed advertisement is dependent on where and when it is placed, if it is to be truly successful. The decisions concerning place and time constitute the media function, which involves two basic processes: media planning and implementation of the plan, or media buying. Advertisement appearing in print media and audiovisuals are very effective. These advertisements live with the modernism in respect of art, creativity, and ideas and true to their expectations in regard to their usefulness to the advertisers, sponsors. The persons snagged in these
industries live for results, name and fame for everyone including the team of artists, technicians, cameramen, and printers, advertising agencies including the model.

Advertising through media on social problems, social theme, health hazards awareness and precautions, family planning, promotion of universal brotherhood, national integration by the participation of sports, popular film stars have been effective all these years and have proved to be very useful in combating social evils, misconceptions and misunderstanding all over the world. UNO, WHO, UNESCO and many other national and international organizations have been benefited by effective advertising through available media. Their usefulness is without any doubt. Continuity of advertising over the media selected is very important. The theme, copy style, art layout and the facets of message content are all equally important. Continuity in media usage is also desirable. The audience should be exposed to the message over a period of time long enough to achieve the objectives. It all depends on the cost involved in advertising and the advertiser's expectation of number of audiences or that with the cost incurred for use of the media, the listeners or viewers are the targets. The usage of the different advertising media has changed in recent decades, largely due to changes in technology.

In the early decades of the 20th Century print was the key medium, as it is today though its influence is declining in relation to television. The impact of media, television, radio, print, outdoors, Internet, is influenced by different factors. Literacy and income levels are important for print advertising. Media usage overall
is increasing and the absolute figures for print advertising expenditure are on the increase. Press advertising was 58% of the total in 1999 compared to television at 34%. Print was the major category in 2001 and in 2002, though television is expected to increase its share from 40.7% in 2001 to 41.8 in 2004. Radio accounts for 2.5% of advertising expenditure.

3.3.1 MEDIA CONSIDERATION:
Media strategy depends upon the target audience and effective media vehicle to reach them at the right time. The important media considerations are as follows:

a) Audience Size:
Medium's efficiency is based on its reach to audience. Media with large audience reach reduces the frequency of exposure. Selection of largest media vehicle helps in increasing the reach but when the objective is to have high frequency of exposure, vehicles with small audience are preferred. In practice, media selection is complicated due to duplication of audience in large and small medium.

b) Time of advertising:
Broadcast media delivers an advertisement at the same time whereas print media tend to spread audience delivery over longer time. However, optimum frequency

---

depends upon factors each as copy approach selected, the function of advertising, the
nature of purchase pattern, and advertising budget.

c) **Audience Characteristics:**
More specialized is the brand, more important is audience characteristics than
audience size. Each prospective medium is evaluated on the basis of audience
characteristics and to find out whether such audiences are defined geographically,
demographically, psychologically or by brand usage.

d) **Exposure Value:**
Exposure value is the degree to which audiences are exposed to the advertisement
carried. Watching the sponsored programme does not mean watching the
commercials during a break as the viewer may switch channels during a commercial
break or for magazine, the reader may subscribed it for editorial or for some articles
and may not see / read the specific advertisement. Exposure value reflects the
normal reading and viewing patterns of the medium’s audience and it is unaffected
by attention grabbing power of an advertisement. Exposure value accounts a lot in
the advertisement.

e) **Attention Value:**
Fashion magazines are read for the advertisements. Attention value depends upon
the factors such as audience involvement in the program and advertising content,
prior exposure of audience towards an advertisement, time of message delivery, and
quality of advertisement copy. Depending upon these factors, media selection is done.

