CHAPTER 1

INTRODUCTION

1.1 ADVERTISING

1.1.1 Background and Context of Advertising

Advertising has been defined as ‘any paid form of non-personal presentation and promotion of ideas, goods or services by an identified sponsor’ (American Marketing Association, quoted in Bennet 2000) and more narrowly as-any human communication intended to persuade or influence buyers in their purchase decisions (Cheng 1996). Advertising lies at the juncture where culture and the economy interact: its primary purpose is to sell products and services by stimulating purchasing behaviour and it does this by using strategies that rework culture, creating aspirations and new desires for products. The major environmental factors that impact on advertising are: the economy, demography, socio-culture, the political and legal system (Belch and Belch 1990). Advertising is itself a cultural product which increasingly affects social attitudes, defines social roles, and influences cultural values. Influenced by these factors advertising evolved and developed a particular profile in western industrialized society in the 20th Century as a means of stimulating the consumption of products generated by new and expanding industries.
1.2 HOW ADVERTISING WORKS

Researchers have depicted a basic Sender, Message, Channel, Receiver (SMCR), communication process that is a model for advertising process. It begins with the source of advertiser or the ad agency, and the ad agency tries to accomplish their ad objectives, which is primarily to enhance awareness level and sales. In the latest “Alto” – car advertisement, the agency’s objective was to enhance awareness level of the car and to promote sales. The message depicted a happy family – a newly married couple. They go on vacation to some distant place, travelling in the Alto. Husband gets up in the morning and wants to have a cup of tea made by his wife. Wife gleefully comes with a cup and hands it over with the car key inside. It is apparent that the wife wants to have the pleasure of a drive in the Alto. Husband starts the car and they go for a spin. As they near a tea garden, the wife tells him that this was the tea, which he had in the morning. The communication of this ad may increase awareness level and the long run may sell.

Advertisers usually deliver the message through the channels of communications, and around the message and media, we have the noise element. Noise can be external as well as internal. Next is message reception and response, where the message is decoded and feedback is returning to the advertiser.

1.2.1 Message Reception and Response

We are here to understand how advertising works and how it elicits response from the customer. It is very difficult to comprehend how advertising works. Because the message is communicated to all in the target group, but everybody in the target group may not respond similarly. Thereby, making the whole process pretty complex. Once the communication is put
across to the target customers, they perceive the communication and finally respond to it.

### 1.2.2 Perception

Today an average Indian goes through at least 300 ads in different forms every day. However, unfortunately, very few ads may create an impact in the minds of customers and are noticed. Most of us browse through the newspapers and hardly notice the ads. In case of broadcast media, also we tried to overlook ads. But there will be few ads that will intrude our minds, perforce by their sheer penetration power and log themselves in there. When a consumer notices a message and a message gets registered in the mind, we will say that perception has taken place.

Perception takes place through the following stages:

- Exposure
- Attention
- Awareness
- Interest and relevance

All effective ads must have strong stopping power, which will attract the consumers. In the case of print ads, the headlines have to be very catchy, and in the case of TV ads, the music, the visual, or the location has to be very attractive so that it draws attraction. Some times, agencies take help from celebrities or go to a foreign location to shoot the ad film so that it creates quite a ripple, or they use strong themes to appeal to the consumer’s senses, enticing them.

### 1.2.3 Learning

There are two types of learning:

- Cognitive learning which refers to understanding,
- Classical conditioning, which explains how association works.
1.2.3.1 Cognitive learning

In cognitive learning, advertisers want people to know some thing new from the message. The consumers should think and learn about the message. In the case of products like “Saridon” (which is a pain reliever), we can give repeated messages about the product and the product will get registered in the mind of the consumer, and the consumer will respond to it. However, the consumer will not apply his mind at the time of buying “Saridon”. Its part of “Iconic rote”. In products like “Mutual Funds”, people should apply their minds to understand returns and benefits of the product and so on. In cognitive learning, the consumer’s thinking process is involved. Normally, in case of high involvement products, companies use cognitive learning. Moreover, in buying the decision process we tend to search for extensive information in case of high involvement products.

1.2.3.2 Conditioned learning: Creating associations

Another way to learn is through associations. Ads sometimes associate product with place, people, value and so on. Amitabh Bachchan is a strong personality in the Hindi film world and people have developed a strong admiration for him. If a company uses associations Amitabh Bachchan with a product, it might have a great effect. People will immediately recognize Amitabh Bachchan and through his association, they will learn about the product.

1.2.4 Action

Advertisers finally hope that, after learning about the product, consumers will show a positive response, i.e., they will try the product or they
will buy the product. Otherwise, they will seriously think of considering the product for purchase.

