Chapter 1

INTRODUCTION

In the present study attempt has been made to collect the latest information about trends in advertising industry for the purpose of knowledge and understanding about the advertising industry and the role of different types of advertisements, its evaluation and knowing the importance of it in the present Indian market scenario, which will help in the present study area.

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1.1 Introduction

Advertising is a form of communication intended to persuade an audience (viewers, readers or listeners) to purchase or take some action upon products, ideas, or services. It includes the name of a product or service and how that product or service could benefit the consumer, to persuade a target market to purchase or to consume that particular brand. These messages are usually paid for by sponsors and viewed via various media. Advertising can also serve to communicate an idea to a large number of people in an attempt to convince them to take a certain action. The meaning of word advertising in previous century was limited only ‘to give notice of’ but in modern world it is used in specific commercial form. So advertising means to inform the public about the item or quality and price and motivate the public to invest money to help increase the sale of commodity.

Commercial advertisers often seek to generate increased consumption of their products or services through branding, which involves the repetition of an image or product name in an effort to associate related qualities with the brand in the minds of consumers. Non-commercial advertisers who spend money to advertise items other than a consumer product or service include political parties, interest groups, religious organizations and governmental agencies. Nonprofit organizations may rely on free modes of persuasion, such as a public service announcement. Modern advertising developed with the rise of mass production in the late 19th and early 20th centuries. Mass media can be defined as any media meant to reach a mass amount of people. Different types of media can be used to deliver these messages, including traditional media such as newspapers, magazines, television, radio, outdoor or direct mail; or new media such as websites and text messages.
As it is known today, advertisements are parts of our daily lives since in every magazine, newspaper, TV, radio, internet we read or view advertisements with plenty of them repeatedly.

**1.2 Definitions of Advertising**

The concept of advertising has been defined by many experts from time to time. They all have agreed on one definition. Some of the definitions are given below:

- "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." According to Bovee,

- In the words of Jones, “Advertising is a sort of machine-made mass production method of selling, which supplements the voice and personality of the individual salesman much as in manufacturing the machine supplements the hands of the craftsmen.”

- According to Jon Shubin, “Advertising is the art of disseminating marketing information through various media of communication at the expense of the company for the purpose of increasing or maintaining effective demand.”

- According to Starch, “Advertising may be defined as the presentation of a proposition usually in print to the people in such a way that they may be induced to act upon it.”

- Defined by William J. Stanton, “Advertising consists of all the activities in presenting to a group, a non-personal, visual, openly sponsored message regarding a product, service or idea.”
• According to Dr. Burden, “Advertisement includes those activities by which visual or oral messages are addressed to the public for purpose of informing them either to any merchandise, to act, to inclined favorably towards ideas, institution or persons featured.”

• In this manner advertising is an impersonal or non-personal salesmanship in which through various sources consumers are informed about the products or services and motivated to purchase the goods. Advertising is bringing a product (or service) to the attention of potential and current customers. Advertising is focused on one particular product or service. Thus, an advertising plan for one product might be very different than that for another product. Advertising is typically done with signs, brochures, commercials, direct mailings or e-mail messages, personal contact etc.

1.3 Characteristics of Advertising

From the study of definitions quoted by various experts in the field of Advertising the following characteristics are summarized:

1.3.1 Use of a Variety of Techniques: Celebrities and spokes persons, role playing, fantasy characters, children and puppies, music, drama, significant imagery, and creative media buying. Advertising is a complex voice of marketing.

1.3.2 Advertising as a Strategic Move: Every great advertisement is strategically sound. In other words, it is carefully directed to a certain audience, it is driven by specific objects, its message is crafted to speak to that audience's most important concerns, and it is run in media that will most effectively reach that audience. The measure of an advertisement's
success is how well it achieves its goals, whether they are increased sales, remember ability, attitude change or brand awareness.

1.3.3 Creative Concept: The creative concept is a central idea that gets the attention and prevails in the consumer's mindset. A concern of creative thinking drives the entire field of advertising. Planning the strategy calls for creative problem solving, research efforts are creative; the buying and placing of the advertisements in the media (newspapers / television) are creative.

1.3.4 Publicize Ideas of Products or Services: To advertise a thing is to publicize it. Now it is available to all. It must be known to all. They all should realize its value and importance. They will come to know the plus points. We may communicate with one another thorough advertisement. World is going to be a small global village as soon as possible. So we cannot deny the value of advertisement. It conveys the message to create awareness, remind, persuade for action and to retain customers.

1.3.5 Demonstrate Value: It demonstrates the value of the products or services of the sponsored. By demonstrating value in advertisements the company gives its prospects a clean idea of the benefits provided and a clean reason to buy from you. Along with demonstrating value it can help the company to get competitive advantage.

1.3.6 Focus on client requirement: The advertisements are prepared as per the plan and objective of the client. The message of client is given to the target prospects to convince to buy products and service or to take certain actions. The objective of client is ma thing in preparation of an advertisement. It may to create awareness, remind, persuade and retain customers. If it is not prepared as per the requirement then it may not be a successful
advertisement. The efforts would be in vain and a costly affair. Advertisement prepared as per the requirement of client would bring more customers, profits and business to the company.

1.3.7 **Paid Form of Presentation**: Advertising is a paid form of presentation of ideas about products or service offered by the company. Here the message of the sponsor is communicated to the target customers regarding products or services. The expenses are met by the sponsors. It is different from publicity because in it no money is paid. Some of the sponsors are spending a huge amount on advertisements.

1.3.8 **Non Personal Message**: Advertisement is given by the company or sponsor regarding their services or products offered to the customers. The attributes of products and services are explained through advertisements. No personal message is given in the advertisements by the sponsors. It may give the message regarding the company to develop public relations but not about individual owner or partners.

1.3.9 **Identified Sponsor**: The advertisement is prepared by the advertising agency for its client. The client is the party that gives order to the agency to prepare and plan for media for advertisement. The client is the management of the company and that is identified. The money is spent by the identified sponsor. If required then the identified sponsor can be contacted for correction, legal action or false claims in advertisement.
1.4 Advertising Objectives

An objective can be defined as "something toward which efforts are put achieve it. Whatever the concerned party wants to achieve and for that efforts are put is called objective. Every organization should have objectives to provide a framework for action. Now, for advertising the objective is whatever the advertiser wants to achieve through the advertisements. In advertising, the well-developed campaign has aims and goals. Good objectives provide the advertiser with guidance and direction for the development of the campaign. Further the objective helps in evaluating the actual performance of the advertising whether it has been achieved or not.

The objectives are divided generally in two groups and these direct and indirect action objectives. Direct-action objectives are when efforts are put and results are achieved. These are easily measured in terms sales, profits, number of customers attracted etc. Indirect action objectives are when efforts are put but the result is not direct or immediate. The effect is in long run. When advertising is made to develop image of the company, changing consumers’ behaviour and developing public- corporate relations is called indirect action objectives. No immediate effect can be attributed to such ads in most situations. In other words, the evaluation process for ads with indirect-action (communication) objectives is much more subjective than is the case for the sales or action-oriented advertising effort.

There may be many objectives of advertising for the company time to time when they are giving advertisements. The objectives also vary situation to situation. However, the main objectives of advertising are summarized as follows:
1.4.1 To Create Awareness: The first objective of advertising is to create awareness among customers regarding the products or services the company offers for them first time. The customers are not knowing about the new product or service has been launched by the company. At that time the advertisement is given with the objective to inform them regarding the efforts of the company. This objective is only to create awareness of the prospects. For example, when a company introduces its new model of a car first time and interested to inform customers regarding this.

1.4.2 To Remind the Customers: When the advertiser gives advertisement second time or repeatedly its objective is not to inform first time to create awareness but to remind regarding the first advertisement. Further, when the company is interested to inform its existing customers regarding its products or services already existing in market is to remind the customers. They should not forget the offers of the advertisers. This helps in keeping update knowledge of the customers regarding products availability in the markets. Most of the companies are giving advertisement with this objective in market competitive situation.

1.4.3 To Persuade Customers: The advertiser is giving advertisements with the interest to remind them repeatedly so that it would become difficult for them to avoid advertisement. One day sooner or later they have to pay attention and agree for the products of the company. The efforts are to make them agree for buying the products of the company. The objective is to persuade them for the desired action. Only thing is that if time taken by the customer to get persuade is longer than it may be costly for the advertiser due to repeated advertisements for longer period.
1.4.4 To Retain Existing Customers: Another objective of advertising is to retain the existing customers. The company is interested to keep its existing customers regarding products attributes, new changes, improvements etc. They should continue with their products and should not change over to the products of their competitors. It is very easy to lose a customer but difficult to retain a customer. In markets, the companies are putting their sincere efforts in advertising with the objective to keep their customers well intact. With retaining the customers the company can sustain its sales, profits and market shares.