3.3.2 AUDIENCE MEASUREMENT ISSUES IN NEW MEDIA

Clearly, the issues of audience definition and measurement and who will provide them are of fundamental importance in shaping the nature of media planning in advertising agencies of the near-term future. An example of just one such new medium may point out the problems involved. A new company called ProductView Interactive (AD AGE, April 17, 1995) has been formed to provide the new medium of "electronic mail" to consumers. For those who do not have access to the Internet through government-related agencies, email is not universally available free of cost or at minimal cost like the "old mail." One must pay a monthly fee to Prodigy or similar on-line service, as well as a per-minute fee in many cases, to get access to email privileges. Product View plans to provide email to anyone who subscribes for free to the subscriber. This service will be subsidized entirely by advertisers, as is almost the case in old media of newspapers, magazines and the like. Each piece of email going through the system will be tagged with an advertiser's "stamp" or logo. Additionally, buttons will appear on the screen for access to ads and additional information about the product whose stamp appears. A different stamp will appear on each piece of email opened by the consumer. But advertisers are already complaining about some of the cost structure (especially for business referrals). Clearly, advertisers must have evidence of the rational relationship of cost structure of the medium to the potential audience of this medium.
How will "potential audience" be defined for this email medium? How will audience be measured? Who will do the measuring? Will this measuring company be audited? By whom? These questions need addressing now in order for the medium to survive if the thesis regarding the importance of "audience measurement" stated above is correct. Once the audience is defined and measured for this new medium, how will media planners in advertising agencies use this information? Reach and frequency have evolved since the 1950's, largely at the behest of media people in advertising agencies, into fundamental concepts which form the basis of most media planning schemes in use today (Leckenby and Kim 1994). It is clear advertisers will continue to want to know how much money to put into a new medium such as email. New media, as old media, will be evaluated based on "buys." Once the "rating" or average audience of email through Product View is measured, this rating can be used in traditional reach/ frequency models to estimate the reach/frequency of any number of buys in that medium. If, for example, the definition and measurement for this medium are such that one could know the average number of people who "click" open at least one email message in a week for a given amount of "placements" of one advertisers' stamp on email going through Product View's system, then the cost can be set rationally for this unit of measurement and placement as the basis for a unit of "buy." Further, this unit and resulting measurement can then serve as the basis for projection to any number of "buys" in this medium for the purpose of estimating the reach/frequency of that number of units of "buy." This would serve as the basis, as in all media, for the calculation of cost per thousand people reached one or three times, cost per rating point, gross
rating points, reach, average frequency and the truncated frequency distribution of exposure. Notice that advertisers, at least in this medium, would still be faced with the enduring issue of estimating exposure to the medium as opposed to exposure to the advertising message. Apparently new media are not immune to problems of effective reach/frequency.

3.3.3 CHANGES IN AUDIENCE INTERFACE

Increased computing power has permitted the media to alter its very nature. With the advent and accelerated dispersion of technology through society, media has become less of a mass institution, evolving into a highly customized industry able to supply windows into very narrow areas of consumer interest. Small and large media firms alike can provide selective content to small audiences with reasonable efficiency. This ability has led to a fundamental change in the amount of effort consumers must expend in the search and acquisition of media content and personally relevant information. In the new media environment consumer must expend a great deal of effort to access very selective [and therefore interesting] media and vehicles, just as the level of effort they must expend to protect themselves from unwanted or intrusive media and vehicle has increased. Conversely and seemingly contradictorily, consumers are also able to access a wider variety of entertainment and information with even less effort [500channel CATV]. Examining how different media "score" on important dimensions such as 'effortfulness' and 'degree of interactivity' may provide a useful guide for understanding the more
complicated interface between media and consumers, which advertisers must now take into consideration.

The "new media" represent, then, the future for many professionals engaged in the industries involved in advertising, including publishers, programmers and clients, not merely for agency personnel. The "new media" also have implications for agency personnel. The future role of media planners will focus increasingly on identifying new media alternatives and examining the efficiencies inherent in each. This increases the need for emphasis on analytical skills and accountability. Students need to be involved in developing new ideas about definitions, concepts, measurements and implementations in advertising media. Media planning once a clerical position has become an executive position. The function of which increasingly revolves around identifying new media alternatives and examining the efficiencies of each by applying existing media concepts. Consequently educators are required to place additional emphasis on teaching analytical tools and personal accountability. From this analysis it is clear that the "new media" represent vast opportunities for advertising, as well as the need for continued advertising education.
3.3.4 DIFFERENT MEDIA OF ADVERTISING:

So far, it is seen that advertisements are communicated by using some media like, newspaper, journals, radio, television, etc. The following diagram shows some commonly used media of advertising:

TABLE 3.2

DIFFERENT MEDIA OF ADVERTISING

<table>
<thead>
<tr>
<th>Print Media</th>
<th>Electronic Media</th>
<th>Other Media</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Periodicals</td>
<td>2. Television</td>
<td>2. Posters</td>
</tr>
<tr>
<td></td>
<td>3. Internet</td>
<td>3. Vehicular Displays</td>
</tr>
</tbody>
</table>

(I) PRINT MEDIA

Print media is a very commonly used medium of advertising by businessman. It includes advertising through newspaper, magazines, journals, etc. and is also called press advertising. Printed as distinguished from broadcast or electronically transmitted communications. The print media include all newspapers, newsletters, booklets, pamphlets, magazines, Journals and other printed publications, especially those that sell advertising space as a means of raising revenue. Most print media, with the exception of magazines, are local, although there are some national newspapers and trade publications that have become quite successful. Magazines, on the other hand, have always been national, although there is a trend today toward localization and specialization. Also included in print media
category are directories, university and school newspapers and yearbooks, and programs at theater presentations and sporting events.

