

# CHAPTER – I

## DESIGN OF THE STUDY

### INTRODUCTION

Advertising is a measure of the growth of civilization and an indication of the striving of the human race for betterment and perfection. Several eminent economists have succinctly summed up the drive for survival and satisfaction and the limits of human endeavor. In their views physiological needs, need for safety, love and self – actualization are some of the basic needs of human beings. There are two further goals to achieve, namely, 'knowledge' and 'beauty'. The aspiration for knowledge arises from the need to know more and to develop greater understanding of the unknown things. The longing for beauty represents the ultimate in aesthetic satisfaction. Advertising has both forward and backward linkages in the process of satisfaction across the entire spectrum of needs. The explicit function of advertising is to make the potential audience aware of the existence of the product, service or idea, which would help them, fulfill their self-needs and spell out the differential benefit in a competitive situation. It is also an instrument for developing the basic motivations for creating resources for buying goods and services or generating favourable conditions for the acceptance of an idea.



An assessment of the role of advertising in the economic system includes its role as a guide to prospective buyers for innovative products / services, for creating autonomous and derived demand among consumers, for facilitating them to make product differentiation and in the creation of higher propensity to consume such items besides providing financial support to the media. Indirect effects of advertising are visible from its influence on the efficiency of production and distribution, lowering of prices, economic well-being, improvements in the product quality and finally in its contribution to the national income. It also helps people and organizations to find each other and create or sustain thousands of jobs, both in advertising agencies and in various promotion and exhibition industries<sup>1</sup>. It is advertising that keeps the media independent and alive. Revenue generated from advertisements makes the newspapers, magazines, radio and TV accessible and affordable even by the people in the lower strata of the society. Without this money, the media would depend on government aids or on persons and organizations with their vested interests for survival and would lose their freedom of action in situations where it become inevitable for the welfare of the society.

Governments, everywhere, are the major advertisers and they often depend on advertisements to lure the foreign investors and the tourists to their countries. Government departments all over the world put their advertisements in various media to recruit young men into the army, navy and the air force, for



making the citizens aware of the traffic rules, tax and drug laws, about their voting rights, etc<sup>2</sup>.

Advertising enables the public to choose the right type of products and services from an array of options. It facilitates them to select the best quality products and services at the lowest price. In the absence of advertising, the public would be at the mercy of the manufactures / dealers of a few high priced or low quality brands.

Advertising is closely linked with economic development, as it is a vital marketing input, especially at the stage of introduction of a new product. It is an instrument of persuasion and information and the informative role of advertisements consist of providing information about products, their specifications, features, functions and prices to prospective buyers. It is an invaluable aid in the process of market development<sup>3</sup>. Advertising also performs the useful functions like the dissemination of information about innovative technologies, creation of favourable conditions conducive to the consumers in satiating their demands and in making them to accept innovative products and services hitherto to unknown to them. Economic systems are basically constituted by a series of transactions between individuals, organizations and sectors. The relevance of advertising is obvious at all stages of interface between a supplier and a buyer at a micro level and also at the macro – economic context.

Advertisements also play important roles in the welfare of the society. They create awareness among the masses, inform and educate them



about socially relevant issues like conservation of natural resources, health, family welfare, literacy, national integration, etc. They aim at communicating social causes, ideas or messages to the people. Moreover, they contribute substantially to the nations exchequer by way of scarce foreign exchange. A series of advertisements released by the Loss Prevention Association of India, urging people to prevent losses, avoid accidents and advertisements released by the cancer society of India and several other advertisements of a similar nature does play important roles in the society. Companies and institutions resort to various types of advertisements for effectively communicating with the public at large about the community services rendered by them.

Advertising through visual symbols are extensively used at present by many of the firms and advertising agencies as an effective medium to communicate the matter to the prospective consumers at a much faster rate than word descriptions because they involve less mental effort to them than thinking in terms of words.

Sellers depend on advertising for launching of their new products / services, while buyers come to know about the different attributes of such products / services, the sources from which they are available, prominent brands, etc. Through advertising, consumers come to know all the details about the product such as its price, quality, durability, etc., and can assess the comparative value of the product before they leave home for shopping. On the other hand, it is advertising that reminds consumers and creates awareness and builds confidence among them.



The function of communication is performed quickly and efficiently through advertising. The manufacturers all over world approach millions of consumers in a short time span through different media of advertising like newspapers, magazines, radio, television, etc.<sup>4</sup>. New products are quickly brought to the notice of the consumers for their acceptance and the existing products are extensively advertised to ensure the continuity of their use and their presence in the market. It is in this way that advertising helps to make the economic system more responsive to consumer preferences. Advertisements also accelerate the process of percolation of resources to other sectors of the economy through its facilitating function thereby making the economy a vibrant one.