1.4.5 To Neutralize Competition: In markets the companies are facing stiff competition in most of the areas. It has become very difficult for them to carry out their business effectively and efficiently. It is a matter of survival, growth, stabilize and excel in their business. Every competitor is putting sincere efforts to taken the advantage. For fighting this situation the advertisers are giving advertisements with the objectives to keep them in the race in the market. Therefore, the objective of advertising given is to neutralize competition effect. From the situation of the market, it has been observed that the objectives of the companies are not same all the times. These vary from time to time. But the objectives are out of the above mentioned objectives individually or in combination.

1.5 Types of Advertising

Advertising is a form of communication intended to persuade an audience (viewers, readers or listeners) to purchase or take some action upon products, ideals, or services. It includes the name of a product or service and how that product or service could benefit the consumer, to persuade a target market to purchase or to consume that particular brand. These brands are usually paid for or identified through sponsors and viewed via various
media. Advertising can also serve to communicate an idea to a mass amount of people in an attempt to convince them to take a certain action, such as encouraging 'environmentally friendly' behaviors, and even unhealthy behaviors through food consumption, video game and television viewing promotion, and a "lazy man" routine through a loss of exercise. Modern advertising developed with the rise of mass production in the late 19th and early 20th centuries. Mass media can be defined as any media meant to reach a mass amount of people. Several types of mass media are television, internet, radio, news programs, and published pictures and articles.

1.5.1 TV Advertising: The digital technology is being used for advertising TV, ratio etc. The TV commercial is generally considered the most effective mass-market advertising format, as is reflected by the high prices TV networks charge for commercial airtime during popular TV events. The annual Super Bowl football game in the United States is known as the most prominent advertising event on television. The average cost of a single thirty-second TV spot during this game has reached US$3 million (as of 2009). The majority of television commercials featured a song or jingle that listeners soon relate to the product. Virtual advertisements may be inserted into regular television programming through computer graphics. It is typically inserted into otherwise blank backdrops or used to replace local billboards that are not relevant to the remote broadcast audience. More controversially, virtual billboards may be inserted into the background where none exist in real-life. This technique is especially used in televised sporting events Virtual product placement is also possible.
1.5.2 Radio Advertising: Radio advertising is a form of advertising via the medium of radio. Radio advertisements are broadcast as radio waves to the air from a transmitter to an antenna and a thus to a receiving device. Airtime is purchased from a station or network in exchange for airing the commercials. While radio has the obvious limitation of being restricted to sound, proponents of radio advertising often cite this as an advantage. 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.

1.5.3 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 and in the U.S. trails only newspaper and television advertising in terms of total spending. Internet advertising’s 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: narrowly target an advertising message and, track user response to the advertiser’s message. The
Internet offers many advertising options with messages delivered through websites or by email.

(i) **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, Size, Placement, delivery.

(ii) **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.

1.5.4 **Press Advertising:** Press advertising describes advertising in a printed medium such as a newspaper, magazine, or trade journal. This encompasses everything from media with a very broad readership base, such as a major national newspaper or magazine, to more narrowly targeted media such as local newspapers and trade journals on very specialized topics. A form of press advertising is classified advertising, which allows private individuals or companies to purchase a small, narrowly targeted ad for a low fee advertising a product or service. There are several tips on making a print ad stand out
more. The attached hyperlink will show you a YouTube video about these tips Link label.

1.5.5 **In-store Advertising:** In-store advertising is any advertisement placed in a retail store. It includes placement of a product in visible locations in a store, such as at eye level, at the ends of aisles and near checkout counters, eye-catching displays promoting a specific product, and advertisements in such places as shopping carts and in-store video displays.

1.5.6 **Celebrity Branding:** This type of advertising focuses upon using celebrity power, fame, money, popularity to gain recognition for their products and promote specific stores or products. Advertisers often advertise their products, for example, when celebrities share their favorite products or wear clothes by specific brands or designers. Celebrities are often involved in advertising campaigns such as television or print adverts to advertise specific or general products. The use of celebrities to endorse a brand can have its downsides, however. One mistake by a celebrity can be detrimental to the public relations of a brand. For example, Amitabh Bachhan appeared in many advertisements. For adverse effect, when a celebrity involved in illegal or unsocial activities, the ads contracts are cancelled also.

1.5.7 **Sales Promotions Advertising:** The objective in advertising is to give message regarding sales promotion schemes to the target customers. Sales promotions are another way to advertise. Sales promotions are double purposed because they are used to gather information about what type of customers you draw in and where they are, and to jumpstart sales. Sales promotions include things like contests and games, sweepstakes, product giveaways, samples coupons, loyalty programs, and discounts. The ultimate goal of sales promotions is to stimulate potential customers to action.
1.6 Importance of Advertising

Advertising is a favorable representation of product to make consumer, customers and general public aware of product. It let the potential buyers, general public and end users to be aware and familiar with the brands and their goods and services. Advertising can be define as a paid form of non – professional but encouraging, complimenting and positively favorable presentation of goods and services to a group of people by an identified sponsor. It does not include distribution of free samples or offering bonuses, these are sales promotion. In simplest words advertising is introduction, to consumers and general public, of services and goods. Many people think that advertising a product means to sell it. But real aim of advertising is to make general public and potential buyers aware of goods, products and services available under a brand.

The importance of advertising can be judged from the following advantages of advertising:

In a successful business, advertising play an essential and important role. Though advertising does not mean selling of products and services but it helps in increasing sales. Advertising create awareness in people. When general public be conscious to the products, services and goods under the brands and pursuit people towards brands and make them buying better brands. Advertising is of great importance in our world of competition. It is important for both seller and buyer. Even the government cannot do without it.

First, of all, advertising introduces new products to general public. Creation of awareness is the primary objective of any advertisement. Thus, when any product is advertised, people become aware about its existence and as mentioned above, a need and craving to purchase and own the commodity. For the new products the information before
advertisements are not available with customers. In this situation they cannot think to buy and use the new products. The important link is provided by the advertising.

Secondly, advertising introduces different brands of same product. Advertisement tells about qualities of each brand and we can easily select. For example there are three different brands of bicycle produced by same company.

Thirdly, government can very profitably advertise its schemes and policies. It can tell general public what it might do for good of nation. Many advertisements are given by the various governments relating to social issues to create awareness regarding issues like family planning, eye camps, girl child education, pollution control, nature protection, HIV and AIDS. Without advertising the programmes of governments cannot be planned and implemented properly.

Fourthly, it is through advertisements that we come to know of new service jobs. Qualified people apply for them and get adjusted in life. Fifthly, advertisement is a dependable and effective means of expanding education and of bringing students to educational institutions. Schools, colleges and universities advertise their classes, courses, and fees and attract students for admission.

Fifthly product differentiation for customers is very important for buying the products. Advertising is very important because there are literally thousands of companies manufacturing the same thing and what differentiates their products from each other are the brand names not the actual product. It leads the customers to take buying decision on the basis attributes explained by advertising. Without it the decision may not be proper.
Sixthly, advertising creates competitive advantage by positioning the product in such a way that people want to buy it. With the buying of the products the company’s sales, profits and market shares go high. The advertiser gets competitive advantage over its competitors.

Seventhly it maximizes the results into a lot of revenue and profits for the company. Advertising ensures that the sales of the business increase. The second importance is that the product which is sold under the banner of a specific brand also becomes a household name.

Eighthly, from the business point of view, advertising not just optimizes sales and product promotion but the goodwill of the specific brand that is earned is an important asset. A well known brand not only has a good customer base but it is a great ground to introduce new products under the same banner. In such a case, there is a very high probability that people are going to purchase the new product out of curiosity. It is often said that reputation gained and maintained due to advertising helps out the business throughout the life time.

Ninthly, apart from gaining a loyal customer base, advertising is often successful in marketing the brand and conveying financial details about the brand to the consumers. The pricing details often generate an interest and the process of money planning, starts ticking in the person's mind. Offers such a buy 2 get 1 free or discounts are introduced to the consumers successfully through advertising. Such offers result into a spurt of sales and are quite instrumental for clearance sales, new introduction sales, re-release sales, etc. Advertising thus, plays quite a comprehensive role in marking policies.

Tenthly, there is a significant importance of online advertising due to the fact that an online advertisement results into global awareness. Today, when a person feels the need to
purchase something, his first reaction is to search the web. With your advertisement being present on the web, there is a high possibility that the consumer is going to purchase your product. In fact, financially speaking online marketing services are much more convenient for consumers and cheap for producers as it drastically brings down the cost of advertising.