GRAPH 3.1

Personal Care/Hygiene sector saw a rise of 2% in Print ad volumes in H1'07

1. Newspapers

In our country newspapers are published in English, Hindi and in other regional languages. These are the sources of news, opinions and current events. In addition, Newspapers are also a very common medium of advertising. The advertiser communicates his message through newspaper, which reaches to crores of people. A newspaper is a written publication containing news, information and advertising, usually printed on low-cost paper called newsprint. General-interest
newspapers often feature articles on political events, crime, business, art/entertainment, society and sports. Most traditional papers also feature an editorial page containing columns, which express the personal opinions of writers. Supplementary sections may contain advertising, comics, coupons, and other printed media. Newspapers are most often published on a daily or weekly basis, and they usually focus on one particular geographic area where most of their readers live. Despite recent setbacks in circulation and profits newspapers are still the most iconic outlet for news and other types of written journalism.

Table 3.3
TOP TEN ADVERTISING CATEGORIES (2001)

<table>
<thead>
<tr>
<th>Advertising sector</th>
<th>Newspaper expenditure Rs (mill)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clothing</td>
<td>800</td>
</tr>
<tr>
<td>Retail</td>
<td>800</td>
</tr>
<tr>
<td>Durables range</td>
<td>875</td>
</tr>
<tr>
<td>Promotion</td>
<td>1,115</td>
</tr>
<tr>
<td>Property</td>
<td>1,143</td>
</tr>
<tr>
<td>TV channel promotions</td>
<td>1,238</td>
</tr>
<tr>
<td>Cars/jeeps</td>
<td>1,820</td>
</tr>
<tr>
<td>Two wheelers</td>
<td>1,842</td>
</tr>
<tr>
<td>Corporate/brand image</td>
<td>1,908</td>
</tr>
<tr>
<td>Computer Education</td>
<td>1,899</td>
</tr>
</tbody>
</table>

Source: ORG Map Press audit
Table 3.4
TOP TEN - ADVERTISER CATEGORIES (2001)

<table>
<thead>
<tr>
<th>Advertising sector</th>
<th>Newspaper expenditure Rs (mill)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bajaj Auto</td>
<td>525</td>
</tr>
<tr>
<td>Hero Honda</td>
<td>530</td>
</tr>
<tr>
<td>Telco</td>
<td>498</td>
</tr>
<tr>
<td>Lie Insurance Corp of India</td>
<td>444</td>
</tr>
<tr>
<td>ITC</td>
<td>316</td>
</tr>
<tr>
<td>Samsung</td>
<td>382</td>
</tr>
<tr>
<td>LG electronics</td>
<td>422</td>
</tr>
<tr>
<td>Maruti udyog</td>
<td>389</td>
</tr>
<tr>
<td>NIIT</td>
<td>331</td>
</tr>
<tr>
<td>Hyundai</td>
<td>422</td>
</tr>
</tbody>
</table>

Source: ORG Map Press audit

1. PERIODICALS (MAGAZINES)

The terms “magazine”, “journal”, “periodical” and “serial” are often used interchangeably. “Periodical” is a general term that can be applied to any publication that is issued periodically e.g. weekly, monthly, quarterly, annually. Periodicals are publications which come out regularly but not on a daily basis. These may be published on a weekly, fortnightly, monthly, bimonthly, quarterly or even yearly basis. For example you must have come across magazines and journals like Onlooker, India Today, Frontline, Yojana, Swagat, Femina, etc. published regularly in English, Grihasobha, Nandan and Champak in Hindi. Similarly there are also periodicals in Hindi and other regional languages. All these periodicals have
a large number of readers and thus, advertisements published in them reach a number of people.

**GRAPH 3.2**

General Interest newspapers and Women based magazines preferred by Personal Care products

<table>
<thead>
<tr>
<th>Newspapers</th>
<th>Magazines</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Interest : 99%</td>
<td>Women : 60%</td>
</tr>
<tr>
<td>Business/Finance/Economy : 1%</td>
<td>News/Current Affairs : 14%</td>
</tr>
<tr>
<td>Youth : 0.1%</td>
<td>Entertainment (Movie/TV) : 7%</td>
</tr>
<tr>
<td>Fashion &amp; Lifestyle : 3%</td>
<td>General Interest : 2%</td>
</tr>
<tr>
<td>Others (13)</td>
<td>Youth : 6%</td>
</tr>
</tbody>
</table>

Source: AdEx India (A Division of TAM Media Research)
Note: Figures are based on Volumes (Col/Pcm)

**(II) ELECTRONIC MEDIA**

This is a very popular form of advertising in the modern day marketing.

Electronic media includes Radio, Television and Internet. Let us look into detail about these.