The outstanding contribution of advertising to consumers' welfare emanates from its part in providing them with innumerable opportunities for satisfying their variegated needs. The chief task of advertisements from a social standpoint is that of encouraging the development of new products to suit the whims and fancies of consumers. They offer a means whereby the enterprises can create an ever-increasing demand for their merchandise, which will justify the investment.

Advertising, through the print and electronic media, acts as a catalytic agent in the process of transformation of the agrarian economies of the developing countries like India to an advanced industrial economy by the adaptation of technologies of sophisticated nature. It also creates a sort of affinity towards the amenities enjoyed by their counterparts. This, in turn, make them in



inculcating the habits of the people of advanced countries and in changing their out look and styles of living. The major function of advertising in this context is to encourage the manufacturers of the developing countries to bring out quality products of international competence.

Thus, advertising plays a dominant role in the Indian economy and especially in the economy of Kerala which is highly reliant on all most all the consumer products from other state and from outside the country.

### **STATEMENT OF THE PROBLEM**

Advertising has been assuming great prominence as the most potent tool in the marketing of goods and services by both the industrial and non industrialized nations. It is regarded more as an investment than expenditure. In the developing nations too, it has now been acknowledged as a major business function. In India, the attitude towards advertising has been ever changing at a rapid pace with diversification and dynamism. The advertiser, the agency, the media and the consumer view advertising according to their desires, expectations and opportunities. Hence, advertising is no longer viewed as a secondary business activity but has come to be accepted as a supportive service and a contributory input for diversified growth. The goals of advertising have been changed, modified, adjusted and re – defined over the years in India.

Now a days, the economic, social, cultural, political and business environment of the country has tremendously changed and these changes have brought about a significant change in the attitude of the people towards



advertising. Advertising is being used not only for economic and business gains but also for political, social, cultural, religious and governmental motives and objectives. To popularize the economic policies and programmes and socially – oriented schemes such as removal of illiteracy, preservation and protection of natural resources and also for selling various services, advertising is being sought rigorously with a new zeal and expectation. The parameters for judging advertising have witnessed a sharp change in India and the quality and performance of advertising agencies in our country have also improved markedly. Gradually, advertising has been maturing itself as a profession in the country. This has influenced significantly the psychology, sociology and economics of the advertiser, the agency and the media. Thus, advertising in India, which was considered as an unnecessary evil during the 1960's, had become a necessary evil, by 1980's and is now being viewed as an absolute necessity.

In India, the growth of advertising industry is phenomenal. In 1974 the amount spent in India for advertising was as low as Rs. 75 crore. In 1990, it jumped to Rs.1, 504 crore and in 2003, it reached the height of Rs. 15,000 crore, which indicates the increased relevance of advertising in the Indian economy<sup>5</sup>.

Kerala being mainly a consumer state, without any strong industrial or manufacturing base, only consumer goods advertisements were relevant to this market. Till 1993, many of the advertising agencies in Kerala had been confining their activities with cinema advertisements and retail advertisements in



an unprofessional manner<sup>6</sup>. But a few years back, some national agencies opened their branches in Kerala with a view to exploit the virgin market of big retail advertising, which in fact, had initiated the advertising boom in Kerala. Being a consumer state, such an advertising option caught up so soon and many aspiring 'big shops' joined the advertising bandwagon. In 1995, there were 26 advertising agencies in the state of Kerala, which has sharply shot up to 120 agencies by the end of the year 2002<sup>7</sup>. Since then, the advertising blitzkrieg in Kerala has assumed a new dimension. In this context, it is imperative to delve into the whole scenario of advertising in Kerala, which is inter twined with the socio cultural, economic, environmental and commercial activities, that plays a decisive role in the changing life styles of the Keralites.

## REVIEW OF LITERATURE

In Jerome D. Scott's (1943)<sup>8</sup> opinion the effects on advertising outlays upon profit and liquidity are important considerations in setting outer limits for advertising. He also describes that normally a time lag occurs between advertising outlay and sale results. In his opinion the firm's resources set a real limit on advertising outlay.

Analyzing the maximum extent up to which a firm can spend on advertising, Joel Dean (1951)<sup>9</sup>, observes that the advertising expenditures for each product should be pushed to the point where the additional outlay equals the profit from the added sales caused by the outlay.





Martin Mayer (1958)<sup>10</sup> puts forward three basic concepts with regard to a good advertisement. In his opinion an advertisement must basically be a believable one. Simple techniques, such as the use of pictures or diagrams also increase the believability of the advertisement. Repetition is another key concept in the case of advertising. He suggests that it is better to have a long series of small advertisements than one extremely large advertisement as these act as memory ticklers among the consumers. The third concept put forward by him is the concept of the impression of message. In his opinion messages should be clear, complete and attractive.