1.3 TELEVISION COMMERCIALS

Advertising expenditure in India will boost about eightfold from Rs. 47.3 billion in 1995 to over Rs 367.3 billion in 2010, according to the estimates by Zenith Optimedia. Indian television advertising witnessed 29% growth during the first half of 2008 compared to the same period of 2007 (see TAM Highlights). There is enough reasons for Indian advertisers to continue to reach their target audience through television. Seventeen million new viewers got added to the TV viewing universe, as per the latest IRS, growth of 4%. Multi-TV homes in urban have increased by 16%, giving more scope for the individuals to view their preferred content. Total number of channels as reported by TAM is 442 this year, compared to 368 last year. There is 6% increase in the TV viewing audience. Total number of advertisers in TV went up by 4% in 2007-08. The existing advertisers also have increased their spend on the medium. Television advertising revenue as a result, is estimated to have touched Rs.7400 crore in FY 07-08 with an expected growth rate of 13%.

In the electronic age, few would disagree that television is a powerful medium. Apart from its ability to reach a large number of people, the persuasive synergy in combining sight and sound has long been acknowledged in both academic and lay arenas. Each day more corporate join the bandwagon of television advertising, in an attempt to increase their visibility and reaching out to the vast majority of Indian consumers. It is predicted by reputed agencies like the Hong Kong based Media Partners Asia (MPA) and France based MIPCOM (Marche International des Programmes de Communication) that India will become the largest satellite television
market by 2008, Asia’s leading cable television market by 2010, and the most profitable pay-television market by 2015.

As such, no one can doubt even for a single moment that television advertising in India is set for an unprecedented boom and the next few years will see major flux in the Indian television advertising industry. All this is a confirmation to the fact that India has strongly emerged as the third largest television market in the world. Television ads move at the speed of light, stories are told in a heartbeat. Messages are delivered with a new language of iconography. Conceptually messages must be more applicable to the consumer than to the product. Audiences must learn new ways of reading, new ways of interpreting social icons and imagery to adapt to the new advertising.

**Television Audience Measurement (TAM)**

- 29% growth in TV advertising during the Q1'08 compared to Q1'07.
- ‘Cellular Phone Service’ category leads in TV advertising during the 1st quarter of 2008.
- ‘Hindustan Unilever Ltd’ was the number one advertisers on TV during the 1st quarter of 2008.
- 49% growth in Celebrity endorsement ad volumes on TV during 2007 compared to 2006.
- Celebrities from Film Industry lead with 81% share of overall Celebrity endorsement ad pie on TV during 2007.
- ‘Aerated Soft Drink’ was the top category with maximum ad volumes of Celebrity endorsement during 2007.
‘Shahrukh Khan’ had maximum no. of advertisers in his kitty during 2007.

F&B sector garnered 14% share of overall TV advertising during 2007.

35% rise in advertising of F&B sector on TV during 2007 compared to 2006.

Avg. ads/day of F&B sector on TV increased by 29% in 2007 compared to 2006.

Advertising of 'Financial Industry' saw a growth of 34% on TV during current financial year compared to same period in 2006.


1.3.1 Elements of Television Advertising

1.3.1.1 Visuals

Visual appeal always has a prominent place in advertising. The saying is that a picture is worth a thousand words; so many advertisers usually try to visually communicate messages, rather than bog down the receiver in heavy text.

Visual recall is becoming increasingly important and corporate symbols and advertising will need to be stronger and eye-catching to capture consumer attention. Nonverbal communication will not only become a means for drawing attention to a verbal message, but it will also become the message itself in many instances. The use of imagery, visual associations, drawings and paintings, models, visual memory devices, product and corporate symbols are pervasive in advertising.
Visual imagery is used to command attention, stimulate curiosity, and demonstrate product features and benefits, establish a personality for a product, associate the product with certain symbols and lifestyles, and anchor the brand identity in the minds of the target audience. Additionally, advertisers use visual imagery to enhance or strengthen the message about their product. For instance, when something neutral (the product) is paired with something that elicits a positive affective reaction (a visual), the neutral stimulus may come to evoke a positive response to the ad. In other words, visuals can add meaning (and subsequently a positive response) to something that is neutral (the product).

1.3.1.2 Music

Music is an extremely important component in advertising. Music helps to capture the attention of listeners and is linked to emotions, memories, and other experiences, especially a song or music that is known. Music can be intrusive thereby gaining the attention of someone who previously was not listening to or watching a program. Music can be the stimulus that ties a particular musical arrangement, jingle, or song to a certain product or company. As soon as the tune begins, consumers know what product is being advertised because they have been conditioned to tie the product to the music. For example, the song "Like a Rock" is often quickly linked to Chevrolet's trucks for many people and the Intel "tune" is readily noticed by computer buffs.