**(A) RADIO ADVERTISING:**

All of us are aware about a radio and must have heard advertisements for various products in it. In radio there are short breaks during transmission of any programme, which is filled by advertisements of products and services. There are
also popular programmes sponsored by advertisers. (One of the longest run programmes in Radio was a sponsored programme started as “Binaca Geetmala” and later renamed as “Cibaca Geetmala”. It was sponsored by Hindustan Ciba-Geigy Limited for its products like toothpastes, toothpowders and toothbrushes and it continued for a period of 30 years on a weekly basis. More and more companies are turning to radio advertising to reach a captive audience. Radio advertising can be purchased locally, regionally or nationally and can be produced to fit any company’s advertising budget or reach any target audience you choose. More and more radio stations are aiming their broadcasting to highly targeted audiences, whether they are young, male or female, football fans, the grey market, lovers of classical, pop, jazz or nostalgic music lovers. Radio Mirchi has successfully captivated a large audience. Radio advertising can be used to reach any demographic audience you choose.

(i) RADIO ADVERTISING COSTS

Radio advertising is very much the cheaper sibling to TV and something we often offer on the back of a television advertising campaign. Having said that, we’re happy to produce stand-alone campaigns too. Radio advertising, used correctly, cuts through the clutter and can send a clear message to a target audience. Aimed at the right age group in the right income bracket, there is no need to use visual images, as the human mind can be even more powerful than images produced using press or television advertising.
Apart from the economics of radio advertising, there are other major benefits. Because a radio audience can be employed doing other things whilst listening, radio advertising can be subliminal and is one of the medium’s major advantages. Television demands more attention, but you can listen to the radio whilst you are driving, working, or surfing the Internet. Radio advertising influences us all whether we realize it or not. We have all bought products or services, consciously or subconsciously as a result of hearing an advertisement on the radio.

Although radio advertising is seen as a complementary medium to television it should not be considered as the poor cousin. The audience may be concentrating on other things, but the subconscious mind is a powerful tool and radio advertising exploits our ability to absorb information to the full extent. It is true that radio advertising doesn’t have the same brand building power as television advertising, but used in conjunction with television advertising and other media like the Internet, radio advertising can prove extremely profitable.

(ii) RADIO INDUSTRY SIZE:

The radio industry revenues for fiscal 2005 are estimated at Rs. 3.22 billion, and are expected to grow by 14.3% to Rs. 3.68 billion by fiscal 2006. The state broadcaster - All India Radio ("AIR") - contributed 55% of the industry revenues in 2004, which has decreased from 100% in 2001.

---

(B) TELEVISION ADVERTISING:

Television was first introduced into Delhi in 1959 and a regular service was introduced in 1965, but until 1982 it was confined to major cities. NASA launched the first Indian satellite in 1982, and by 1984 transmitters covered 30% of the population, and by 1991 that figure was 76% of the population. There was only one channel until 1984 when a second channel was set up in Delhi, Bombay, Calcutta and Madras. The cost of a television set in 1989 at approximately $US 800 was four times the average annual per capita income. There was major expansion in television in the early 1990s and the importance of television has increased dramatically. Satellite and cable television were also introduced in the 1990s; including the Hong Kong based Star television in the early 1990s. Cable penetration grew from 20 to 32 million homes from 1998 to 2000. In 1999 there were 60 satellite-operated channels, with more being introduced all the time. Television allows copywriter to show the product with visual effects and convey the functional advantages of a product. Combination of Audio and Visual provides personal selling effects with wider reach and/or selective reach by selection of a program. (Children program has advertisement of energy drinks, bubble gum and baby products). However, it has a high cost and the messages are short lived if audience attention does not take place.

---


With rapid growth of information technology and electronic media, television has topped the list among the media of advertising. TV has the most effective impact as it appeals to both eye and the ear. Products can be shown, their uses can be demonstrated and their utilities can be told over television. Just like radio, advertisements are shown in TV during short breaks and there are also sponsored programmes by advertisers. Advertisements on TV are able to grab the attention of the people more than any other type of media. Today, TV advertising (estimated at Rs 4,860 crore for 2004) accounts for about 41 per cent of the total ad spend in the country (estimated at Rs 11,815 crore for 2004).