In Roose and Reeves's (1967)<sup>11</sup> opinion all products are not equally advertisable. They are of the view that there are five factors, viz., the Primary Demand, Buying Motives, Hidden Qualities, Differential Advantage and Money in every marketing situation, which must be analyzed carefully to determine the advertiseability of a product.

In C.V. Mamoria and R.L. Joshi's (1968)<sup>12</sup> opinion an effective advertisement should be done strictly in the language of the customer and it should be inserted at the right time in the right place and also in the right media. Moreover the advertisement should be communicated to the people on whom it is aimed.

D.P. Agarwal (1978)<sup>13</sup> argues about the useful roles of advertisements in the society by citing a series of advertisements released by the Loss Prevention Association of India urging people to prevent losses, avoid



accidents; Advertisements released by the Cancer Society of India and several other advertisements are of a similar nature.

Acharya and Govekar (1980)<sup>14</sup> observe that the cost of advertising is not a heavy burden on customer when the unit costs are taken into account. By giving some statistical information pertaining to the advertisement expenditure in relation to the Gross National Product from 1930 - 1975, they prove that the advertising industry is spending less now than in pre-war period due to the availability of low cost mass media such as newspapers and radio.

T.A.A. Latif (1981)<sup>15</sup> states that advertising induces familiarity with the brand name of the product and the consumers feel more confident about a product with which they are familiar. He is of the opinion that by giving a proper message, the advertising aims at shaping the motives and desires at building believability and at creating a certain brand image in the minds of the consumers.

As per the National Readership Survey (1981)<sup>16</sup> the newspaper plays a prominent role in India with regard to the advertisements despite the spread of radio and T.V. As per the survey the national newspapers, particularly English language papers dominates the advertising area.

In T.A.A. Latif's (1981)<sup>17</sup> opinion the most notable trend in recent Indian advertising is the involvement of religious organizations like the Devaswom Board of Kerala, which had a national campaign inviting pilgrims to visit the temple at Sabarimala.

R.S.N. Pillai and Mrs. Bagavathy (1987)<sup>18</sup> observe that the

evolution of printing technology and the changes of the marketing policies have been greatly utilized and many are benefited from advertising. In their view increasing literacy, modern techniques of printing, stiff competition, etc. add to the necessity of advertisement.

Jha and Singh (1988)<sup>19</sup> are of the opinion that advertising in Indian condition is a tough task, which needs a scientific approach for creating the effective advertisement. In their opinion the lay out and colour would be proactive, especially when one prepare these in the background of the standard of rural folk who are illiterate.

Sajeev. B. (1991)<sup>20</sup> states that the brand name and the company image plays important roles in the purchase of toilet soaps. His survey among select consumers in Kerala indicates that majority of the consumers are brand loyal.

M.K. Khanna (1993)<sup>21</sup> reveals that the Indian advertising industry's growth is high even when compared with other countries in South East Asia and in such a situation even those growing below the average rate are doing well.

Divya Bhandary (1993)<sup>22</sup> opines that the models and their actions projected in majority of the advertisements have considerable impact on the viewers that by seeing advertisements people get observed with the style and actions of the models presented. She also observes from the responses of both

the urban and rural respondents that the three most attractive parts in T.V advertisements, which appeal most to the viewers, are 'Model', 'Product' and 'Action of Models'.

Uma Ramachandran (1993)<sup>23</sup> observes that the advertising industry in India has been growing at the rate of 20 – 25 per cent a year. In her opinion India's advertising standards are higher than those in Korea, Taiwan and a number of Middle East and South East Asian Countries.

S.R. Madhu (1996)<sup>24</sup> states that the technology has changed the way of functioning of agencies in our country. In his opinion computers and computer graphics have brought in new power, versatility, speed and value to advertisement production. He also observes that several Indian companies are using Internet to market their product and services.

Madhukar Sabnavis (1996)<sup>25</sup> is of the view that the generations change might necessitate either leaps in or drastic change in any of the four P's of advertisement, viz., the Proposition, Personality, Presentation and Positioning. He concludes his study by suggesting that all elements of the mix need to be reevaluated against the generation change. He also suggests that if required, marketers and advertisement agencies should be ready to shift their paradigms.

Babar Zaidi (1996)<sup>26</sup> observes that insertions of leaflets in newspapers are on the rise in India. In his opinion the increase in advertisements through leaflets is due to the steep rise in print advertisement rates. He also opines that insertions on the other hand are usually about local shops and stores



and help an advertiser reach his target without wasting his advertisement revenue.