The manifold advantages of advertising have been observed for a long period of time. However, the intensity and importance of advertising have greatly increased due to the technological advancements of the modern era. However the advertising is criticized also. Spending on advertising is huge. One often quoted statistic by market research firm Zenith Optimedia estimates that worldwide spending on advertising exceeds (US) $400 billion. This has increased the costs but simultaneously on other side it provides job opportunities also. Advertising can also be harmful. When advertisement misstates qualities of their products, they misguide public. When manufacturers advertise harmful products like cigarettes, they are promoting harmful products. Advertising is useful within proper limits. These limits clearly lay down by religion, law and our traditions. Finally, keeping in view it’s plus and minus points it is concluded that the role played by advertising in present time in business and non profitable activities is very important. It cannot be ignored and if done so the parties would be deprived of benefits of advertising.
1.7 Current Trends in Advertising

Under liberalization and globalization the companies are facing tough competition in the business in worldwide markets. It has become very difficult for them to sustain their positions in markets. It has impact on advertising also. The major trends taken place in advertising are following:

1.7.1 Rise in New Media: With the dawn of the Internet came many new advertising opportunities. Popup, Flash, banner, Popunder, advergaming, and email advertisements (the last often being a form of spam) are now commonplace. Particularly since the rise of "entertaining" advertising, some people may like an advertisement enough to wish to watch it later or show a friend. In general, the advertising community has not yet made this easy, although some have used the Internet to widely distribute their ads to anyone willing to see or hear them.

1.7.2 Niche Marketing: Another significant trend regarding future of advertising is the growing importance of the niche market using niche or targeted ads. Also brought about by the Internet and the theory of The Long Tail, advertisers will have an increasing ability to reach specific audiences. In the past, the most efficient way to deliver a message was to blanket the largest mass market audience possible. However, usage tracking, customer profiles and the growing popularity of niche content brought about by everything from blogs to social networking sites, provide advertisers with audiences that are smaller but much better defined, leading to ads that are more relevant to viewers and more effective for companies' marketing products. Among others, Comcast Spotlight is one such advertiser employing this method in their video on demand menus. These advertisements are targeted
to a specific group and can be viewed by anyone wishing to find out more about a particular business or practice at any time, right from their home. This causes the viewer to become proactive and actually choose what advertisements they want to view.

1.7.3 Global advertising: Advertising has gone through five major stages of development: domestic, export, international, multi-national, and global. For global advertisers, there are four, potentially competing, business objectives that must be balanced when developing worldwide advertising: building a brand while speaking with one voice, developing economies of scale in the creative process, maximizing local effectiveness of ads, and increasing the company’s speed of implementation. Born from the evolutionary stages of global marketing are the three primary and fundamentally different approaches to the development of global advertising executions: exporting executions, producing local executions, and importing ideas that travel. Advertising research is the key to determining the success of an ad in any country or region.

1.7.4 Diversification: In the realm of advertising agencies, continued industry diversification has seen observers note that “big global clients don't need big global agencies any more”. This is reflected by the growth of non-traditional agencies in various global markets, such as Canadian business TAXI and SMART in Australia and has been referred to as "a revolution in the ad world".

1.7.5 New Technology: The ability to record shows on digital video recorders (such as TiVo) allow users to record the programs for later viewing, enabling them to fast forward through commercials. Additionally, as more seasons of pre-recorded box sets are offered for sale of television programs; fewer people watch the shows on TV. However, the fact
that these sets are sold, means the company will receive additional profits from the sales of these sets. To counter this effect, many advertisers have opted for product placement on TV shows like Survivor.

1.7.6 **Advertising Education:** Advertising education has become widely popular with bachelor, master and doctorate degrees becoming available in the emphasis. A surge in advertising interest is typically attributed to the strong relationship advertising plays in cultural and technological changes, such as the advance of online social networking. A unique model for teaching advertising is the student-run advertising agency, where advertising students create campaigns for real companies. In India and abroad many universities and institutes have started advertising programmes at graduation and post graduation levels.

1.7.7 **Advertising Research:** Advertising research is a specialized form of research that works to improve the effectiveness and efficiency of advertising. It entails numerous forms of research which employ different methodologies. Advertising research includes pre-testing (also known as copy testing) and post-testing of ads and/or campaigns—pre-testing is done before an ad airs to gauge how well it will perform and post-testing is done after an ad airs to determine the in-market impact of the ad or campaign on the consumer. Advertising research is become more popular among

1.7.8 **Advertising Skills:** The scope of advertising has a lot of future to go because in present life the technology has been increased that much. The advertising task is becoming more and more complex. It needs higher degree of skills for better performance The scope of advertising management mainly depends on the change in technology, for example now-
a-days advertising can make a blender by increase the sale of one thing to many people by
publicity such publicity can create along sale and services towards the product used by
them. Only higher required skilled persons can meet the requirements of advertising
campaigns.

1.8 Advertising Management

Advertising management is that branch of advertising management that takes care of all
aspects relating to advertising in the organization. Advertising management is a career path
in the advertising industry. Advertising & promotions managers may work for an agency, a
PR firm, a media outlet, or may be hired directly by a company to develop branding for the
company's product or service. This position can include supervising employees, acting as a
liaison between multiple agencies working on a project, or creating and implementing
promotional campaigns. Regarding terminology, while advertising is the promotional
campaign itself, advertising management can address the whole process - the function of
marketing starting from market research continuing through advertising, leading to actual
sales or achievement of objective, potentially including evaluation of the entire cost-
benefits to the company involved.

Advertising management incorporates various specialized sub-functions like media
strategy, message strategy, media planning, media buying etc. Advertising management is
the process of overseeing campaigns that seek to inform and attract consumers regarding a
particular good or service. This process begins with the first stages of the market research
that helps to create the advertising strategy, moves on to the development of the general
outline for the campaign, the creation of a specific plan of action and the launching of the
completed project. Without effective advertising management, ad campaigns and public relations efforts tend to founder and produce little or no results.

Effective advertising always begins by engaging in competent advertising research. The research helps to identify the sectors of the consumer market that are most likely to positively respond to a given product. In order to identify these niche markets within the larger group of consumers, researchers will not only seek to understand what appeals to these buyers but why those goods and services have that inherent appeal. The data collected from the research can then be used to enhance the marketability of products, addressing everything from function to packaging. The next phase of the advertising management process has to do with deciding exactly how to apply the data collected during the research stage. Here the basis for deciding on what forms of advertising are most appropriate begins to take shape. Depending on the specifics of the products and the nature of the niche markets that the campaign will seek to connect with, advertising services such as print media, radio, television, or the Internet may be deemed the most appropriate options.

Once the niche markets are identified and the determination of which types of advertising media are most appropriate for the campaign, advertising management focuses on the creation of the specifics of the overall campaign. This may involve such elements as the development of print ads for use in magazines and newspapers, audio campaigns for radio advertising, or commercials appropriate for television broadcast or streaming across the Internet. Because any given campaign may use several advertising options in one campaign, the process of advertising management also involves making sure all strategies complement one another and present a unified public image to consumers. It is necessary
to possess the proper training. Advertising training is often a combination of formal education and experience derived from working under the direction of more seasoned professionals who have learned over time how to identify and interact with consumers in order to secure the data needed to structure a campaign. While creativity and inspiration are always vital elements in any advertising campaign, the ability to organize and view the greater picture are essential to managing the process and launching a campaign that will successfully reach the right consumers and generate the desired amount of revenue over the lifetime of the campaign.

While advertising management is an inseparable part of the marketing department, usually, the marketing department of an organization is concerned more with market research and evaluation of results. All the critical processes of advertising management are generally outsourced to specialized advertising agencies. For example the media buying is done in bulk by these ad agencies on which they receive discount/commission that goes into their earning.

1.9 Major Decision Areas of Advertising

Advertising is defined as any paid from on non-personal presentation and promotion of ideas, goods or services by an identified sponsor. Advertising could be through various media: magazine and newspaper space, radio and television; outdoor displays, direct mail, novelties, catalogs, directories and circulars. And advertising has many purposes, long term buildup of the organizations cooperate image. Long-term build up of a particular brand announcement of a special sale, advocacy of a particular cause and information dissemination about a sale/service of automobile, property etc. The organizations handle
their advertising in different ways. In small companies, advertising is handled by someone in the sales or marketing department, who works with an ad agency. A large company will often set up its own advertising department or else hire an ad agency to do the job of preparing advertising programmes.