1.3.1.3 Appeals

Appeal is another important aspect in advertising, which used in advertising to draw the attention of consumers and/or to influence their feelings toward the product, service, or cause. There are hundreds of different
appeals that can be used as the foundation advertising messages. Generally, advertising appeals are broken into two categories: rational appeals and emotional appeals.

Appeals could be broadly categorised into

1.3.1.3.1 Rational appeals

Also known as informational appeals, are appeals that target the customer's need for the product or service and highlight the features of a product or service and/or the benefits for owning or using a particular brand. Rational appeals tend to be informative and are used to convince consumers that the advertiser's product or service has attributes or gives a benefit that satisfies their needs.

1.3.1.3.2 Emotional appeals

Emotional appeals are based on three ideas. First, consumers ignore most advertisements. Second, rational appeals go unnoticed unless the consumer is in the market for a particular product at the time it is advertised. Third and most important, emotional advertising can capture a viewer's attention and help develop an attachment between consumer and brand.

Most creatives view emotional advertising as the key to developing brand loyalty. Creatives want customers to feel a bond with the brand. Emotional appeals reach the more creative right side of the brain. Visual cues in ads are important in emotional appeals. Also, peripheral cues such as the music and the actor are crucial. Although individuals develop perceptions of brands based largely on visual and peripheral stimuli, it does not happen
instantly. Over time and with repetition, perceptions and attitudinal changes emerge.

1.3.2 Humour

A common strategy used to separate a company's message from the crowd is with humour. The success of humour as an advertising tactic is based on three things. Humour causes consumers to (1) watch, (2) laugh and most importantly (3) remember. In recall tests, consumers most often remember humorous ads. To be successful, the humour should be connected directly to the product's benefits. It should tie together the product features, the advantage to customers, and the personal values of the means-ends chain. Humour captures the viewer's attention, cuts through ad clutter, and enhances recall. Unfortunately, humorous ads can also backfire. Advertisers must be careful to avoid letting the humour overpower the advertisement. When humour fails, it is usually because the joke in the ad is remembered but the product or brand is not. In other words, the ad is so funny that the audience forgets or does not catch the sponsor's name. Although funny ads often win awards, they can fail in terms of accomplishing advertising objectives. To avoid this problem, the humour used in the ad should focus on a component of the means-ends chain. The humour should relate either to a product attribute, a customer benefit, or the personal value obtained from the product.

1.3.3 Sex

As advertisers look for ways to break through the advertising clutter, they use sexual appeals with increasing regularity. Advertisements in the United States contain more visual sexual themes than ever before. Nudity
and other sexual approaches are much more common. Oddly, the actual number of verbal references to sex has decreased over the last decade.

Instead, advertisements tend to be more explicitly sexual, showing contact and innuendos and suggest that sex is about to take place. For instance, several recent television ads for jewellery depict a woman wearing a nightgown in the bedroom, looking very passionate and aroused. Then, a ring and the price of the ring are shown with the company's name. Also, the amount of male-female physical contact in advertisements has tripled in the last 30 years.

A number of studies have investigated sex appeals and nudity in advertising. Almost all of them conclude that sex and nudity do increase attention, regardless of the gender of the individuals in the advertisement or the gender of the audience. Normally, the attention is greater for opposite-sex situations than same-sex situations. That is, a male viewing a female in a sexually provocative advertisement pays more attention than a male viewing another male in a sexually provocative ad. The same is true for females.

1.4 YOUNG ADULTS

Youth like all identities, is a culturally relative manifestation whose meanings and applications are specific to certain times and locales. For those living in present-day Western cultures, the term youth refers to persons who are no longer children and not yet adults. As an adult, they are endowed privileges such as the right to vote and consume alcohol etc. Used colloquially, however, the term generally refers to a broader, more ambiguous, field of reference – from the physically adolescent to those in their late 20s. The United Nations, for example, defines youth as people
between the ages of 15 and 24 years inclusive (UNESCO 2002). Traversing both sides of the legal distinction between childhood and adulthood, the youth identity presents those in their late teens and 20s as participants in a shared social experience that is distinct from that of other age groups.