R.K. Swamy (1996)<sup>27</sup> observes that advertising helped America to become the world's number one economic power. In his opinion America reached the stage of high consumption in 1920, while Europe did so only after 1945. America was the first to reach the high consumption stage, because advertising and attention given to the consumers had created the mass markets needed for high consumption.

Bishwambhar Jha (1997)<sup>28</sup> observes that even the ordinary people of India understand the information contained in advertisements and they even find the same as a sort of entertainment. In his opinion, advertisements have gained popularity, among both the urban and rural audience of India. He also opines that almost all Indian consumers take things and information in the same way in which they view such items through advertisements.

Minari Shah (1997)<sup>29</sup>, in her article opines that about two years back, when satellite television was picking up momentum, obscenity and irrelevant sexual contents in the advertisements had formed the bulk of complaints and their regulations had been a tough task. Now these are a negligible percentage of the total complaints. In her view, the Advertising Standard Authority (ASA) can refer a misleading advertisement of fair-trading, which in turn, can obtain an injunction to prevent the advertisers from using the same or similar claims in the future advertisements. She also observes that there are a number of complaints against



the advertisements making false or unsubstantiated claims and those indulging in intra-industry comparisons as in the case of the advertisement of 'Lakme Face Wash' in which they had given a misleading statement highlighting the destructive impacts of soaps on the skin.

Harish Bijoor (1998)<sup>30</sup> observes that the extended television viewing time will have a telling effect on advertising. In his view the more the quantum of television programme viewing, the less will be the propensity to watch advertisements as the viewer may be tempted to take breaks to do other things at home during the time of exhibition of advertisements.

In Soma Sen Gupta and D.P.S. Varma's (2000)<sup>31</sup> opinion, marketers should design promotional strategies to reach each member of the families. They suggest that marketers may advertise their products in Sunday newspapers, magazines or a special supplement of the product, which is read by majority of the members of the families and the products can be advertised in radio and television during or before the programmes, which are enjoyed by the whole family. They also observed that if the marketers desire to put advertisements in magazines, which are read by men, the emphasis should be on the technical aspects of the products, dealers' name, addresses and prices of products. They also suggest that on advertising in women's magazine, the beauty and aesthetic aspects of the model should be given prominence, emphasizing at the same time, the price cuts or any other sales promotion offers.



H. Ventaeshwarlu and P. Purushothaman (2000)<sup>32</sup> are of the view that advertising should be linked with the frequency of purchase. As per their study majority of the urban working women purchase their products either in the beginning or once in three months, which led to the attention of several companies for concentrating their advertising campaign during that period of time.

C. Samudhrarakumar, C. Madhavi and John William (2000)<sup>33</sup> in their attempt to analyze the attitudes of four categories of respondents from the society, viz., students, Academicians, executives and Housewives towards the positive and negative sides of advertising came to the conclusion that people with positive attitude are more in number than people with negative attitude. They had also observed that there was no significant difference towards both the positive and negative aspects of advertisements among the male and female respondents. They suggest that advertisement creators must concentrate more on the information and social aspects in any advertising and must avoid advertising for harmful products and exploitation of women. They are also of the opinion that avoidance of unreal situations and false promises will definitely increase the value of any advertisement.

Rajagopalan Nair and D. Sudarsan (2000)<sup>34</sup> observe that advertisement strategies of many companies, which use to sell their products to the markets, are focusing very well on the child community. They view that many companies, which address child community through their advertisements and



other activities range from baby food manufacturers to automobile giants. In their opinion, parents had no choice but to satisfy the needs of their children. They also indicate that communication through visuals is more effective than verbal or written communication and the barrier of languages and other geographic limitations are solved to a certain extent through effective visual communication using television.

John Philip Jones (2000)<sup>35</sup> views that any advertisement campaign proves to be a successful one if the extra business generated by it makes a significant contribution to the cost of the campaign. In his opinion, if the financial return is a good deal less than the cost of advertising, it will lead to an advertisement wastage.

I. Sathyasundaram (2001)<sup>36</sup> observes that advertising industry in India concentrates mainly on consumer durables. Because of, the current stress on globalization, liberalization and privatization, competition has become severe and advertisements too have become aggressive. He also observes that good advertising stimulates aspirations and wants, which in turn induces mass marketing of products and devices. In his opinion advertising on the Internet is expected to grow rapidly and India's on-line advertising revenues are expected to increase from \$ 2.5 million in 1999 to \$ 150 million by the end of 2003.

Ruchi Bhatia (2001)<sup>37</sup> observes that both television and print media have proved to be the media suitable for communication objectives in different stages of product life cycle. In her view, India, with 70 million TV-owning





households and an equal number with the potential to own one and cable penetration at over 30 million homes, TV has the most eyeball power. She also opines that advertisers rely on print media for exposure, while the electronic media for reach and frequency .