1.9.1 The 5 Ms of Advertising

<table>
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<th>Checklist for planning of each M of a advertising campaign</th>
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| **Mission** | • What are the objectives?  
• What is the key objective?  
• What would be objective in future?  |
| **Money** | • How much is it worth to reach my objectives?  
• How much can be spent?  
• What methods of fixing money amount be used?  |
| **Message** | • What message should be sent?  
• In which language is to be sent?  
• What points are to be focused in message copy?  
• Is the message clear and easily understood?  |
| **Media** | • What media vehicles are available?  
• What is the coverage of available media?  
• How much cost is involved in selected media?  
• What is the effectiveness of selected media?  
• What media vehicles should be used?  
• What time, duration and frequency media is to be used?  |
| **Measurement** | • How should the result be measured?  
• How much is the deviation between result and objectives of advertising?  
• What should be follow up action to check deviation?  |
1.10 Advertising Message

Message is an important part of decision areas of advertising. It is only through message the ideas regarding the products and services reach to the target customers. The message should be in position to communicate the information properly. If done so the objective of advertising would be fulfilled. Effective message should be prepared and given for advertising. The message is often considered as the most vital part in the communication process. The “message is the thought, idea, image, or other information that the advertiser wishes to convey to the targeted audience“. How an advertising message is presented is critically important in determining its effectiveness. Brand or promotion managers must focus on what will be the message content, how this information will be structured for communication and what kind of message appeal would be appropriate. Effective communication requires the message source to create (encoding) a message that can be interpreted (decoding) by the intended message receiver. In advertising, the act of creating a message is often considered the creative aspect of carrying out an advertising campaign. And because it is a creative process, the number of different ways a message can be generated is limited only by the imagination of those responsible for developing the message. When creating an advertising message the marketer must consider such issues as:
1.10.1 General Message Factors

When preparing a message for advertising the following points are to be considered:

(i) **Attract customers by eye catching message:** Customer must be kept glued to words. They may leave at any point of your copy so keep it attractive and relevant to their needs, right through to their decision to purchase. Words, pictures are to be selected as per expectation of the customers. Don’t go overboard with pictures, its words that sell. The product photo of course is needed but it’s the caption or headline that will make the difference. And the headline will be a benefit. People buy products for what it will do for them, not what it looks like. Quite often, it is seen products like printers with features listed below an image. Here the advertiser has assumed that everyone knows the benefits of their printer and just need to know the specific features.

(ii) **Content strategies:**

- **Descriptions:** A lot of promotional documents leave the customer to guess at the benefits of the product or service advertised. They just describe it and their company. This is not good. Don’t do it this way.

- **Comparisons:** Here you could compare your product/service with your competitors and specify how much better yours is. You could get in trouble if you name the other company and/or cant back up your claims with evidence. Works best by you having a major provable advantage over your competitors and not naming them.

- **Storyline:** A favorite with lots of folk. Tell a story involving the person the customer will relate to in a situation that shows the benefits your product/service gives that
person. Use a before using the product and after using the product strategy. At the end
the person will summaries how much better their situation is now after using your
product. And you tell your readers how it will help them as well.

(iii ) Producing your copy framework: You have two choices here. Hand your work over
toa copywriter or carry on yourself.

Your message will be built around the AIDCA structure.

• **Attention:** You must get the readers’ attention within seconds using your headline.

• **Interest:** Get your prospect interested in your product.

• **Desire:** This is where you detail how their needs can be fulfilled.

• **Conviction:** Provide proof that this is the product that they need.

• **Action:** Here you tell them what they must do to get it.

1.10.2 Advertising Message Structure

Message structure refers to how the element of a message are organized .Extensive
research has been conducted to understand how the message structure influences its
effectiveness and includes “message sidedness, refutation, order of presentation,
conclusion drawing and verbal versus visual message characteristics. A message can be
either one-sided or two sided. A one-sided message mentions only benefit or positive
attributes of the product or service. For example advertisements of Maruti 800 only address
its advantage and don’t mention any of its weakness. If the audience is preferably
predisposed, or if it is not likely to hear an opposing argument, then a one sided message appears to be most effective. A two sided message highlights both the strengths and weaknesses. Most advertising messages share common components within the message including:

(i) **The appeal:** This refers to the underlying idea that captures the attention of a message receiver. Appeals can fall into such categories as emotional, and rational. Further emotional appeals include personal and social appeals. These are explained under the following paragraphs.

(ii) **Value proposition:** The advertising message often contains a reason for customers to be interested in the product which often means the ad will emphasize the benefits obtained from using the product.

(iii) **Slogan:** To help position the product in a customer’s mind and distinguish it from competitors’ offerings, advertisements will contain a word or phrase that is repeated across several different messages and different media outlets.

### 1.10.3 Advertising Message Testing

Before choosing a specific message marketers running large advertising campaigns will want to have confidence in their message by having potential members of the targeted audience provide feedback. The most popular method of testing advertising for the marketer is to conduct focus groups where several advertising messages are presented. On the Internet, advertising delivery technology allows for testing of ads by randomly exposing website visitors to different ads and then measuring their response.
1.11 Types of Advertising Appeals

Advertising appeals aim to influence the way consumers view themselves and how buying certain products can prove to be beneficial for them. The message conveyed through advertising appeals influences the purchasing decisions of consumers. The most basic of human needs is the need for food, clothing and shelter. Special need for these necessities cannot be created with advertising. However there are certain other products that provide comfort in life and advertising aims to generate demand for these products. Advertising uses appeals as a way of persuading people to buy certain products. Advertising appeals are designed in a way so as to create a positive image of the individuals who use certain products. Advertising agencies and companies use different types of advertising appeals to influence the purchasing decisions of people.

The most important types of advertising appeals include emotional and rational appeals. Emotional appeals are often effective for the youth while rational appeals work well for products directed towards the older generation. Here are just some of the various different kinds of advertising appeals seen in the media today:

1.11.1 Emotional Appeals: An emotional appeal is related to an individual’s psychological and social needs for purchasing certain products and services. Many consumers are emotionally motivated or driven to make certain purchases. Advertisers aim to cash in on the emotional appeal and this works particularly well where there is not much difference between multiple product brands and its offerings. Emotional appeal includes personal and social aspects. These are explained as follows:
(i) **Social appeals:** Social factors cause people to make purchases and include such aspects as recognition, respect, involvement, affiliation, rejection, acceptance, status and approval. In an advertisement appeal is made relating to social issues like recognition, status, respect, approval. Those who are conscious about the social issues get attracted by the appeal. Mercedez Benz car is used in advertisement for status appeal. Those who enjoy better position in society go for purchase due to social appeals.

(ii) **Personal appeal:** Some personal emotions that can drive individuals to purchase products include safety, fear, love, humor, joy, happiness, sentiment, stimulation, pride, self esteem, pleasure, comfort, ambition, nostalgia etc.

### 1.11.2 Rational Appeals

Rational appeals as the name suggests aims to focus on the individual’s functional, utilitarian or practical needs for particular products and services. Such appeals emphasize the characteristics and features of the product and the service and how it would be beneficial to own or use the particular brand. Print media is particularly well suited for rational appeals and is often used with good success. It is also suited for business to business advertisers and for products that are complex and that need high degree of attention and involvement. Its directly related to the thinking process of the audience that involve some sort of a deliberate reasoning process, that a person believe would be acceptable from other members of his social group. You may consider some buying motives behind such appeal that can be considered rational under normal circumstances.
1.12. Marketing to Children

Of all the marketing strategies, one of the most critical ones is the STP strategy or the Segmentation, Targeting and Positioning strategy. Segmentation is the process of segregating the market into various groups of customers who share a similar set of needs and wants. Based on this, marketers target smaller, better-defined customer groups with specific needs and develop distinctive product offerings to satisfy them using different positioning strategies. The focus on the latter two can be developed only when the segments are clear to the marketer. While there are many options for segmentation based on the demography (age, occupation, sex, family size), geography (climate, density, population), psychography (lifestyle, values, personality) and behaviour (usage rate, usage status, loyalty etc), age based segmentation is fast gaining importance in the marketer’s tool-kit. One reason for this is the apparent lucidity, operational ease and the vast potential underlying age-based segmentation.

Children of different age groups - be it infants, toddlers, young children or adolescents, form an attractive segment for the marketers considering the age based segmentation. Children are becoming a formidable segment in the marketing world for twofold reasons. First, children in India and across the world constitute a huge market size as the population of children is increasing tremendously. Secondly, the vast spending power they accumulate based on their discretionary income and the influence on the family purchases. Proponents of child-targeted marketing and advertising argue that due to their financial power, children comprise a separate target market from adults. A cursory glance on this subject unfolds the huge potential that the kids have - The size of the children’s (4-12 years old) market was
33 million in 1989 and its spending power was of almost $14.4 billion a year as well as influence on family purchases of almost $132 billion a year (McNeal, 1992). Cut-throat competition in the children’s market is not only fuelled by the introduction of new products and extensions in the long-established categories of toys and cereals, but also by new product introductions in the new categories such as electronic equipment and personal care products for the young.

1.13 Consumer Socialization of Children

Young children influence family purchase decision as they acquire the basic communication skills needed to interact with other family members. As the children grow old they develop more sophisticated buying skills and abilities. They become aware of different socialization agents that convey norms, attitudes, motivations and behaviour to the learner. Much evidence shows that parents, peers, mass-media, stores, schools, brands and product themselves and their packages are all sources of information namely socialization agents. Children move through various cognitive and social phases in their journey from birth to adolescence and adulthood. It is possible by taking into consideration these aspect to describe the socialization of the child as a consumer as the process where the child learns the knowledge, skills, attitudes, values and incentive factors related to consumption behaviors as a result of his/her interaction with socialization agents which include various social institutions and persons such as family, fellows, media and school.