Table 3.5

TELEVISION ADVERTISING EXPENDITURE

<table>
<thead>
<tr>
<th>Year</th>
<th>Spend</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>3,500</td>
</tr>
<tr>
<td>2002</td>
<td>3,900</td>
</tr>
<tr>
<td>2003</td>
<td>4,300</td>
</tr>
<tr>
<td>2004</td>
<td>4,900</td>
</tr>
</tbody>
</table>

(Source: Business Line {Catalyst}, 11/03/04)
(C) **Internet:**

Internet is the latest method of communication and gathering information. Within fraction of second you can have information from all over the world. Through Internet you can go to the website of any manufacturer or service provider and gather information. Sometimes when you do not have website addresses you take help of search engines or portals. In almost all the search engines or portals different manufactures or service providers advertise their products. Delivering ads to Internet users via Web sites, e-mail, ad-supported software and Internet-enabled cell phones. Also called an "ad network," Internet advertising organizations act as a middleman between the advertiser and the Web sites and software publishers that display the ads. They make a profit by selling the online campaign to the advertisers and paying the sites to distribute them. Such organizations may also provide software tools that enable an organization to deliver the ads it generates itself. Internet Advertising refers to various specific advertising methods on the Internet including: Banner ads, Search engine advertising, Email marketing

(D) **Other Media:**

Outdoor advertising has been important in major cities and is also common in rural areas. Outdoor advertising from 1993-1997 averaged about 5.5% of total advertising, which is similar to international trends. In the big cities the demand for outdoor media exceeds the supply, and costs are relatively high. The average rental for a billboard (10x20 feet) varies between SUS 50 and SUS 300 per month, except in Mumbai, the center of the advertising industry, where prices are almost 3 to 4 times
higher. Films are another important form of advertising especially for the rural consumers. Both billboards and films are seen as ‘reminder’ advertising. Billboards have tended to be hand painted, and still are in the countryside, but new methods are being used in the cities. The latest marketing frontier is the Internet and Pepsi and Coca Cola are some of the leading marketers in this area. In 2002 the number of Internet users in India was estimated at 7 million by the World Bank (2003), an increase from an estimated 800,000 in 1999 and 250,000 in 1995 (World Bank, 2003). Some of the largest advertisers in India are exploring different strategies and media to attempt to enter the vast rural consumer market, where even a small percentage of market share amounts to millions of consumers.

3.3.5 SUITABILITY OF MEDIA OF ADVERTISING:

The advertisers must look into the suitability of each medium of advertising in relation to their product. For this purpose, they must look into the nature of the product or services to be advertised, the target customers for such product, the amount of allocated funds for such advertising and the availability of space and time in each medium. The advertiser should also taken into account the target audience while selecting the media for advertising. However, in general, the suitability of each medium of advertising can be summarized as follows:

---


1. Suitability of Newspapers:

These are suitable for consumer goods designed for general public. In case of new products to be launched, newspaper advertising is very useful as the same space can be occupied on a regular basis. Newspapers are also suitable for advertisements regarding clearance sale, exchange offers, etc.

2. Suitability of Periodicals:

These are suitable for products required by the target customers of the periodicals. For example, advertisement of any books can be given in journals like Readers’ Digest as the target customers of this periodical is assumed to be a reader. Similarly, interior decorators, architects, builders can advertise in magazines specifically containing items of design and decoration. Consumer goods products can be advertised in any periodical having wide circulation.

3. Suitability of Radio:

Radio is suitable for advertising different varieties of products. However, the timing is important for radio advertising. With the introduction of F.M radio the radio listeners have increased in the past few years. For example, after farmers come back from field they normally listen to radio and during this time any firm producing agricultural products can advertise or sponsor their programmes.
4. Suitability of Television:

Choice of channels and programmes is important for the advertisers to advertise their product in TV. For example, in Cartoon Network channel, products for use of children can be advertised. Similarly, during any serials or films, consumer goods required by the family can be advertised. This medium is also suitable for products those require live demonstration while selling those to the consumers. Television advertising are suitable to all those advertiser who want their products to reach to the general masses, who want maximum brand popularity and to those who want the best result from the advertisement done. While national TV advertising is usually out of an entrepreneur's price range, advertising on local stations and on cable television can be surprisingly affordable. And really, it's not so hard to buy TV schedules. Why? Because no matter what demographic your audience falls into, you can find appropriate programming on any one of the networks.

3.4 ADVERTISING AGENCY

With the rapid growth of industry in India, the competitive structure of marketing required each manufacturer to follow its own free business practices and plan new strategies to compete with others and good profit for growth and survival. These requirements have been the compelling factors for the companies to seek new ideas strategies and get the specialized services from advertising agencies. These agencies have been helping, supporting and cooperating with the manufacturers and producers of goods and services. Their wholehearted support by inventing new
methodology in advertising technique, finding new models, creating new messages, copy writing and choosing appropriate media have made their existence not only essential but of prime importance without which the goods will have no required responsibility and acceptability in the market. These agencies have been continuously operating to put marketing communication and reaching the segment of consumers. Most of the middle and small companies decide the marketing promotion and marketing mix strategies in a manner suitable to their plan and the budget available before deciding as to what of advertising is needed to push the products in the market and the way in which consumers are to be persuaded to tone their behavior to the advantage of the company’s products. The decision is to assign the job of advertising to the agency that is also an independent institution. It has its own business operations.