Dr. Goutham K. Mukherjee & Dr. Dileep Roy (2002)<sup>38</sup> observes that giant organizations are now eager to know the effect of advertising on Indian consumers. In their view a large portion of the Indian market is the rural market where the traditional Indian customs are still being followed and the purchasing power of rural consumers is markedly lower than the purchasing power of the urban consumers and as such the price sensitivity of overall Indian market is expected to be higher than the western market. They are also of the view that the speed and shape of advertising – sales response are also expected to be different from the ones observed from the western market analysis.

Mohinder Singh (2002)<sup>39</sup> observes that children spend more time sitting in front of the idiot box than in schools. As they grow old, they make their own decisions over the way they dress, what to eat and how to spend time. He is also of the view that children even influence their parent's decision in buying things. He also opines that advertisers are exploiting this fact to the maximum by including kids in more and more advertisements of fast food, confectionary and toothpastes. In his opinion there is a growing concern for safeguarding children, especially younger ones, against manipulation through TV and Internet



advertisements, considering the fact that the involved commercial stakes are enormous and the manipulators are the most ingenious ones.

Anu Chawla (2002)<sup>40</sup> observes that child focused advertising has increased tremendously in India since the mid 1990's. Consequently, marketing expenses by advertisers on child-focused events have also increased significantly. She also opines that children constitute nearly 34.75 per cent of the total population and therefore it is imperative that they may be an important part of promotions. Besides, major television channels devote between three to four hours a week for programmes intended exclusively for children. In her view, advertisements seen in these channels are targeted at the child audience and the advertisers constantly come up with their own new ways of targeting this segment.

Aliefya Vahanvaty (2002)<sup>41</sup> states that road show is a new medium, which reaches the target audience at a lower cost to the advertisers. She observes that the best advantage of this medium is that there is a first hand product trial, direct consumer interaction and consequent building of relationship with the customers. She also opines that there is an instant customer feed back and above all there will be a total brand recall.

Madhukar Sabnavis (2003)<sup>42</sup> states that advertisement industry in India has slowed down during 2003. In his opinion, the reasons for the slow down during this period were: (i) Recession, (ii) Discounts (Low rate for canvassing advertisements), (iii) Dot Com Deaths, (iv) Diversion of funds from conventional

advertising and (v) the delay in emergence of new segments. On analyzing the advertising spends to GDP ratios across countries, he also observes that India is lagging behind both the developed and developing countries of the world. At 0.4 per cent India was much lower than the US (1.3), U.K. (1.1) and Germany (0.9) at one end and even developing countries like Brazil (1.6), Thailand (0.9) and Indonesia (0.6) on the other end.

Rina Chandran (2003)<sup>43</sup> opines that the advertisement industry has registered a growth rate of 23.49 per cent for the year 2000 –2001. She also reveals that none of the media reaches two out of five Indians and it is high time that there should be a greater emphasis on media in reaching the rural consumers.

Rina Chandran (2003)<sup>44</sup> also observes that the average duration of TV commercials in 1994 was 25.5 seconds and it had fallen to 20.4 seconds in 2002. Sizes of advertisements in magazines have also shown a 30 per cent decline in the last 8 years. In newspapers, where the average size of an advertisement fell from 124 cc in 1994 to 98 cc in 2002, there was a 21 per cent decline. She also states that advertisers pushed advertising agencies to communicate the same message in shorter durations in an effective manner than before.

Neeru Bhatia (2003)<sup>45</sup> states that before the commencement of last world cup, cricketers' brand equity has shot up by 30 per cent, which was a good sign of advertising industry in India. Her study also reveals that the official



sponsors of Pepsi and LG Electronics registered a brand recall of 70 per cent, while Hero Honda registered a brand recall of 28 per cent. Other companies like Samsung, Reliance Infocom, Coco – Cola and Britannia registered between 10 and 20 per cent. She also viewed that the advertisements for Lays Potato Chips, shot up in the cricket stadium resulting in an increase in sales by 75 per cent.

Subhash Ghosal (2003)<sup>46</sup> reveals that real truthful information about the product is the most important ingredient and the most persuasive element in its advertising. He also observes that advertising can add a value represented by an increased satisfaction in the use of the product by the consumer and this capability of advertising ( which also happens to be the favourite target of its critics) is the one, which has to be brought into use, and exploited most often.

### **SIGNIFICANCE OF THE STUDY**

Indian advertising has had many changing phases. The pre - independence advertisements were mostly about ladies' goods, gents' clothes, traveling, tourist resorts, hotels and places of entertainment for the Britishers in India. Motor cars, electricity, lift in houses, washing machines, radios, gramophones, ceiling fans, etc., were considered to be the items of luxuries in India in those years. The Maharaja and princely families were the prospective consumers of such items. Thus most of the early advertisements were for four wheelers, hotels, gramophones, radios, fans, cotton goods, tailoring shops, etc.,



and their target audience were the English in India, the princely families and members of the upper strata of the society. It is only after independence and the abolition of the Princely Order that a new – born middle class received the attention of advertisers.