Psychologically, young adult is the age when the individual becomes integrated into the society of adults. Legally, today the individual is regarded as an adult at age eighteen, instead of twenty-one, as formerly. Young adults used for the study, is the period between late adolescence (18-19) and early adulthood (27-28). It is the period of adjustments to new patterns of life and new social expectations. The young adult is expected to play new roles, such as that of career determinator, breadwinner, spouse, and parent and to develop new attitudes, new interests and values in keeping with these new roles. These adjustments make early adulthood a distinctive period in the lifespan and a difficult one. It is the age of ‘settling down’. That meant settling with the line of work, settling with partner, settling with lot of responsibilities. Once individuals decide upon the pattern of life they believe will meet their needs, they develop patterns of behaviour, attitudes, values that will tend to be characteristically theirs for the reminder of their lives. The newfound freedom for the youthful adults, with economic independence and the drive to realize their dream of self-actualisation, makes them the prospective and vulnerable customers to the advertisers.

1.4.1 Young adults and Television Commercials

Look at any lifestyle today, and you will find a new, resurgent wave of youthful values and ideals toppling old systems. In Bollywood, “the family entertainers” of yore are giving way to young, vibrant movies like Rang de Basanti. In politics, khadi clad political veterans are giving way to clean-cut Harvard educated youngsters. In cricket, experienced veterans are
making way for enthusiastic, athletic youngsters. Even the corporate suit has shed its formal manner for a more youthful demeanour and relaxed Friday dressing. Therefore, how far from change can marketing and advertising can be.

In fact, one could say that youth has become the operative word around which all spheres of Indian society are revolving. Today, the fact is that not only do the under-30s in India form more than half of the population, but also the population of 20-somethings drawing six-figure salaries is rapidly multiplying. Suddenly, even the home theatre and plasma TV makers cannot afford to ignore the youth.

Further, this is no passive youth…. it is a vibrant challenger generation out there, which is changing society’s reigning moral and cultural values. All the things that youth relate to- irreverence, rebellion, revelry, technology-are potential inputs to creating marketing and communication strategies that get a better connection. So how does one go about creating new India connects? The first step of course, is to accept that new India exists as a separate entity, which has little in common with the old India way of thinking. In many categories, this may entail giving up pet marketing or advertising formulas. For instance, traditionally pension plans were for the pensioners or soon-to-be pensioners. Today, the HDFC pension plans talking to the very much employed and earning 30-year olds when it says, “These hands are for giving, not for taking”. In addition, this is working because the hitherto western thought of not having to depend on your children in your old age, is catching on in new India. It is just one instance of how it is not just the young categories that must not fall in line with new values, but also the ones focus on older audiences. Hence a need to study commercials, taking the perspective of young adults, who seem to be the prime prospect of the advertisers.
1.5 EMOTIONAL STRATEGY

1.5.1 The New Paradigm

In the constantly changing business scenario, gone are the days when companies craved to have brand recall for their products by utilizing the mantra of “4Ps” (price, product, promotion and place) to sell anything, from chocolates to luxury cars. With increasing difficulty in differentiating the products especially services from its competitors, companies are realizing the need to unearth a new ground to compete – on which the emergence of the emotional economy has largely stemmed from this need. The competitive battleground has transformed to a pinnacle where emotional bonding has come to be the prime differentiator between companies and its products.

In today’s changing socioeconomic scenario, an emotional association has to be produced between the product and the customer, and many companies are resolved to strike all crucial emotional notes with the customers. Some examples are Tata: Trust, Airtel: Connectivity, and Google; Reliability.

However, this marketing trend is also being propelled in part by a shift in consumer’s expectations. Forward-thinking companies are endeavouring to go that extra mile and engage the public. The marketing strategies should be designed in a way that products and services are being positioned in terms of shared values and mirroring the consumer’s attitudes or lifestyle preferences, which make the consumer fall in love with the company. The most powerful names in the world today- like Sony, Nike, and Starbucks – have an incredibly emotional component attached to the brand that rests on trust and competence, and show that the best experience in life will elicit very strong emotional reactions.
The goal of emotional marketing is to build an enduring bond with customers that foster loyalty and repeated purchase. When emotion-based marketing principles are applied in business, it leads strategies that are nearly impossible to duplicate. This provides powerful competitive advantage to the company that gratifies the viewers in terms of emotional engagement and a growing amount value being exchanged between the company and the prospects.

1.6 THEORETICAL PERSPECTIVE
1.6.1 Elaboration Likelihood Model

Most theories of attitude change and persuasion are concerned with taking a cognitive route to long-term persuasion and a longer-lasting attitude change. The Elaboration Likelihood Model is one such theory. This theory emphasizes that cognition is the central factor in the route to attitude change and shows that emotion is an aspect, albeit a less important one, in the process of attitude change. This study tries to establish emotion at the center of the attitude change process by examining the television advertisements aimed at young adults.