The learning process undergone by the consumer can be studied both as a cognitive and psychological adaptation process and a social process. Accordingly, an appropriate model could be used. The model introduced in Figure 1.1.
1.13.1 Individual Factors

Individual factors include elements that are related to the past experiences of the individual and arise from his or her macro surroundings. These include socioeconomic level, gender and age.

**Socioeconomic level:** The socioeconomic level affects children's preferences for brands and shops. Income distribution and differentiation may result in considerable differences in the purchasing power of the individual. Therefore, the criterion employed by low-income families for evaluation of a good (cheapness, endurance, etc) is generally different from those of high-income families (quality, elegance, famous brand, etc.). This situation may naturally have direct influence on the child's learning about being a consumer and their acquisition of some of the basic consumer skills.
**Age and life period**: Age has been addressed as a major explanatory variable in many studies on the socialization of the consumer. Piaget argued that a large part of socialization develops until the age of 15. Therefore, as they get older, children use more information resources in purchasing, behave more objectively in evaluating goods, and better understand marketing practices and policies.

**Gender**: A close relationship is observed in contemporary societies between gender and consumption. Differences in gender in consumption tendencies emerge during childhood. Differences in tendencies may reflect physical and psychosocial maturity.

1.13.2 Socializing Factors

Environmental factors (family, school, friends, mass media tools,) play an important role in the socialization of the child. These factors are also called socializing agents.

**Family**: This is the first and most effective instrument among socializing agents. The overall atmosphere in the family, family-child relationships and the views of the adults about activities within the family are important factors for the child to understand life and for development of their values.

The roles of children within the family are determined. The child adopts these roles either by observation or by the education provided by the family. Families provide their children with direct opportunities to adopt their roles as consumers by realizing their purchase demands, giving them pocket money and taking them for shopping. Therefore, they teach their children how to use money, buy quality goods and about the price-quality relations, and thus have an influence on their children's choices of brands.
**Peer group:** Peer groups are important socializing factors that contribute to effective learning about consumption elements such as monetary values and social motivation. A child's friends influence his consumption by making him or her familiar with products and brands, changing his or her beliefs and information on the product, helping him or her to try products, teaching him or her how to use the product, and showing how his or her needs can be met with what product.

**School:** School is a very important socialization factor in the childhood period. The child spends more time at school with the teacher and friends than he or she does with the family. In this period, teachers play as important role as families in shaping the child's consumption behaviors.

1.13.3. Learning Mechanisms

Research on factors involved in socializing the consumer focuses on cognitive development and social learning theories.

**Cognitive Development Theory:** The cognitive development of children is about the process of organization of their skills and the information they obtained as to how to use what they had learned from their surroundings and how to develop interpersonal relations. This will help them not only to see their world from a multiple perspective but also to play their roles as consumers. The most important theory related to cognitive development that is acceptable is that of Swiss Psychologist Jean Piaget.
**Social Learning Processes**: Social learning theory argues for the importance of learning by observation in human life. During the socializing process, members of society are educated in socially accepted behaviors and gender roles. The individual creates standards for self-evaluation, although at the same time, he or she takes standards from the observed models as examples. This theory transcends traditional behavioralism and argues that all individual and environmental factors have effects as cross-cutting determinants. It covers observation learning reinforcing and social interaction.

**Observational Learning**: Children constantly observe the behaviors of others (socializing agents) and the outcomes of these behaviors. Although they imitate the reinforced behaviors that they observe, they do not imitate those that do not have a positive outcome for them.

**Reinforcing**: The individual will repeat the behaviors for which he or she was rewarded in the past by socializing agents and will refrain from repeating those for which he or she received punishment. Support given by the family for behavior of the child provides a positive reinforcement for him or her, whereas punishment for a behavior that they do not find appropriate, such as being prohibited from watching television or seeing friends, will provide a negative reinforcement.

**Social Interaction**: This affects the norms, attitudes, and behaviors of the child related to his or her relationships with other individuals in society. Both observational and reinforcement behaviors can be observed in social interaction. Communication patterns between the parents and their child can be given as examples of learning by social interaction. Parents can give consumption information to the child during a discussion on consumption.
1.14 TV Major Contributor to Media and Entertainment Industry

Television in India played second fiddle to the silver screen. Due to Social & Economic Reforms in 1991, under the new policies of the government, which allowed private and foreign broadcasters to engage in India, television for the Indian viewer has transformed itself from a single channeled, largely indigenous, state controlled network to a system offering multiple options and unprecedented access to a vast range of domestic and foreign programs.

1.15 Role of TV Advertisement in Children Consumer Socialization

Many ads broadcast on television are masterpieces and most convenient route to reach the children's mind. They are the creations of brilliant minds and wonderfully talented people who have but one mission in life: to persuade us to buy, buy and buy. All consumption messages get across well especially to children. Children learn many basic issues related to consumption from messages addressed to them by marketing experts through mass media. It is one of the effective tools of integrated marketing communication, emotionally, motivating the consumer to buy the products.

Advertisements showing products like snacks, toys, confectionaries, cookies, and fast food are specifically targeted at children in order to motivate them to try new brands more and more. It is well-known that television advertisements help children gain information on brands, stores, and products and affect their consumption behaviors.
1.15.1 Effect of Television Advertising

TV ads have three kinds of intended effects on children as given by Rossiter:

- **Cognitive effects**: It relates to ability of the children to understand the nature and intent of TV ads. Studies on cognitive effects focus on children’s recall or recognition of commercials or brands.

- **Affective effects**: They relate to the feeling children develop towards TV ads. Studies on affective effects concentrate on children’s liking of commercials and brands.

- **Behavioural effects**: They relate to the extent to which children are persuaded by TV ads to ask for the advertised products. Studies of behavioural effects investigate the extent to which children are persuaded by advertisements. Since young children usually do not have the means to purchase products, behavioural advertising effects are usually measured by means of children’s product request.

1.16 Why Marketers Target Children

Retailers and manufacturers have two sources of new customers, those whom they can persuade to change from their competitors and those who have not yet entered the market. Those who switch are less likely to be loyal than those who are nurtured from childhood. Marketers pay special attention to children, and the latter are considered by the former as the most vulnerable audiences of the society because they enjoy advertisements to the maximum. Industry spending on advertising to children has explored in the past decade, increasing from a mere $100 million in 1990 to more than $ 2.5 billion in 2005. The repetition of TV ads leaves a mark on the young minds. Previous researches showed that
children are more likely to make requests for products which are frequently consumed by them, such as biscuits, cool drinks chocolates, health drinks, soaps and snacks or for products that are of particular interest to them, such as toys or those with special offers. Marketers are targeted them as future consumers, by making them conformable with brand name. A child makes his first brand and category choice in school canteen, when he is hardly four or five makes it clear the impact TV advertisement on brand recognition of children. Children initially take advertisement as entertainment and being innocent and gullible; force their parents for product purchase. This called a Nag Factor. Parents today are willing to buy much more for their kids due to certain factors, such as smaller family size, dual incomes and postponing children until later in life. All this mean that families have more disposable income. Also, a snice of guilt plays a role in spending decisions as time-stressed parents try to substitute material goods for less time spent with their kids. Moreover, due to the fact that children personal spending is also on rise marketers are showing great interes in this segment. The research facts that children under 12 years of age spend an estimated $25 billion and, through their parents, may influence another $200 billion of spending per year, Adolescents spend an estimated $140 billion a year on food and beverages and one of the latest estimates on spending by children in the US suggesting that children of 12 years and under spend $27.9 billion of their own income, while they influence approximately $249 billion of their parents’ finance provides a solid ground for the marketers to target the children. They are discovering that there is lots of money to be made by treating children like teenagers.
1.17 Attitude Towards Television Advertising

Advertising is an important social phenomenon. It stimulates both consumption and economic activity and models life-styles and a certain value orientation. Consumers are given daily substantial dose of advertising in multiple media. Everyone seems to hold his own opinion about various aspects of advertising, ranging from amusement and admiration to cynicism and condemnation. On the one hand advertising is appreciation enough to be subject of TV talk's shows and comedy skits, to have reels of award winning commercials, to have its art and slogans worn proudly on clothing, and to hear advertising phrases having become the idiom of every day speech. On the other hand, consumer fear covert manipulation and subliminal techniques and often complain about advertising clutter, banality, sexism, predation of children, and continuing proliferation into newer media and venues.

1.18 Advertisement Effectiveness on Children Brand Recognition

Marketers are making every effort to develop the brand loyalty and retain the children as consumer. Retention is assessed through brand recall and brand recognition. Advertisers and marketers plant the seeds of brand recognition in very young children, with the hope that the seeds will grow into life long relationship. A commercial should be liked or disliked enough to register in a viewer's easy recall and that a more creative commercial is more likely to register. The effectiveness of commercial depends upon its memorability i.e. recall and recognition of commercial. Memorability is measured as the ability to recall an advertisement. Recall is conceded to be a necessary condition of advertising effectiveness. One of the confounding variables in recall in the brand awareness, which is thought to be
of such powerful influence that researchers go to considerable lengths to try to control brand effects, usually with mixed results. As brand awareness is a powerful tool to assess the advertising effectiveness, brand awareness of young children has focused on two aspects: brands recognition and brand recall. Both these variables are important when purchase decisions are made. In order to be able to function as consumer, a child must therefore be capable of both brand recognition and brand recall.