After independence, middle class people are mostly employed in factories, offices and other commercial establishments or are engaged in trading and allied activities. Thus the life of the average middle class family in India has become more or less mechanical and the available leisure time for such families for amusement and involvement in household activities have shrunked substantially. Very often both husband and wife go to work and therefore, for them certain products which were previously considered as luxuries such as refrigerators kitchen wares, ready mixies, ready to eat items, frozen and half boiled items, etc., have become essential. This has created a tendency among producers and manufacturers to put large number of advertisements with the assistance of advertising and other agencies for the sale of such items.

Advertising in India has been gaining sophistication during recent years. Besides, there has been a considerable increase in sales promotion activities of incentive merchandising schemes, which have increased, considerably in the last decade. Most of these were naturally for low prices mass consumer non-durables such as soaps, toiletries, toothpastes, herbal products, curry powders, confectionaries, cigarettes, etc. Readymade garments, ready to eat items, two wheelers, T.V. sets, washing machines, mixies, fridges, fans,



ovens have also become so popular in India and especially in Kerala, consequent upon the emergence of T.V. as a powerful media of advertising.

From a scenario in the Seventies where options were limited and the print medium was the single most dominant medium, there has been a sudden proliferation of options in the Eighties with T.V. Overriding all other media in the country. In 1984, press constituted the single largest media of advertising which accounted for 77 per cent of the total media in the country while the relative shares of T.V., outdoor media, radio and cinema represented 7 per cent, 6 per cent, 5 per cent, and 4 per cent respectively. But by 1989 the relative shares of press, radio and cinema has declined to 67 per cent, 3 per cent and 1 per cent respectively. During this period the relative share of T.V. in the Indian media has showed a tremendous increase from 7 to 19 per cent and the out door media to 10 per cent of the total.

The boom in electronic media commenced with the introduction of colour transmission of television in 1982 to coincide with the Asian games hosted by India. Major developments like the growth in Dooradarshan's network, Hindi films being legalized on the video circuit in 1987 and the invasion of satellite TVs into the Indian media scene since 1991 have spurred this boom. Consequently a dramatic increase in home entertainment options was seen in the Indian society in general and in Kerala in particular. Most of the people use to spend a substantial part of their leisure hours in front of the television. Consequent upon this the life styles, pattern of consumption, tastes and preferences, etc., of an average Indian have also been undergoing a drastic change and are being



dictated at present by television programming and the progressive increase in advertising of largest advertising agencies offering a wide range of products. The increase in the acceptance of advertising by the public is also indicated by the progressive increase in the number of advertising agencies in India from about 320 during 1979 – '80 to 566 during 1993 – '94. Moreover, most of the Indian advertising agencies now have international affiliations. In all, 13 of the top 15 Indian Advertising agencies now have a foreign connection indicating the globalization of advertising agencies in India and the significance of advertisements in the context of growing consumerism in India and especially in Kerala.

Advertisements play an important role in the economy of Kerala because the State has been in a stage of transition from the status of a producer to a consumer. Most of the requirements of the State, especially in the case of cereals, pulses and other consumer non – durables are met by the supplies from outside. Advertisements of manufacturers and producers through the various advertising agencies and other media find Kerala as a potential market for their products and services. Moreover, in Kerala medium firms account for major proportion in the manufacturing sector as far as value addition for products are concerned. Medium firms also dominate the categories of firms in terms of growth of units over the past few decades. In acquiring distinct product / brand identifies and growth in size of the units medium firms in the private sector in Kerala have made their presence felt in the last decades. Another notable feature of the firms has been that they have developed products in which Kerala has a



natural advantage and created distinct brand images among the Consumer through their sustained efforts of advertisements and sales promotion activities through various advertising agencies and media which are in par with their global counterparts in excellence. Hence a study analyzing the influence of advertisements of manufactures / producers among the prospective consumers of Kerala and the impact of their advertisements through various advertising agencies and electronic media in the contest of growing consumerism in the state assumes importance.

### **SCOPE AND COVERAGE OF THE STUDY**

Though the study could be carried out from the points of view of the advertisers, media and the advertising agencies and also by taking other consumer non-durables and durables, the present study is limited to the analysis from the points of view of the consumers in the district of Ernakulam by taking three fast moving consumer products, viz., Toilet soaps, Detergents and Tooth pastes only as these three products are used by all the strata of the people of Kerala and is observed that the advertisers in India and in Kerala has been spending the maximum amount for advertising these three products in the media for the past few years. These three products also assume great importance as they are the indispensable items of personal hygienity in the life of Malayalee who are well known for their hygiene consciousness.

