Chapter -7
Findings and Suggestions

7.1 Introduction: This chapter concludes the thesis with a detailed outlining of the finding and suggestions. The analysis is presented from the perspective of the service provider, the media and the advertising agency. It concludes the study with the future advertising trends in India, suggestions for the industry and areas for further research studies.

7.1.1 Qualitative Research -Service Provider :

The researcher wanted to find out responses from telecom companies with regard to their promotional strategies. The fact is that in today’s times telecom companies are recognized by their advertising. Companies are spending enormous amounts of money on the advertisements.

7.1.2 Qualitative Research -Advertising Agencies:

The creative teams of the advertising agency are solely responsible for the mind boggling advertisements. Particularly noteworthy are the Vodafone, Idea, Airtel and Tata Docomos campaigns. The researcher has taken the perspective of the creative directors for her study. She firmly feels that her research would not be complete without the creative team’s imaginative visual impact, sound impact and the storyboard. Some of the advertisements of the telecom industry are mind blowing. The researcher has also observed that people have changed their telecom operators simply because of advertising. For instance, the superbly creative campaign ‘You and I in this beautiful world ……’ resulted in a huge shift of consumers from Airtel to Vodafone. The creative teams aesthetically work on all departments right from the conceptualizing, visualizing, planning, designing, filming, editing, presenting which make / mar the buyer’s or the end user’s perspective of the service provider.
7.1.3. Qualitative Research – Media

The importance of media cannot be undermined in today’s marketing environment. Every telecom company is advertising in every possible media, varying for consumer attention. The researcher attempts to understand the media perspective. To study their viewpoint, she has interviewed the major television channels, the leading newspapers and popular radio stations.

7.1.4. Quantitative Research – End User

The researcher could not have done justice without the end user’s viewpoint. She has interviewed 1200 consumers from all spheres of life and demographics. In fact, the end user’s specially the youngsters follow the advertisements rather than reality. The researcher visited various cultural programmes, events, gatherings just to get a cross-cultural viewpoint of the respondents. The corporate communication is of utmost importance for the public image. The media plays a pivotal role even today in building the corporate image. The researcher wanted to take the viewpoints for proving her hypotheses. Finally, the researcher took only one hypothesis, the glaring fact ‘Mobile services need a strong advertising back-up for sustaining fierce competition’.

7.2 Findings:

7.2.1 Service Provider Perspective:

Leading the list of parameters which influence the decision to award a campaign to the advertising agency are the creative team and the reputation of the agency. Some of the marketing directors interviewed gave importance to the list of corporate clients the advertising agency has business of. Very few of them consider agency size as a criterion while awarding a campaign to the advertising agency.

1) 100 % response is obtained for the question pertaining to the importance of advertising in contributing to advertising. The marketing directors unanimously agreed that there are no two opinions regarding the role of advertising in increasing the sales. Percentage increase in sales varies from 50 % to 100 %.
2) 100 % response was obtained for the importance attached to the ‘idea’ to an advertising campaign. All the respondents interviewed reiterated their experience that whenever the creative has been strong, the advertising campaign has been successful and memorable. Particularly notable are the Vodafone and Idea campaigns which are known for their extremely creative and fresh ideas.

3) Mixed response was obtained for the question pertaining to the importance of corporate communication in enhancing sales. While some respondents attached great importance to the corporate communication tools in increasing sales whereas the others were not so convinced about the role of corporate communication tools in enhancing sales.

4) Equally divided was the opinion of the marketing personnel of the major telecom operators over the spending of high amounts on celebrity brand endorsements to garner attention. Some felt that in a celebrity obsessed country like India, the safest bet to grab eyeballs of the masses is to use a celebrity at any cost. According to them, the huge amount of money spend on the celebrity is very well worth it as it has always proved to be the time tested method of ensuring high visibility of the advertising campaign. The others felt that it is always cutting-edge work which defines the success of an advertising campaign. A well thought out and creative, innovative will hit the mark and break the clutter, whereas an average or poor campaign cannot be salvaged just with the use of a famous face.