While fast foods, toy and clothing companies have been cultivating brand recognition in children for years, adult oriented businesses such as banks and automakers are now getting in on the act. Valkenburg and Buijzen, in their study reported that children as young as two years old easily recognize brand logos. Infants as young as four were able to recognize 8 out of 12 brands they were shown and the more TV they had been exposed to, the more brands they recognize. The research is based on previous correlation studies which stated that children's brand recognition has consistently demonstrated a significant relationship between television exposure and brand recognition.

1.19 Children Influence in Family Purchase

Family decision – making research was initially directed by spouses, but recent changes in demographic and household structure have increased children’s impact both on parents’ purchasing decisions and the family decision making process. Children today, are seen as different from the past generation; especially the 7-13 years old. They have grown up faster, are more well connected, more direct and well informed. They have more personal power, more money, more influence and attention of parents than any others generation before them. The amount children spend in family purchase decision has risen over the last forty years.
Children’s influence differs by the stage of decision making process (i.e. problem recognition, information seekers, and choice) and product category. For few products, they are information seekers, active initiators and buyers, whereas for other categories of product, they influence the parents’ purchases, today’s children have more autonomy and power in decision making within the family and are vocal about what they want their parents to buy.

A number of different variables have been suggested for explaining children’s influence: parents having fewer children, parents having children later, at a time they are beyond the struggle phase in their career; number of dual working parents has also increased. These parents often feel that they have less time for the children than they would like and frequently compensate for their guilt feelings with material things.

1.19.1. Children’s Influence

In an attempt to get their parents meet their purchase request and play a significant role in the family’s purchase decision, children make use of a number of influence efforts. From a consumer socialization perspective it is highly significant to know how children learn ways to become successful influence agents through the use of increasingly sophisticated influence efforts. Children exert their influence in a very direct way often pointing to products and occasionally grabbing them off the store shelves for deposit inside their parent’s shopping bag.

With the increase in age, they become more verbal in their request and ask for the products by name, sometimes requesting, demanding, begging or screaming to get what they want. It is also important for the marketers to identify the most effective and the least effective
influence efforts. The most effective influence efforts will be those reported as being the most successful in getting the child what he/she wants, while the least effective will be those reported as not working at all in getting him/her what he/she wants. The study attempts to provide the comprehensive identification of influence efforts used by the children to affect the outcome of family’s purchase decision. In response to the childrens’ purchase request, parents not always agree to for getting them the things asked for. They also respond in various ways. Further, efforts have been made to identify the parents; responses to children purchase request.

The present study would try to reveal the relationship between the children's influence efforts and the parents' response.

1.20 Significance of Study

The children, who were born in India after 1985, have been brought up with a wholly positive approach towards consumption. They are truly a dissonance generation. While twenty years ago, one could safely say that children were not spoken of as spenders or customers but as savers and future consumers who had money, but only for saving & not spending where parents usually dictated the amount that could be spent and would justify this strict guidance as a penny saved is a penny earned showing their dominance, but today’s children have grown up faster both in terms of information and influence, perceived as world’s computer literate generation and being in general, better travelled than their parents. They are caught between two sets of very different discourses- at home with their parents and outside with TV, friends and schoolmates. Consumerism is the new religion of the day and its most devout followers are the children. Children are caught
between high aspirations to consume which are aroused through media and advertisements. Marketer's targeted children, basing their advertising strategy on highly sophisticated and manipulative psychology. It is growing in the advertising industry. Television is ever-present in the lives of most children around the world. Dr. Lesile Bell had remarked that, television had changed the American child from an irresistible face to an immovable object.

Today, we can say the same for an Indian child. Television in India plays second swindle to the Indian with a multitude of channels being beamed into the Indian drawing rooms and bedrooms, the children surf program after program with a remote in hand. The rise in the number of television sets in bedrooms has led to very young children increasingly experiencing media messages on their own without any parental supervision. Twenty-five years ago, children’s programmes on commercial channels were hardly about 10 minutes of cartoons in the morning and 45 minutes of children programmes in the afternoon. Now far more TV time is directed specially at children starting from 6 am onwards. Most children watch 3-4 hours of television per day, this is most preferable after school activity. On a typical day, children aging 2-18 years spend an average of 5.5 hours using media covering television, computer games, and internet. Above estimates translates into about 1500 hours spent in front of television per year, with each child viewing 20,000 television commercials per year.

The increase in programme hours understates the increase in commercial content and even on commercial television there were few commercials breaks.
Advertising is the best and the most convenient route to reach the children's mind. It is increasingly being directed at children in younger age groups. Many ads broadcast on television are the creation of brilliant minds and wonderfully talented people who have one mission in life: to persuade us to buy, buy and buy. Now, on commercial television, there are regular and sophisticated commercials giving product related programmes, promotions and prizes.

Even the nature of advertising targeting children has changed. Marketers pay special attention to children as they are the most vulnerable audience because they enjoy advertisement the most. Marketers are making every effort to develop the brand loyalty at younger age and retain the children as future consumers. Advertisers and marketers plant the seeds of brand recognition in very young children, in the hope that the seeds will grow into life time relationship. Advertisers and marketers plant the seeds of brand recognition in very young children, in the hope that the seeds will mature into life time relationship.

Today’s Indian child is much more mature, well informed, intelligent, and independent for his age due to the drastic media, economic and social awareness.

1.20.1 Children as Multidimensional market

Marketers have long recognized the economic potential of the children's market. As per current estimates, children account for approximately $ 24 billion in direct spending each year, and influence an additional $ 500 billion in family purchases. Marketers cannot afford to ignore this segment. Today’s children are not just a group of blossoming young consumers; they are, in fact, relatively complex market segments. They are considered as three markets in one.
Primary market: A market in their own right, in the sense that they have money of their own, needs and wants, and authority and willingness to spend the money on those needs and wants. Children in India represent the direct purchase power for the Kids‘ products. According to the statistics given by Indiandtelevision.com (2006), Children drive 84-96% purchase decision for themselves and their family for products like ice creams, candies, books, etc. which are for their direct consumption.

Influence Market: Children directly influence a number of household purchases. Household shopping has become a matter of discussion and its role in decision making has increased. Children are having direct influence in family. Direct influence refers to children making request for goods and services such as suggesting where to eat out, telling mom to buy a particular brand of ice cream or telling the parents which movie to see or which place to visit during vacations. Indirect influence means that children preferences are given consideration when parents make purchases. Their powers go beyond, they have indirect purchase influence for big ticket items like computers, mobiles, refrigerators, washing machine and other consumer durables. They work indirectly on parents through children’s pester power‘, or nag factor‘.

Future Market: Children will obviously become the consumers of all products and services, as they grow older. This is, by far, their greatest potential. Consequently, companies are making a conscious effort to direct their marketing campaigns towards children to attract their attention to advertised products and brands, acknowledging their influence, especially for products where they are the primary users. Numerous practitioners have offered insight on how children think and act as consumers along with advice regarding how to best market to this segment.
### 1.20.2 The Eight Roles in the Family Decision-Making Process

<table>
<thead>
<tr>
<th>Role</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initiator</td>
<td>Family member(s) who recognizes the problem or need for an item.</td>
</tr>
<tr>
<td>Influencers</td>
<td>Family member(s) who provide information to other member about a product or service.</td>
</tr>
<tr>
<td>Gate keepers</td>
<td>Family member(s) who control the flow of information about product or service into the family.</td>
</tr>
<tr>
<td>Deciders</td>
<td>Family member(s) with the power to determine unilaterally or jointly whether to shop for, purchase, use consume, or dispose of a specific product or service.</td>
</tr>
<tr>
<td>Buyers</td>
<td>Family member(s) who make the actual purchase of particular product or service.</td>
</tr>
<tr>
<td>Preparers</td>
<td>Family member(s) who transform the product into a form suitable for consumption by other family members.</td>
</tr>
<tr>
<td>Users</td>
<td>Family member(s) who use or consume a particular product or service.</td>
</tr>
<tr>
<td>Maintainers</td>
<td>Family member(s) who service or repair the product so that it will provide continued satisfaction.</td>
</tr>
<tr>
<td>Disposers</td>
<td>Family member(s) who initiate or carry out the disposal or discontinuation of a particular product or service</td>
</tr>
</tbody>
</table>

The number and identity of the family members who perform these roles vary from family to family and from product to product. In some cases, a single family member will independently assume a number of roles; in other cases, a single role will be performed jointly by two or more family members. In certain other cases, one or more of these basic roles may not be required.