For a detailed analytical study, the male and female households using these three products in the district of Ernakulam, a Stratified Random





Sample Survey has been conducted covering all the 15 Block Panchayaths in the district of Ernakulam and also by covering all the three income groups namely 'Low Income Group' , 'Middle Income Group' and the 'High Income Group' with a view to make the samples representative in all respects. The study also attempts to analyze the perceptions of consumers towards the advertisements of these products besides identifying their problems on the purchase and consequent uses of these products due to the influence of such advertisements.

## **OBJECTIVES OF THE STUDY**

### **I. General Objectives :**

- ❖ To make a review of the History of Advertising in India and in Kerala to its present stage
- ❖ To analyze the influence of Advertising on the fast moving consumer non-durables like in Kerala.

### **II. Specific Objectives:**

- ❖ To analyze the attitudes of both the Male and Female households towards the commercial advertisements appearing in the print and electronic media.
- ❖ To analyze the socio-economic aspects of the consumers of the non-durable products such as Toilet Soaps, Detergents and Tooth Pastes in the district of Ernakulam.



- ❖ To identify the category of advertisements appearing in the media which are mostly preferred by the two groups of consumers
- ❖ To identify the brands of Toilet Soaps, Detergents and Tooth Pastes, which have been impressed by these groups through their advertisements in the media.
- ❖ To make an in-depth analysis of the attitude of the male and female (two groups) consumers in the study area towards the advertisements of three fast moving consumer products of Kerala, namely, Toilet Soaps, Detergents and Tooth Pastes.
- ❖ To analyze the factors influencing the two groups of consumers in the purchasing of these products.
- ❖ To analyze the reasons behind the purchase of the same brand of Toilet Soaps, Detergents and Tooth Pastes by the two groups of consumers.
- ❖ To analyze the type of advertisements proved to be more effective between the two groups of consumers in case of Toilet Soaps, Detergents and Tooth Pastes.
- ❖ To identify the problems associated with the use of various brands of Toilet Soaps, Detergents and Tooth Pastes by both the categories of households.
- ❖ To give suitable suggestions and recommendations on the basis of the findings of the Study

## **METHODOLOGY**

The study is an empirical one based on primary data. The data required for the study have been collected from both primary and secondary sources. Secondary data required for the study have been collected from books, reports and journals related to the topic.

Primary data required for the study have been collected by means of structured schedules administered among the male and female households in various Block Panchayaths in the district of Ernakulam. Other information pertinent to the study have been collected by means of interviews and discussions with the officials of advertisers, advertising companies, media artists, graphic designers, the agents of the leading dailies in Malayalam and individuals and organizations in the field of advertising in Kerala. Considering the universality of the phenomenon and the district of Ernakulam being the industrial capital of Kerala with a large number of advertisers, professional media artists, advertising agents, graphic designers, digital studios, private TV channels and an equally large number of consumers of the products selected for the study, samples have been taken from the district of Ernakulam to represent the population in all respect.



## **COLLECTION OF DATA**

### **A. Primary Data**

The primary data required for the study have been collected from both the male and female households in the district of Ernakulam in Kerala by means of structured schedules. Discussions and interviews with the officials of advertisers and advertising agencies, journalists, academicians, households and other experts in the concerned field and the observation of advertisements appearing in both the print and electronic media have provided several insights for the study.

### **Field Work and Data Collection Tools**

Structured schedules were used to collect primary data required for the study by conducting a field survey by giving due weightage to all the 15 Block Panchayaths in the district of Ernakulam. Before the actual field survey, a Pilot Survey was carried out and in the light of the experience gained; the Schedule had been revised thoroughly before carrying out the actual Field Survey. Adequate care has been taken to include only the appropriate questions and to eliminate the unnecessary ones.



## Sample Design

Since the universe (viewers of advertisements) constitute an infinite one, a Census method is found to be quite impractical. Hence a Stratified Random Sampling Technique on the basis of proportional allocation by giving due weightage to all the 15 Block Panchayaths has been taken as the sample from the District of Ernakulam in the ratio of 3:5:7. The State of Kerala for the purpose of the Study is divided into three zones, viz., Hilly Zone (Zone – I, which includes three Block Panchayaths), Central Zone (Zone – II, comprising of 5 Block Panchayaths) and Coastal Zone (Zone – III, consisting of 7 Block Panchayaths). Lottery Method is adopted for the selection of samples from each stratum to ensure the randomness of the samples selected. Sub strata were also formed to give equal weightage to respondents, of both genders and various income groups, selected for the study from each stratum. Altogether 270 samples, selected at random from all the 15 Block Panchayaths on the basis of the proportional allocation methods to ensure representation of the samples in all respects. Structured Schedules for the purpose of Sample Survey have been administered among 54 respondents in the Hilly Zone, 90 respondents in the Central Zone and among 126 respondents in the Coastal Zone. A Pilot Survey was carried out as a prelude to the actual survey and in the light of the experience gained; the schedule had been revised thoroughly before carrying out the actual Field Survey.