5) The maximum majority of the respondents interviewed stated with this highly competitive scenario in the telecom industry with service providers vying to capture the market, dropping rates, VAS services, offering unbelievable offers etc. results into the customer having the last laugh. Only one of the respondents interviewed believed that this is a win-win situation for both.

6) The majority of the marketing personnel of the service providers were satisfied with the performance of the current advertising agency that they were working with. Only the long term associations have yielded the best results and brought out the most outstanding and cutting-edge work where the client is immensely satisfied with the performance of the
advertising agency. Prime examples are advertising agency Ogilvy & Mather association with the telecom operator Vodafone and Lowe Lintas with service provider Idea Cellular.

7) Divided is the opinion of the respondents interviewed over what contributes to making an advertisement effective. While 60% feel that it is only a good advertisement which can successfully communicate the marketing message to the target audience whereas the remaining 40% attach importance to the timing of the advertisement in conveying the marketing message to the target audience, thus making the advertisement effective.

8) The life-cycle of a good advertisement can be maximized to anywhere between two weeks to one month and in some exceptional cases to two months. Then, the advertisement reaches a saturation level and fatigue sets when it is time to think of fresh ideas, change the look of the brand and come up with a fresh advertising campaign.

9) Majority of the respondents interviewed use all the corporate communication tools especially advertising, sponsorship of events, write-ups in the press and public relations. Only, in one case, the service provider does not use public relations tool of corporate communication in communicating the marketing message. All the clients that is the service provider have understood and recognized the importance of corporate communication tools in today’s highly dynamic environment.

10) 100% response was obtained for the question pertaining to the increasing presence of prosumers as a growing market. All the respondents interviewed were unanimous in their opinion about the presence of prosumers who are increasing growing and have tremendous market potential.

7.2.2 Advertising Agency’s Perspective:

The researcher visited 13 leading creative directors of premier advertising agencies. The researcher is glad to present the following conclusions:

1) 100% response was obtained for the question ‘Did the service provider approach you with formulated ideas ‘which means the service providers does not approach the
advertising agencies with formulated ideas. The advertising agencies play a pivotal role in designing the promotional strategies for the telecom service provider.

2) 100% response was obtained from the creative directors for the question ‘Is your client open to new ideas, fresh perspectives to change the look of the brand. The clients are very open to incorporating the latest changes taking place in the world of advertising and media. For instance, the service provider Vodafone has understood that today’s environment is that children start using mobile services at a very young age. A dog symbolizes loyalty.

Their latest campaign successfully strategizes by combining both. Their campaign unfolds a series of advertisements which brings back their brand ambassador the pug and is aimed at the highest target audience for mobile services, children. On the other hand, the new Idea campaign depicts how their new 3G services can be a source of entertainment and access to information for all age groups including senior citizens.

3) Their new advertisement shows how a senior citizen who has not been trained in computers can also enjoy their 3G services with their user friendly approach.

4) The question pertaining to the budget allotted to advertising was met with a very positive response by all the creative directors interviewed. In today’s competitive scenario, service providers are leaving no stone unturned to ensure the highest brand recall which in turn leads to capturing the maximum market share. Budget is no constraint for the telecom operators with no effort being spared to ensure maximum reach. The big players are spending huge amounts even going up to 300 – 500 Crore whereas even Public Sector units (PSUs) like BSNL and MTNL are spending unheard of amounts like 30-50 Crore in their bid to conquer the market and ensure visibility.

5) 100% response was obtained for the question pertaining to the client’s consciousness of Television Rating Points (TRPs). Today’s competitive environment makes it mandatory for clients to keep abreast of the popularity of programmes on different channels to as to achieve maximum viewership for their advertisements. Advertisements aired at prime time with programmes enjoying maximum viewership yield best results for advertisers.
6) Creative directors have a variety of experiences while working on the advertising campaigns.

7) Most creative directors found each campaign as a unique learning experience as they are required to solve newer problems each time and offer new brand solutions. The telecom sector is coming up with new developments each day so it is like tackling an unknown territory every time but at end of all the effort they thoroughly enjoy themselves.

8) They all agree that it’s a lot of hard work, to push their creative boundaries, to select from a range of ideas but it’s a lot of fun.

9) According to some Advertising is a collective art like film making. Lots of discussions, debates and problems leads to happiness.