However, in general, people might play five roles in a buying decision as initiator, influencer, decider, buyer and user. Traditionally household decision making or family
decision making has been categorized as husband dominant, wife dominant or joint and autonomous (either husband or wife is equally likely to make an individual decision). Until recently, most studies have ignored the influence of children. Today children exert a substantial influence on household buying decisions. Thus we need to recognize the new category of household decision making that is child dominant.

1.21 Commercialization of TV in India

TV was introduced in India in 1959 as a public service function of government with a motive to educate rather than to entertain. The first ad that appeared on “Doordarshan” was in 1976, but the era of commercialization of Indian TV began with the prime time sponsored serial in 1984. However, along with the aim of commercial revenue, the entertainment was kept socially meaningful and under government vigil. Indian viewers had access to only one national channel, “Doordarshan” with limited broadcast hours till cable TV in early eighties and satellite TV in June 1991 invaded their lives. The policy of economic liberalization of the then Congress Government in the country affected the electronic media considerably.

Reactively, “Doordarshan” brought many changes like increasing prime time slots for sponsored programmes, introduction of afternoon entertainment slots, new entertainment based channel “DD2” launched etc. So, it was almost that overnight India’s TV experience went into abrupt metamorphosis, from a single channel phase to multiple channels. Commenting on this S.S. Gill, a former secretary of Ministry of Information and Broadcasting wrote in a newspaper (“The Times of India”, March 7, 1994) that instead of setting high benchmarks of excellence and taste, national channel was aping those channels
which should be emulating its high standards. He added that first these private company
channels corrupt people’s taste by exposing them to excessive violence and sex, and then
they argue that this is ‘viewers’ choice’.

Almost all European countries experimented with broadcasting in similar manner like in
India, but in America broadcasting has always been a commercial proposition.

Broadcasting has always been obsessed with ratings there; no channel affords to take risk
in quality programming, or to serve national interest in public affairs. Since sixties, many
Indian governments’ appointed committees recommended autonomy of electronic media,
economic self-sufficiency and commercial broadcasting as followed world over mostly.
But it was only in February 1995 that Supreme Court of India held that government
monopoly of airwaves was unconstitutional as it is against the fundamental right of
freedom to speech. However, the history of broadcasting suggests that commercial viability
of media while benefiting advertising industry proves detrimental in encouraging socially
relevant and quality based programming. Mander (1978) comments that since the survival
of all electronic media in America depends upon advertising, it is obvious that a minority
of population (those who own corporate houses) determine which newspapers, magazines,
radio channels and TV channels continue to exist. Also, as opined by Halberstam (1979),
that starved of ad revenue media is doomed to die as advertising is the lifeblood of the
media; it’s key to survival.
1.22 Pester Power

Today children are constantly making demands that are eroding their parents’ pockets. This is due to pester power.

**Definition:** Pester power is the children’s ability to make their parents buy something or do something for them by continual asking until the parents agree to do it.

According to another source, “the ability possessed by a child to nag a parent relentlessly until the parent succumbs and agrees to the child's request” is pester power.

1.23 Pester Power in India

According to estimates, in 2005, there were more than 120 million tween (children aged between 8-12 years of age) in India (Soni&Upadhyaya, 2007). Among them, around 45 million live in urban areas who have the power of determining or influencing the whopping Rs. 20,000 crore worth purchasing decisions on food and FMCG products. The arrival of niche channels like the Cartoon Network, Hungama, Jetix, Disney etc has given a big push to the children’s overall knowledge about the products available for them in the market. Quite often, they are successful in making parents almost redundant in family decision making by enforcing their influence strongly. The total spending of the Indian children is about $6.5 billion - their own discretionary income plus what their families spend on them. Indian teens alone buy nearly 60% of the fizzy drinks, chocolates, snacks, biscuits and instant foods sold in India.
1.24 Factors Affecting the Growth of Pester Power

Most products are not directly available to the young child and must be obtained through an intermediary purchasing agent, the parent. The extent of the influence a child may have on the parent’s purchase decision seems dependent on both child’s assertiveness and parent’s child-centredness.

Various factors have led to this mammoth power that the children possess in the form of ‘pester power’ the subject matter of the current study. On closer inspection it can be concluded that pester power is not the outcome of a single factor held in isolation, but an amalgam of dimensions encompassing the commercial, cultural, social, and psychological configurations of children. Studies in India are inadequate in developing rich knowledge base for analyzing the factors contributing to the genesis or growth of pester power. Factors responsible for the growing pester power shows that various socio-cultural, psychological and commercial environments mould the kids from time to time.

1.24.1 Socio-Cultural factors

a.) Changing family structure: The fact that Indian society has undergone a rampant change in terms of the structure and environment of its vital institution of the family. Families are becoming more child-led and largely the case with single-parent families where the child is given more responsibilities of making independent purchases and grocery shopping. Also changing social trends with both parents working, delayed childbearing and reduced family sizes have further contributed to increase in overall importance that kids enjoy in the family.
b.) **Double-income families and Lack of Parents’ quality time:** Often when both the parents are working, they feel guilty about not spending sufficient time with kids. Most parents try to yield in to demands of kids thereby trying to put their guilt feeling at bay. Due to the dual income sources, these parents have relatively more disposable income. They try to substitute quality time with attractive items displayed in the market and thereby succumb to the demand list of the children. This further leads to increased consumerism amongst kid and the fact that pester power is inversely proportionate to the time available from the parents.

c.) **Increasing sources of pocket money:** Grandparents often have an increasing role in bringing up children when both the parents are working. It is reported that grandparents are the fastest growing income sources for the children. With family sizes compressing, this trend is also being witnessed in the Indian families Thus the child’s pocket is often loaded with money from several family members like the grandparents, relatives. This makes the child independent in making purchases for various products like chocolates, confectioneries, snacks, instant foods and cooldrinks thereby raising the indulgence level.

d.) **Rising single parent household:** Research supports that children in single parent households make their first purchases almost a year earlier than their two-parent household counterparts. Since women in the family households do the majority of grocery shopping, the mother in the single female-headed households co-ordinates this task by taking her children with her to the retail outlets or depends upon her older children to do the independent purchasing by themselves for her.
e.) **Delayed parenthood:** Unlike yester years where adults were married in their early adolescence or adulthood, at present adults have many priorities before they take the decision to marry. The result is that a vast majority of population chooses to marry at a relatively older age which further results in delayed parenthood, better financial conditions at the time of birth of children and better careers with more disposable incomes.

f.) **The Indulgent parents:** Most parents seek to give a better standard of living to their children as compared to what they had for themselves, thereby unknowingly exposing children to new realms of indulgence. Gradually the authoritarian divide between the parents and children is fading and paving ways for more open and informal relationships, wherein the child discusses about his desired products, pleads, convinces, persuades and even coaxes parents to give into her demands.

### 1.24.2 Psychological Factors

a.) **Peer Pressure:** Peer pressure is described as the pressure exerted by a peer group in encouraging a person to change his/her attitude, behavior and/or morals, to conform to While the parents provide reasoning and rationale behind the purchase decision, peers’ influence is more impulsive and instinctive. Children place a great deal of importance on the social aspects of consumption which they use as the basis of interactive communication with their pressure. Children quite often pester for products that their peers also possess so as to be a part of the in-group of their peers.

b.) **Growing materialism and Consumerism:** Behavioural attitudes like Brand switching, impulsive decisions and constant aspirations for self-extensions of personality through materialistic symbols prompt many marketers to constantly encash children’s fickle
mindedness. Exposure to various products at an early age leads to increasing consumerism in this generation. They seek ‘instant gratification’ and influence parents to give into their demands.

1.25 Statement of the Problem

Little is known about children’s involvement in the buying decision making processes in household sector. Studies of family and domestic consumption have tended to neglect the role played by children but today children are emerging as the most powerful influencers in household buying decisions. Gone are the days when a child was thought to be adjunct of parents, an amorphous piece of clay, but in present times a child might be identified as a protagonist in the buying decision making process in this changed environment. He/She is so choosy, at times raises tantrums, being attracted by new concepts, refuses to be taken for granted and executes a greater degree of freedom in choosing the products for himself/herself. The changing socio-economic, political and economic orders have transformed the child into a sophisticated consumer. They can dominate household buying and can influence their parents’ purchase of all kinds from confectioneries, beverages to groceries as well as determine their households’ television and entertainment choices. Thus children’s impact on household spending adds up to billions of dollars every year.