## STRUCTURE OF SAMPLE DESIGN

## Sample Selection Procedure

Total Number of Respondents  
(270 Nos.)



| Hilly Zone  | Central Zone  | Coastal Zone  |
|---|---|---|
| No. of Blocks : 3<br>Muvattupuzha,<br>Kothamangalam and<br>Pampakuda Blocks | No. of Blocks : 5<br>Vadavukode,<br>Koovappady, Angamaly,<br>Mulanthuruty and<br>Vazhakulam | No. of Blocks : 7<br>Alangad, Vyttila, Vypeen,<br>Parakadavu, Palluruthy,<br>Edappally and North<br>Parur |
| No. of Sample<br>Respondents : 54<br>(270 x 3/15)                           | No. of Sample<br>Respondents : 90<br>(270 x 5/15)   | No. of Sample<br>Respondents : 126<br>(270 x 7/15)  |
| No. of Male<br>Respondents : 27<br>No. of Female<br>Respondents : 27        | No. of Male<br>Respondents : 45<br>No. of Female<br>Respondents : 45                        | No. of Male<br>Respondents : 63<br>No. of Female<br>Respondents : 63                                      |

Total Number of Samples from 3 Zones: 270.

Out of the total 270 respondents, selected at random, 54 respondents are from the Hilly Zone, 90 respondents from the Central Zone and 126 respondents from the Coastal Zone.



## Contents of the Schedule

The Schedule consists of 7 blocks:

- Block I      General Information of the Respondents
- Block II     Contains Opinions of Respondents regarding Commercial Advertisements.
- Block III    Contains details regarding the Opinions of Respondents regarding Commercial Advertisement of Toilet Soaps.
- Block IV    Contains details regarding the Opinions of Respondents regarding Commercial Advertisement of Detergents.
- Block V     Contains details regarding the Opinions of Respondents regarding Commercial Advertisement of Toothpastes.

## B. Secondary Data

The relevant secondary data for the study have been collected mainly from various Books, Thesis, Reports, Journals and Periodicals relating to the subject.

## DATA ANALYSIS

Statistical techniques such as scaling and scoring techniques are used for the analysis of data. Scoring technique is used for ranking the opinions of the respondents regarding the modern advertisements appearing in TV, for ascertaining the category of advertisements preferred by the respondents and in identifying the problems associated with the advertisement and consequent

purchase of the products under study. Likert's Scaling Technique is used to analyze the opinion of respondents regarding various aspects such as quality of advertisements, style of advertisements and honesty of advertisements. The results of the analysis are presented by means of Tables, Charts and Diagrams, wherever it is found necessary.

### **LIMITATIONS OF THE STUDY**

Most of the primary data required for the study have been collected from sample respondents based on sample survey method. As such, it is subject to the normal errors inherent in such social surveys due to the natural bias in the reporting of data by respondents. Even though utmost care has been taken in verifying the reliability of data, possibility of such errors cannot completely be ruled out. Although there are several consumer non-durables popular among Keralites, only three fast moving consumer products, viz., Toilet Soaps, Detergents and Tooth Pastes have been taken for the study as these three products are used by all the strata of the people of Kerala and the maximum amount spent by the advertisers in India is for these three products. These three products also assume great importance, as they are the indispensable items of personal hygiene in the life of Malayalee who are well known for their hygiene consciousness. Even though the study could be carried out from the points of view of the advertisers, media and the advertising agencies and also by taking other consumer non-durables and durables, the present study is limited to the





analysis from the points of view of the consumers in the district of Ernakulam by taking three fast moving consumer products, viz., Toilet soaps, Detergents and Tooth pastes only and as such the generalization of the findings is also limited to that extent.

## **PRESENTATION OF THE STUDY**

The study is presented in FOUR chapters.

1. In Chapter ONE, the Introduction, Statement of the Problem, Review of Literature, Significance, Importance, Scope, Objectives, Methodology, Data analysis, Limitation and Presentation of the study are given.
2. Chapter TWO deals with an overview of the history of Advertising
3. Chapter THREE is devoted to make an in depth analysis of the influence of advertising on the consumers of Toilet Soaps, Detergents and Tooth Pastes.
4. Chapter FOUR presents the findings and conclusions of the study and the suggestions and recommendations based on the findings of the study.



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