10) One of the challenges they face while working with celebrities is to adjust with their schedules, availability and finding the right way to make them fit with the brand. In the mobile services industry, the challenge is to churn out new ideas as the marketplace is very dynamic and competitive.

11) One of the observations is the challenge in the telecom sector for constantly widening horizons to push for more innovative ideas. They partner clients for to achieve highest creativity. To create ideas that work. To make advertisements that the consumers would be interested in rather than what the advertisers are interested in.

12) The latest entrants face unique challenges to find their unique voice which is difficult in a cluttered market place.

13) Some of the late entrants resort to using celebrities to gain entry into the market and gain credibility.

14) Some advertising campaigns are focused on targeting young and upcoming individuals and concentrate on tier 2 and tier 3 cities.

15) The public sector units (PSUs) alter the brief after the first presentation requiring them to start afresh. Many times, campaigns created at the first place are changed in terms of the times of concepts and ideas.
16) Advertising for the telecom sector is highly stressful at times but very fulfilling at the end of a campaign.

17) Most mobile service providers are extremely open to new ideas and are always seeking global ideas to break clutter in the market.

18) Sometimes, the advertising agency has to push their ideas forward despite client discomfort when they strongly believe in their propositions. Advertisements are now a day’s propagated as a lifestyle statement rather than a value message.

19) With the exception of the public sector units all the telecom operators realize the importance of corporate communication tools in today’s highly dynamic scenario. All the service providers are using all the tools of corporate communication tools like public relations (PR), write-ups in the press, sponsorship of events and advertising.

20) 100 % response was obtained for the question ‘Does your client include advertising strongly in corporate communication?’ All the creative directors interviewed agree that their clients have realized the immense importance of advertising as a tool of corporate communication. Even the conservative public sector units (PSUs) are slowly realizing the importance of corporate communication, particularly advertising and are investing heavily in it. For instance the cellular operator, 'Idea’ has used their latest 3G campaign to highlight issues like population control and public outcry against injustice.

21) 100 % response was obtained for the question ‘Has advertising increased the sales? ‘. All the creative directors creating advertising campaigns for all the telecom operators unanimously agreed that as far as the telecom industry was concerned advertising is an absolute must and significantly contributes to sales. Any telecom operator aiming for high sales figures cannot undermine the importance of advertising. To sustain the fierce competitive scenario in the telecom industry, advertising back up is a must.

7.2.3 The Media Perspective :

The researcher visited 5 leading television channels including a news channel, a music channel, two entertainment channels and a youth based channel. She visited the top three leading newspapers in the country including an afternoon tabloid. To get the
complete media perspective, she visited the two most popular radio stations. Her findings and conclusions were as follows:

1) The first pertains to who approaches the other, whether it is the marketing team of the channel / newspaper/ radio station who approaches the service provider or vice-versa. 90 % of the media including the television channels, the newspapers and radio station’s marketing team approach the service provider whereas only one of the marketing head of a radio station said that they were approached by the service provider.

2) Mixed responses were met to the question pertaining to whether there is any specific criterion in awarding prime time slots to the service provider. Most felt that there is no specific criterion in awarding prime time slots whereas a few felt that there is a specific criterion in awarding prime time slots to the service provider.

3) Amongst the listed criterion, maximum marketing heads of television channels/ radio stations/ newspapers gave weight age to the reputation of the advertising agency handling the service provider’s advertising campaign. The other two criterions which were given some weight age are accreditation of the agency and relation with the channel.

4) 100 % response was obtained for the question pertaining to the importance of content of the advertisements in attracting viewer’s interest. All the marketing directors of television channels / newspapers / radio stations whole heartedly agreed that only if the creative team of the advertising campaign can weave an interesting story idea for the advertising will they be successful in attracting viewer’s attention and be able to develop a desire to buy their product.