The agency does the jobs for a fee, charges or a sum of money as its remuneration and decide, plan, organize publish the advertisement through the media. They put the advertisement in the newspaper, trade publications etc. In case of advertisements on Radio and on Television, they decide the time slot and the frequency, copy, message and the entire presentation. Advertising agency has its own ideas. They enrich and prosper so that these institutions have taken place belonging to a new industry coming to adulthood on this century to be known as Advertising industry. They have experts, creative staff and organization of their own with a band of enthusiastic fellow workers such as camera men, copy writers, research and development personal and hundreds if men who go door to door to find
new business and build up a clientele of their own. They talk to proprietors, directors, partners and entrepreneurs who get their services, discuss their plans, build new marketing strategies and help their clients to book space in the print media or fix audio-video time slot and show their workmanship to the satisfaction of the advertisers who get such sought help in the marketing mix – sales promotional activities.

Many kinds of institutions operate in the advertising industry. Three important institutions are the advertisers, their agencies, and the advertising media. Others are the facilitating agencies – those organizations specializing in production, research, sales, and other functions important to successful promotion. The latter facilitating groups include printers, photographers, and artists, recorders, of Television programs, engravers, typographers, and other specialists.

The advertising agencies is a team work doing and discharging their functions in a best manner to get good business, earn good profits build a good number of clients who will spent their time, money and get the most productive advertisement through the media. It is thus a business created through successful handling of each and every situation resulting in creation of superior plans and promoting new ideas. An advertising agency or ad agency is a service business dedicated to creating, planning and handling advertising (and sometimes other forms of promotion) for its clients. An ad agency is independent from the client and provides an outside point of view to the effort of selling the client’s products or
services. An agency can also handle overall marketing and branding strategies and sales promotions for its clients. Typical ad agency clients include businesses and corporations, non-profit organizations and government agencies. Agencies may be hired to produce single ads or, more commonly, ongoing series of related ads, called an advertising campaign. An advertising agency is a link between advertiser and the media owners. An advertiser uses an outside agency because it believes the agency will be more efficient in creating an individual commercial or a complete campaign. The profile of advertising agencies in India changed dramatically in the 1990s. Prior to that advertising was dominated by Indian agencies, but foreign agencies have increasingly come to dominate Indian advertising. In 1992-1993 11 of the top 20 Indian agencies were affiliated with multinational agencies and those agencies were allowed to own stock in the local companies since the early 1990s.\(^{52}\)

In 1990 the key companies that were the top advertisers in India were also the leading advertisers internationally: 1. Unilever 2. Procter and Gamble 3. Nestle. In 1992-93 the monopoly of a small range of product categories was associated with a few companies, which dominated advertising. Hindustan Lever had a major impact on the content of programming and the initiation of new programmes, associated with their power as the major advertiser on television. In 1992 the top advertisers overall were (in descending order): Hindustan Lever; Tatas; Godrej; Procter and Gamble; Parle; Colgate Palmolive; Nestle; International Tobacco

Corporation; Bajaj Auto; Philips. In 1999 there were about 400 advertising agencies in India employing about 18,000 people. 15 of the top 20 advertising agencies have affiliations or joint ventures with foreign agencies that are among the top international agencies and most of them are American in origin, 12 out of 15. In terms of market share foreign joint venture advertising agencies hold more than 75% of the market, with wholly owned Indian agencies holding the balance. The largest 25 agencies account for 75% of the total billings. Over the decade there was also a growing concentration of agencies. The advertising industry has expanded again rapidly in recent years.

3.4.1 TYPES OF ADVERTISING AGENCIES

Ad agencies come in all sizes. They include everything from one or two-person shops (which rely mostly on freelance talent to perform most functions), small to medium sized agencies, large independents, and multi-national, multi-agency such as Omnicom Group, WPP Group, Interpublic Group of Companies and Havas. An agency’s size should not necessarily be considered a barometer of their billing or ability to handle large accounts. Indeed, these days, smaller boutique agencies are just as likely to count very large corporations amongst their accounts. Full-service, or Media-neutral advertising agencies have the talent and ability to produce creative and advise clients for a full range of media, for virtually any type of account, or company. Some agencies specialize in particular fields such as medical, charitable, FMCG, white goods, retail, etc. Other agencies specialize in particular

---

media, such as print ads or television commercials. Lately, Search Engine Marketing (SEM) and Search Engine Optimization (SEO) firms have been classified by some as 'agencies' due to the fact that they are creating media and implementing media purchases of text based (or image based in some instances of search marketing) ads. This relatively young industry has been slow to adopt the term 'agency' however with the creation of ads (either text or image) and media purchases they do qualify technically as an 'advertising agency' as well as recent studies suggest that both SEO and SEM are set to outpace magazine spending in the next 3-5 years. Not all advertising is created by agencies. Companies that create and plan their own advertising are said to do their work in house.