The Elaboration Likelihood Model developed by Petty and Cacioppo (1986) proposed that there were two routes to attitude change:

1. Central  2. Peripheral

The central route emphasized high-relevance of the message to the individual. The more the relevance and the more the interest that the individual showed in the message, the higher were the chances that he/she would think or elaborate on the message. This elaboration would lead to a change in attitude. Another aspect of the Central Route was that it dealt with
the message content—text, words, written material used in the message—as opposed to the Peripheral Route that dealt with the message cues—colors used, people/lifestyles depicted, visuals, etc. The Peripheral Route was taken when the message had little or no relevance to its receiver (Petty et al., 1994). In this case, the individual would concentrate on heuristic cues like attractive expert sources and number rather than content of arguments employed by the message to process the message. If these cues produced an attitude change, this change was likely to be shorter-lasting and unpredictable of that individual’s behavior (Petty and Cacioppo 1986). Hence, the cognitive (central) aspect of the ELM overshadowed its emotional (peripheral) aspect and the underlying suggestion of this model was that an attitude change was mostly through cognition as opposed to emotion. Both these routes—central and peripheral—can be thought of as occurring on a continuum that has emotion on one end and cognition on the other. As an individual proceeded from the emotional end of this continuum to its cognitive end, the individual also made a journey from the peripheral to the central route and, in essence, from the presence of emotion to its complete absence in the realm of cognition (Petty and Cacioppo 1986).

1.6.2 Social Identity Theory

This theory address the structure and function of the socially constructed self (called identity or social identity) and the relationship between society and individual social behavior. Social identification theory was developed to explain the relationship between the definition and categorization of self and others and intergroup discrimination (Tajfel 1978). The theory postulates that individuals belong to a number of social groups (called in-groups) and that this membership contributes, positively or negatively, to their self-images. The theory suggests that individuals progress through stages in social identification. First they categorize (survey the social
environment and define unique social categories), then they identify (define one’s own membership into relevant groups or categories), and finally they compare (their group with other relevant groups). Persons who differ from the self are categorized as the out-group. Individuals self-define these groups or categories, have membership in more than one group, and behave according to the group’s norms when identity becomes salient. The process of identification, of particular interest to this study, occurs when an individual accepts influence or adopts behavior based on perceived similarities with a person or group represented in the commercial. Similar to social identification theory, the person is influenced because he or she believes the source of a message possesses characteristics similar to his or her own.

1.7 OBJECTIVES
1.7.1 Main Objective

To study the perception and attitude of young adults to television commercial, and the commercials influence on them and to analyse the advertising strategy employed.

1.7.2 Objectives

- To analyse the perception and attitude of the respondents to television commercial
- To study the Influence of television commercial on the respondents
- To analyse the text of television commercials in terms of presentation style and approach
To study and understand the use of emotional strategy in the television commercial

To apply elaboration likelihood model and social identification perspective in Understanding the content aimed at young adults

1.8 NEED AND RELEVANCE OF THE STUDY

Does advertising influence young adults? Does it affect their needs, wishes, standards and values? What is their perception and attitude to television advertising? Questions of this type are often among those considered most urgently in need of an answer when advertising is discussed. When we spontaneously try to answer these questions, we are inclined to take ourselves as the starting point. In many contexts, proponents of the advertising sector have an interest in toning down the influence and possible effects of advertising. They often present it as an ‘innocuous” aspect of daily life, while at the same time they depend on their clients’ faith in the ability of advertising to attract the attention of potential customers and influence them. Similarly, opponents and critics of advertising often exaggerate the ability of advertising to influence us, while their very existence is evidence of relatively widespread scepticism and even resistance towards it. Therefore, in the debate about the effects of advertising, the arguments used both for and against it are to some extent contradictory and paradoxical. Whatever the scenario, the trend is that commercials on television are increasing day-by-day (29% growth in TV advertising during the Q1’08 compared to Q1’07-TAM) and the young adults seem to be the most dominant target segment. Hence, the study of this kind is required to understand the potential of television commercial in relation to young adults and the attitude of young adult towards it.
Aside from other possible factors, such as the increase in the number of TV commercials, longer commercial pods and viewer expectations, these technological developments have significantly contributed to changes in the traditional way of television viewing. These technological developments have increased consumers’ control over every moment in a TV program or commercial. Therefore, it is even more important for advertisers to develop TV advertising in such a way that it captures and retains consumers’ attention during commercial exposure. Within the message strategy, decisions need to be made about the message appeals and message structure of a TV commercial. Thus, this study also focuses on the execution strategy used by the advertiser to reach the young adults.