5) Majority of the marketing directors 60 %, feel that celebrities are essential to break the clutter, whereas 40 % feel that celebrities are not essential to break the clutter. Their feedback was that it requires a very strong creative in the absence of a celebrity to break the clutter. India is a country where the idols are hero-worshipped. For the common man, the masses a famous face still arrests attention and makes them want to listen to what the famous face is trying to say. In a country like India where sport stars especially cricketers and stars from the entertainment industry especially the film industry are
worshipped, celebrities still remain the best bet to break the clutter in an already overcrowded market place. For instance, where most of the leading telecom operators like Airtel, Idea, Reliance, Tata Indicom, Aircel, Virgin whereas Vodafone has successfully avoided the use of celebrities with their very strong creative and attention arresting advertisements.

6) Majority of the marketing heads of the television channels that is 60 % feel that in the race for enhanced TRPs (Television Rating Points), the quality of the programme is sometimes compromised whereas 40 % feel that there is no compromise as far as quality of the programmes is concerned in the race for enhanced TRPs (Television Rating Points). The programmes which are popular and garner maximum viewership, not necessarily the best programmes are aired to gain maximum viewership for the channel.

7) 90 % response was obtained for television as the most preferred media used for advertising. In recent times, television enjoys maximum reach and viewership among the media. There is no comparison with television as the most popular medium and the medium with the widest reach. However, 10 % of the marketing directors interviewed compared the popularity of television with that of outdoor

8) 70 % of the marketing directors interviewed have long standing relations with the service provider going beyond two months. Only a few had relations which were short term that is about two weeks.

9) The maximum emphasis was given to entertainment as far as new trends in prime time programming are concerned followed by social obligation and business consideration. Entertainment is the most important mantra as far as prime time programming is concerned. Social obligation and business consideration take a backseat as far prime time programming.

10) 70 % response was obtained for the question on the phenomenal increase in the number of telecom operators / service providers for advertising in prime time. Majority of the respondents felt that there has been an increase of telecom operators vying for the prime time slots on television given the competitive nature of telecom industry. It has become
absolutely essential for telecom operators to gain maximum reach and viewership if they want to sustain themselves in the vastly changing scenario. Only 30% of the respondents interviewed did not feel that the number of telecom operators in prime time has not increased.

11) 80% of the respondents interviewed felt that the afternoon prime differed from the evening prime whereas only 20% of the respondents felt there is no difference in both the primes. The afternoon slot is targeted at housewives, children, teenagers and people who work from home, whereas the evening prime is targeted at professionals, businessmen and the entire family who gather together in the evening.

12) 50% response was obtained for the question whether the viewer’s interact with the media on the content of the advertisements. Mixed response was obtained for this question as viewers sometimes give their feedback on the content of the advertisements and sometimes reserve their feedback on the content. For instance, the viewer’s of NDTV Imagine expressed their displeasure over the airing of toilet cleaner’s advertisements during dinner time.

13) 90% response was obtained in the negative for the question whether there is any weight age / emphasis given to viewer’s feedback on preferred advertisements while awarding prime time slots to advertisers. Business consideration is the sole criterion on which prime time slots are awarded to advertisers. Whichever advertiser is offering the best rates and wherever the channel is able to fetch the best deal is awarded the prime time slots.

7.3. Conclusion

7.3.1. Perspective – Future Advertising Trends in India

Advertising practitioners face many challenges in the form of rapidly changing technology, increased competition, and shortage of resources, changing economic conditions, inflation, and unemployment. Advertising is essential to the conduct of business firm as well as service
organization. Advertising is comprehensive in scope, contemporary in outlook and managerial in orientation.

Advertising helps to presale to customers i.e. to arouse their buying desire in advance. Advertising is most efficiently used with personal selling or point of purchase display. Non business enterprises have profitably used advertising e.g. family planning, recruitment in the army, water preservation, pollution control and physical fitness. Advertising pays for entertainment and educational aspects of contemporary as well as reduces product cost. For example, increase in the number of units sold stimulates economies in the production process and lowers production cost, making goods within reach of common men;

This discussion outlined below indicates trends in advertising in India.

7.3.2. All Round Growth of Media:

In the past fifty years, advertising in India has grown multi fold. India has today

i. English Dailies (Nos.) 8141
ii. Circulation of all language papers (Nos.) 30,87,388
iii. Number of Weeklies (Nos.) 17000
iv. Biweekly and Monthly Magazines - (Nos.) 20000
v. A 2005 media advertising study found:
vi. Television : 46 % of the total industry size worth 9,493 Crore.
vii. Television penetration : Risen from 85 million homes in 2002 to about 120 Million in 2006.
viii. Cable and Satellite Homes: Increased to about 70 Million.