Table 3.6

INDIA'S "MOST ADMIRED" AGENCIES IN 2005

<table>
<thead>
<tr>
<th>Ogilvy &amp; Mather</th>
<th>RK Swamy BBDO</th>
</tr>
</thead>
<tbody>
<tr>
<td>McCann Erickson India</td>
<td>Saatchi &amp; Saatchi</td>
</tr>
<tr>
<td>Lowe Lintas</td>
<td>iB&amp;W Communications</td>
</tr>
<tr>
<td>JWT India</td>
<td>Euro RSCG</td>
</tr>
<tr>
<td>Leo Burnett India</td>
<td>Bates Enterprise</td>
</tr>
<tr>
<td>Mudra Communications (DDB)</td>
<td>Ambience Publicis</td>
</tr>
<tr>
<td>Grey India</td>
<td>SSC &amp; B Lintas (Lowe)</td>
</tr>
<tr>
<td>FCB Ulka</td>
<td>Everest Brand Solutions</td>
</tr>
<tr>
<td>Contract Advertising (JWT)</td>
<td>Dentsu</td>
</tr>
<tr>
<td>Rediffusion DY&amp;R</td>
<td>Interface</td>
</tr>
</tbody>
</table>

Source: Economic Times Brand Equity Ad Agency Reckoner
3.4.2 INSIDE THE AGENCIES

1. Creative department:

   The creative department -- the people who create the actual ads -- form the core of an advertising agency. Modern advertising agencies usually form their copywriters and art directors into creative teams. Creative teams may be permanent partnerships or formed on a project-by-project basis. The art director and copywriter report to a creative director, usually a creative employee with several years of experience. Although copywriters have the word "write" in their job title, and art directors have the word "art", one does not necessarily write the words and the other draw the pictures; they both generate creative ideas to represent the proposition (the advertisement or campaign's key message). Creative departments frequently work with outside design or production studios to develop and implement their ideas. Creative department may employ production artists at entry level position as well.

2. Accounts Services:

   The other major department in ad agencies is account services or account management. Account Services or account management is somewhat of the sales arm of the advertising agency. An account executive (one who works within the account services department) meets with the client to determine sales goals and creative strategy. They are then responsible for coordinating the creative, media, and production staff behind the campaign. Throughout the creative process, they keep in touch with the client to update them on the ad's progress and gain feedback. Upon
completion of the creative work, it is their job to ensure the ad's production and placement.

3. Creative services:

The creative services department may not be so well known, but its employees are the people who have contact with the suppliers of various creative media. For example, they will be to advise upon and negotiate with printers if an agency is producing flyers for a client. However, when dealing with the major media (broadcast media, outdoor, and the press), this work is usually outsourced to a media agency which can advise on media planning and is normally large enough to negotiate down further that a single agency or client can.

4. Other departments and personnel:

In small agencies, employees may do both creative and account service work. Larger agencies attract people who specialize in one or the other, and indeed include a number of people in specialized positions: production work, Internet advertising, or research.

An often forgotten, but still important, department within an advertising agency is traffic. Typically headed by a traffic manager (or system administrator), this department is responsible for a number of things. First and foremost is increasing agency efficiency and profitability through the reduction of false job starts, inappropriate job initiation, incomplete information sharing, over- and under-cost estimation, and the need for media extensions. In small agencies without
a dedicated traffic manager, one employee may be responsible for managing workflow, gathering cost estimates and answering the phone, for example. Large agencies may have a traffic department of ten or more employees.

Advertising interns are typically university juniors and seniors who are genuinely interested in and have an aptitude for advertising. Internships at advertising agencies most commonly fall into one of six areas of expertise: account services, creative, interactive, media, public relations and traffic. An internship program in account services usually involves fundamental work within account management as well as offering exposure to other facets of the agency. The primary responsibility of this position is to assist account managers.

Functions of the account management intern may include:

- Research and analysis: Gathering information regarding industry, competition, customer product or service; as well as presenting findings in verbal/written form with recommendations.
- Involvement in internal meetings and, when appropriate, client meetings.
- Assisting account services in the management of creative projects.