Today’s kids have more autonomy and decision making power which is an indication that if adults are living in a consumerist society, the juniors are not far behind from pester power to direct consumption. “Pester Power” refers to children's ability to nag their parents into purchasing an item they may not otherwise buy. The teens and pre-teens segment is driving consumption and forcing product lines and service offerings. Marketers are
targeting the consumers by using children not only in case of a product meant for them but also for the product used or purchased in the household sector. The amount of influence exerted by children differs in product category and stage of decision making process. For some products they are active initiators, information seekers and buyers, but for other products they influence purchases made by their parents. Parents find themselves under pressure from “Pester Power” as they face growing demand from their children. Children have acquired dominating influence in purchase decision making. They have become powerful influencers as customers on various product categories. Though the degree of influence varies from product to product, but certainly their influence is seen on household buying decisions. This shift in influence has occurred as a result of changes in a family’s structure and environment in which children are brought up these days.

1.26 Framework of the Study

A number of studies have been undertaken regarding the buying decisions in household sector. But majority of these studies were regarding family influences on purchase decisions, the role that children play in making decisions concerning the household unit has prompted researcher to direct attention to the study of influence of children. Although research studies regarding the children as consumers and decision makers has been found in other fields, but a comparative research study regarding role of children in family purchase of the selected FMCG products has not been taken earlier. There are quite a significant research gaps. No doubt, children are playing an important role in family purchase. the study is undertaken to find the impact of televisio advertisements on school children by studying the factors that influence the childrens role in the family purchase.
1.27 Research Methodology

This study is an Endeavour to find the impact of television advertisements on school children. For this purpose Television viewing habits amongst school children, their level of understanding of Television advertisements, the aspects they like about Television advertisements, the products they buy or request from their parents after seeing Television advertisements, their attitude towards Television advertisements and the influence that Television advertisements have on school children has been gauged. Also, to include parental viewpoint, the attitude of parents towards television advertisements and the influence they feel that Television advertisements have on their children was studied. Television media has been chosen for this study due to its prime relevance from school children’s point of view. In this chapter, a detailed methodology followed for the conduct of the present study is given.

In order to develop a sound theoretical framework for this research, a review of literature was undertaken. It revealed that not much work has been done in the field of influence of Television advertisements on school children in India. Therefore, this study tried to include and extend the important parameters taken up by foreign researchers. An effort has been made to include issues that are important to Indian marketing and social environment in order to provide insights to advertisers, marketers, policy makers and society.
1.27.1 Scope of the Study

The scope of present study is limited to children under the age of 14 years who constitute a significant segment of household buying in these days. The role that children play in making decisions concerning the entire household purchases has prompted researchers to direct attention to study the influences of children.

There may be 120 million teens in India, the 45 million teens in urban centres are the primary target for most marketers. The market for children products offers tremendous potential (Pegged at Rs. 5000 crore) and is rapidly growing. According to the available data from the industry, the chocolate and confectionary market is estimated at Rs. 1300 crore, the apparel market at Rs. 480 crore and kids footwear at Rs. 1000 crore (Bhushan, 2002). As influencers, children were found to affect purchases of a personal computer, audio system and television. Children have not been observed to have a large impact on instrumental decisions on how much to spend (Kaur 2003, Singh and Kaur 2004, Verma 1982) but rather play a role while making expressive decisions such as colour, model, brand, shape and purchase. So the present study incorporates the goals and the role of children in decision making process keeping in view their potential which can be judiciously tapped.
1.27.2 Objectives of the Study

The present study has been based on the following objectives:

1. To examine the present trends in Television Advertisements, aimed at school children.

2. To study the aided recall of Television Advertisements, among school children (Brand recognition).

3. To study the unaided recall of Television Advertisements among school children (Brand recall).

4. To study the impact of Television Advertisements on school children and their influence on family purchase.
1.27.3 Hypotheses of the Study

The hypotheses to be tested were framed on the basis of prior research and intuition. The broad hypotheses for the were the demographic variables of the respondents and their attitude towards Television advertisements. The hypotheses tested in case of school children were that their ability to understand Television advertisements; likeability and attitude towards Television advertisements and the intent of brand recognition and brand recall of the selected products for the study. The hypotheses tested in case of parents were that their opinion towards Television advertisements' role and influence on their children and the parents response to their children's request for the products that they have seen in television advertisements.

The present study has the following hypothesis:

**Ho1:** There is no difference in unaided recall of television advertisements among children.

**Ho2:** There is no difference in aided recall of television advertisements among children.

**Ho3:** There is no influence of Television Advertisements on children towards family Purchase.
1.27.4 Universe of the Study

The universe of the study comprises of school children and their parents from the different locations in and around Hyderabad and secunderabad. The school children have been selected from reputed private schools catering to middle and upper socio-economic strata. The study is confined to the state capital of Telangana. The cities represent traditional, geographical and cultural categorization of different communities.

1.27.5 Sample and Sampling Design

It was planned to have a sample of 1500 respondents; 750 school children as well as their parents were selected on the basis of convenience sampling (750 school children and their parents from each of the cities were selected for the study). But due to response errors and incomplete responses the effective sample has been 1224; 612 of school children and 612 of their parents.

1.27.6 Sample Profile

The socio-economic and personal characteristics of the respondents are relevant here to be studied before going for their relationship with factors, attitudes, behavior etc. in the following chapters. School children in the age group of 10 to 13 years and their parents have been chosen to be the sampling unit for this study. The basic attributes about school children include gender, age, class in which they are studying and their birth order. The socio-economic background information of parents is provided. This includes age, education and working status of parents, monthly family income and type of family.
1.27.7 FMCG Products Chosen for the Study

The FMCGs products categories selected for the study were Toothpaste, Soaps, InstantFoods, Snacks, Cool Drinks, Health Drinks, Biscuits and Chocolates. The selection of the product category from FMCG for this study was based on the assumption that majority of the television advertisements portray the products selected. The various products were available under different brands and television is assumed to play a dominant role in influencing the purchases.

1.27.8 Construction of the Questionnaire and Data Collection

The data was collected through personal interviews of school children and their parents (by administering the questionnaire to parents during the parents review meetings conducted periodically by the school management) by instituting a structured, non-disguised and pre-tested questionnaire. The effective sample turned out to be 612 of school children and 612 of their parents. Two questionnaires were prepared and administered to school children and the second one was for their parents. To develop a list of information items that was sought from respondents, previous related literature on Television advertisements and school children was reviewed (Hite and Eck, 1987; Unnikrishnan and Bajpai, 1996; McNeal and Ji, 1999; Pine and Nash, 2002; Wen-Ling, 2002; Oates et al, 2003; Wimalasiri, 2004; Kapoor and Verma, 2005; Vij, 2007 etc.). Besides experts in the area were consulted and also current marketing and social scenario was taken into consideration. The suggestions of experts led to many meaningful modifications. The preliminary draft of questionnaire was pre-tested on 40 respondents, including 20 school children and 20 parents. The pre-testing also led to a few but important changes.
1.27.9 Data Analysis

The respondent children were also classified on the basis of their school classes, type of family and birth order as already discussed. The universal statistical package called ‘statistical package for social sciences’ (SPSS-22.0) was used for data analysis. In the present study, responses from respondents were coded and tabulated in SPSS 22.0 version  . This process was used for the both the questionnaires. The responses of respondents were given in all the tables in terms of both the frequency, percentages and cumulative. For analyzing the data, both simple and advanced statistical tools were used. In some cases simple statistics like average, percentage, weighted average and mean score were applied. Exploratory research, required some advanced tools; therefore to find out and analyse the results of the study statistical tests like Chi-Square, Standard Deviation and ANOVA were used. A 5 point Likert scale was used to measure the intensity of the attitude of children and their parents. The respondents were asked to rate the variables, using 5 point Likert scale, which ranged from strongly disagree (1) to strongly agree (5). The weighted average scores were also calculated at the appropriate places where the respondents were asked to rank/rate different statements, either according to degree of their importance or according to the extent they agree with the statement as the case may be. The test was conducted at 95 per cent confidence level (or 5 per cent level of significance).
1.27.10 Limitations of the Study

Though, utmost care was taken to get accurate data and results, yet, the possibility of some inaccuracy cannot be ruled out in because of misinterpretation and misunderstanding on the part of respondents.

- The study is restricted to twin cities Hyderabad and secunderabad. Although there is a possibility of applicability of the conclusions about attitude towards Television advertisements to other parts of the country, no such general applicability beyond the respondents of selected cities is claimed.

- The present study is a post-hoc analysis of influence of Television advertisements on private school children. The actual viewing of Television advertisements and their various impacts have not been observed.

- As the sample was selected on the basis of convenience sampling, the results may not be as representative of the overall population as they would have been if the sample was randomly selected.

- Though every effort has been made to measure the variables purported to study the impact of and the attitude towards television advertising, some of the variables may have been skipped.
Organization of the Study

Chapter I: Introduction of present study and the objectives of the study, hypothesis and research methodology.

Chapter II: Review of Literature presents the theoretical and empirical literature from the past studies.

Chapter III: About FMCG Industry.

Chapter IV: Data analysis and interpretation for children.

Chapter V: Data analysis and interpretation for parents.

Chapter VI: Findings, Conclusions and Recommendations

Appendix
- References
- Questionnaires
- Article Published