Vernacular press thrives. Hindi dailies like Dainik Bhaskar, Jagran and Hindustan sell in Lakhs of copies which carry advertisements to the Hindi heartland. When products and services are advertised in regional newspapers, it ensures much wider coverage. English literacy rate is only 11%. The number of advertising agencies working in India has also multiplied. The opening of the Indian market and the emergence of middle class consumers have greatly helped fast development of the advertising industry.
7.3.3. Invasion of Branded Products:

More than 10000 branded products are advertised in India with the various media mix. Branded goods and services are regularly advertised on satellite television and Doordarshan. Newspapers and magazines published in both English and vernacular languages reach the readers virtually advertisement packed. The range of products advertised covers everything from pin to plane.

7.3.4. Growth of Media Business:

The media, the advertisers and the advertising agencies have equally contributed to the fast growth of Indian advertising although television has shown unprecedented growth. Overall economic prosperity has helped the business of advertising agencies. Some of these agencies gained collaboration with foreign agencies. In terms of professional skills and techniques, advertising agencies in India are well equipped and world class.

1) Rise of Animation Area:

   The trends in advertising have changed rapidly. Today we are living in an animation era. In most cases they succeed in creating a positive brand attitude. There is a great scope for youngsters interested to make a career in animation business.

2) Increase of Advertisers:

   As our country witnessed increase in industrial goods and consumer goods sector along with increase in service sector, there was a greater need to communicate with the consumers. Every manufacturer had to become an advertiser and communicator to take advantage of the expanding business. This resulted into use of advertising in a big way. Of course, the government remains the largest advertiser in the country.

3) Rapid Changes in Information Technology (IT):

   The Indian IT and electronics industry recorded multifold increase. Today, all the famous global brands have either established production facilities in the country or have technical
financial collaborations because of this development. Wider choice of products is available having superior quality at a competitive price. In order to ensure that consumers are well served throughout the length and breadth of the country, advertising plays a role of paramount importance.

4) Advertising linked with Sports and Tourism:

These are the days of mega sports events in cricket, hockey, football and athletics and so on. Large industrial houses are always willing to sponsor sports events because they get an opportunity to advertise their products and services not only within India but even overseas. This kind of exposure is not possible otherwise. Tourism is a fast expanding business in India. Now-a-days there are weekly films on tourist spots in India shown on television providing relevant information. Some magazines devoted to travel and tourism has become very popular.

5) Importance of between powers:

Children aged from 8-12 are said to represent the ‘between market. The brand – aware child is the father of the brand conscious man. Every year children between 8-12 years spend a whooping of Rs. 20000 Crore on everything from clothes to food to recreation. No wonder, marketers are going all out to win them over. The current generation of teens is technology friendly. Even children five to six years older than current teens did not get this kind of exposure.

7.4. Suggestions

1) Advertising impacts our popular culture. The impact of VCD boom in rural India is such that village girls want to dress like film actresses dress in Hindi films. As soon a new Hindi film releases it catches the fancy of the population, everything from the hairstyle to the clothes define the concept of style for them. Influenced by the looks of the umpteen television serials beaming into drawing rooms on various satellite channels, housewives design their looks on them. Hindi film heroes shown smoking on screen is a major promotion of the smoking habit – instigating the government to ban
smoking on screen. Clearly, the entertainment industry of films and serials has a telling impact on the behavior of Indian society.

2) The Hindi film industry produces about 200 films every year and generates revenues of about 2000 Crore (Rs 20 million).

3) It is estimated that that advertising spends on television are about 5000 Crore (Rs 50 billion).

4) More than a thousand films are produced and aired every year.

5) Hindi heroes and heroines change every decade but brands like Surf, Cadbury’s Asian Paints, and many more have been part of many of our lives for decades and continue to be the gold standard in their respective categories.

6) Films are seen once or twice while advertising films are seen over and over. Yet the advertising for many of these of theses iconic brands doesn’t seem to drive social change in behavior and values as strongly as some of the heroes and heroines do through their portrayal in films and serials.