Interns often take part in the internal creative process, as is illustrated in this agency intern website, where these interns were charged with creating and managing a website as well as developing an advertising campaign. Hands on projects such as this one help interns learn how strategy and well-developed marketing is essential to a sound advertising and communications plan. During
their internship, the intern will experience the development of an ad, brochure and broadcaster communications project from beginning to end. During the internship, the intern should be exposed to as much as possible within the agency and advertising process.

3.4.3 AGENCY COMPENSATION

The publishers give a commission to agencies for placing advertisement in their publications. The media rates are different to agencies, and direct advertisers. It is the space, size and on what page or column to advertisements appears etc. decide about the commission payable. The agencies bills the clients differently and they do not disclose what they earn from the media. This arrangement decided before finalizing the business deal.

Agency compensation from sources other than media commission is made up of

1. Services charges and

2. Fees

Services charges are added to the cost of materials and services purchased by the agency from suppliers of such items as art work, photography, engravings, lithography, type setting and printing. A charge is also often added to the cost of Radio and Television shows. Larger agencies usually add a 15 percent service charge. Small agencies sometimes add 17.65 percent. Fees are charged for such agency services as research and marketing counsel when media commissions are inadequate. Fees are usually related to the cost of performing the service rather than to any cost of media space or time or of material. Agency services are known as a
supporting contribution for marketing activities of a company with their creativeness they served the client with dedication, sincerity and honesty. They have qualified professional staff and undertake market research.

The agency should be able to suggest the effective use of media, new promotional ideas suitable to the clients business activity and provide facilities and services to give total satisfaction to the clients so that it can get continuous business and advertising assignments as a source of getting handsome business and a profit making business enterprise.

3.4.4 DUTY & ROLE OF ADVERTISING AGENCIES:

A plethora of Businesses, Corporations, Government Organizations and Non Profit set-ups hire advertising agencies to advertise their products, brands and services to present and prospective customers.

1. Understand the Product / Company:

An advertising agency begins by getting well acquainted with the client's goals, products & target audience. This knowledge proves beneficial in planning and creating an effective advertising campaign.
2. Plan & Create an Advertising Campaign:

Once an advertising agency understands its clients' needs, the process of brainstorming and planning begins. Keeping in mind the client's goals (which can range from

- pushing sales of its products and services
- introducing new products in the market
- reiterating its brand's benefits
- attracting new customers or keeping in touch with old ones

The advertising executives work towards creating an effective advertising campaign (a single or a series of attention grabbing and unique ads) which is within the client's marketing goals and budget. This includes creating interesting slogans, attractive jingles and attention grabbing body copy for advertisements. The client has the final word and may ask for rework.

3. Strategize:

Some Companies like to outsource their overall marketing responsibilities to advertising agencies. In such a case, the ad agency takes over the process of brand building, strategizing and pushing sales through other promotion techniques like sales promotions etc.
3.5 CONSUMERS OR THE TARGET AUDIENCE:

The final player in the advertising world is the consumer. All strategy starts with the customer. In a marketing strategy, the term target market denotes the customer, the person who purchases the product. In case of cold cereal, for example, parent may purchase the product but kids consume it and definitely influence purchase. Kellogg might design one version of an ad for the kid target audience and another for the parents target audience. Its critical then, that advertiser recognizes the various target audience. They are talking to and know as much about them as possible.

The consumer has a direct bearing on the overall advertising strategy, especially the creative strategy and the media strategy. The task of learning about the target audience is laborious and may take thousand of hours and millions of dollars to accomplish. Fortunately, we now have data gathering technology that not only reduces the time and cost of doing the research but also improves accuracy of information.

A manufacturer tries to influence two types of non-users. One type does not use the manufacturer’s type of product. For example, a housewife who does not use liquid detergent may be an advertiser’s target audience. The second type of buyer uses the type of product or service, but uses competitor’s brand. For instance, the housewife may be user of “Genteel” liquid detergent. When Godrej soaps introduced “Ezee”, it tried through promotion efforts, to convert non-users into users.
Present consumers are a third and important type of buyers. Here the advertiser wants them (1) to continue their patronage and (2) to increase the volume of their spending. There are several approaches to enlarging a customer’s purchase. The customer can be encouraged to consume the product more often, and therefore, to consume it, and replace it more quickly than before. The customer can also be urged to use it for additional purposes.

The fourth group under which consumer fall consists of those who do not actually purchase the product, but influence others to take it. For example professionals such as dentists, doctors and architects are also important influencers. Advertisement by godrej and boyce for their type writers showed a typist displaying her preference for their brand. So also, advertisements for cement and plywood brands show architects and interior designers vouching for a particular brand.

The persuasive techniques used in the advertising are for the purpose of luring the consumers. The marketer has to understand the consumer buying behaviour, his attitudes, beliefs and psychology. The marketing approach revolves around the consumer.