7) The social and cultural impact of advertising tends to be limited to using the tag lines and catchy slogans in the day to day lingo’s. Most advertising tends to be a trailing indicator of popular culture.

8) Much of mass media advertising is aimed at consumption rather than at consumer’s lives. Mass media advertising is still believed to be about salesmanship and not about influencing change. However, today for many brands that are already well-known, actual sales and conversions take place at the market place – at the time of purchase – rather than at the moment when the prospect sees the advertisement on the tube or in the newspaper. But the industry has still to come to terms with this reality and is so hesitant to redefine the purpose of mass media advertising. After all, it’s much easier for marketing men to create an advertisement and air it than mount a massive bazaar programme to force final conversion at the last mile.

9) Advertising, at least in India, has gradually moved away from being about selling dreams to selling reality. And this in its own way has slowly but surely taken away the glamour and inspirational values that brands are supposed to fulfill in consumer’s life. Interestingly, films and serials tend to connect with viewers by selling “real emotions,
in **unreal, fantasy worlds**” while the best mass media advertising is gradually trying hard to sell **“real emotions in a real world“** – taking away the glitz from brands.

10) The worst advertising however tends to be about “unreal emotions in an equally fake world”. Clearly, it is the innovative products introduced in the market that are actually influencing social change more than the messages beamed out.

11) Products rather than brands are driving change. Another side effect is too much of consumer research is taking the magic out of brands and their advertising. The consumer is a rear view mirror and often forces much of the advertising to get into their real world. Much research qualitative and quantitative is often conducted among the majority within a typical product life cycle curve. This is because these are the kind of consumers often available for research groups and as research respondents. By definition, they need hard rationale to sell to. Thus they tend to push advertising into the functional, real, boring world.

12) Advertisers and advertising agencies need to get sensitive to trends of social behavior or product adoption is set out by a group and gets it to adopt the product. Similarly, it is this group brand advertising that must be aimed at to influence and so must be researched in.

13) Advertising must focus on execution. Disproportionate resources, in terms of time and money, are spent in generating ideas than in actual production of the film. While lots of iterations go into the development of ideas, when it comes to actual final execution, film makers are given limited time and money and are expected to get it right the first time – unlike at least the Hindi film industry, where the best films are made with a lot of care and love to get the craftsmanship right. In the film industry, the execution is as important as the story or the script. In advertising, ideas are everything. It is a great tribute to the Indian advertising film makers that they are able to do the job they currently do within the constraints they operate in.

14) Much of the films influence come from the fact that today the best Hindi film maker’s work with cutting edge – fashion, dance, and set-designers to showcase their stories in cutting-edge stuff that can set trends. Indian advertising film makers need to be allowed to work with cutting – edge artists from other creative fields to upgrade the impact of the stories told.
15) Advertisers and advertising agencies must recognize the power of the brands they are creating mass media advertising for. For many iconic brands it’s not a case of brand building (which linguistically and psychologically gives the impression of under construction) but exploding their power to influence and add value to society at large. As already said, this will become easier if advertisers and agencies recognize the changed role of mass media advertising in impacting consumers – from hard – selling to actually quietly influencing and initiating social change. Brands should be seen as beacons that drive society and culture change.

16) Finally, advertising needs to recognize that it needs to search for insights and ideas at the tip of society rather than in the belly of the market. And go back to be what they were supposed to be – “the myth makers” or “the dream sellers” rather than be “salesmen”. Brands are about fulfilling the unfulfilled desires of consumers – they are surrogate dreams rather than functional solvers of life’s problems. The best Hindi movies work because their creators still see themselves to be dream merchants. In short, mass media advertising needs to see its audience as “people” they are influencing rather than “consumers” they are selling to. That will make brands and advertising more powerful and have greater influence on culture.

7.5. Areas for Further Research studies:

The researcher while working on her thesis strongly felt that the topic has large scope for further research. Hence she has given her suggestions for a few topics based on her research:

1) Surrogate Advertising – Scope and reality for telecom industry.

2) Corporate Communication – The essential element for the telecom industry advertising.