CHAPTER 2

REVIEW OF LITERATURE

2.1 Introduction: Some of the descriptions of Advertising.

2.1.1: Advertising:

- **Advertising** is a form of communication that typically attempts to persuade potential customers to purchase or to consume more of a particular brand of a product or service. Many advertisements are designed to generate increased consumption of those products and services through the creation and reinforcement of "Brand Image" and "Brand Loyalty." For these purposes, advertisements sometimes embed their persuasive message with factual information. Every major medium is used to deliver these messages, including television, radio, cinema, magazines, newspapers, video games, the Internet and billboards. Advertising is often placed by an advertising agency on behalf of a company or other organization.

- **Advertising** is attempting to influence the buying behavior of your customers or clients by providing a persuasive selling message about your products and/or services. There are many different types of advertising that are effective for small businesses, from traditional forms of advertising such as signage, yellow pages listings and newspaper advertising through newer forms such as pay per click advertising on the Internet. Technically, advertising is only one way of promoting your business, and you will want to be sure that whatever form of advertising you choose fits in with your marketing plan and overall marketing strategy.

- **Advertising** is generally intended to mean a paid form of message disseminated by businesses (through such media as television, radio, newspapers, posters, mailings, the Internet) specifically and systematically designed to influence the attitudes and decisions of individuals in relation to their consumption of goods and their use of services.
2 Advertising is bringing a product (or service) to the attention of potential and current customers. Advertising is focused on one particular product or service. Thus, an advertising plan for one product might be very different than that for another product.

2.2 Some of the terms used in Advertising are:

2.2.1 TARGET CONSUMER:

(A) The target consumer is a complex combination of persons. It includes the person who ultimately buys the product, as well as those who decide what product will be bought (but don't physically buy it), and those who influence product purchases, such as children and spouses. In order to identify the target consumer, and the forces acting upon any purchasing decision, it is important to define three general criteria in relation to that consumer, as discussed by the Small Business Administration.

Following are some classifications:

1. Demographics - Age, gender, job, income, ethnicity and hobbies.

2. Behaviors - When considering the consumers' behavior an advertiser needs to examine the consumers' awareness of the business and its competition, the type of vendors and services the consumer currently uses, and the types of appeals that are likely to convince the consumer to give the advertiser's product or service a chance.

3. Needs and Desires - Here an advertiser must determine the consumer needs-both in practical terms and in terms of self-image, etc.-and the kind of pitch imes sage that will convince the consumer that the advertiser's services or products can fulfill those needs.

2.2.2 PRODUCT CONCEPT The product concept grows out of the guidelines established in the "positioning statement." How the product is positioned within the market will dictate the kind of values the product represents, and thus how the target consumer will receive that product. Therefore, it is important to remember that no product is just itself, but, as Courtland L. Bovee and William F. Arens stated in Contemporary Advertising, a "bundle of values" that the
Consumer needs to be able to identify with. Whether couched in presentations that emphasize sex, humor, romance, science, masculinity, or femininity, the consumer must be able to believe in the product's representation.

2.2.3. COMMUNICATION MEDIA The communication media is the means by which the advertising message is transmitted to the consumer. In addition to marketing objectives and budgetary restraints, the characteristics of the target consumer need to be considered as an advertiser decides what media to use. The types of media categories from which advertisers can choose include the following. They are known as media vehicles in marketing diction

- Print - Primarily newspapers (both weekly and daily) and magazines.
- Audio-FM and AM radio.
- Video-Promotional videos, infomercials.
- Direct mail.
- Outdoor advertising - Billboards, advertisements on public transportation (cabs, buses).

After deciding on the medium that is 1) Financially in reach, and 2) Most likely to reach the target audience, an advertiser needs to schedule the broadcasting of that advertising. The media schedule, as defined by Hills, is "the combination of specific times (for example, by day, week, and month) when advertisements are inserted into media vehicles and delivered to target audiences."

2.3 ADVERTISING MESSAGE

An advertising message is guided by the "advertising or copy platform," which is a combination of the marketing objectives, copy, art, and production values. This combination is best realized after the target consumer has been analyzed, the product concept has been established, and the media and vehicles have been chosen. At this point, the advertising message can be directed at a very concrete audience to achieve very specific goals. Hiam and Schewe listed three major areas that an advertiser should consider when endeavoring to develop an effective "advertising platform":

- What are the product's unique features?
How do consumers evaluate the product? What is likely to persuade them to purchase the product?

How do competitors rank in the eyes of the consumer? Are there any weaknesses in their positions? What are their strengths?

Most business consultants recommend employing an advertising agency to create the art work and write the copy. However, many small businesses don't have the up-front capital to hire such an agency, and therefore need to create their own advertising pieces. When doing this a business owner needs to follow a few important guidelines.

2.3.1 ART WORK AND LAYOUT: Small business owners also need to consider the visual rhetoric of the advertisement, which simply means that the entire advertisement, including blank space, should have meaning and logic. Most industry experts recommend that advertisers use short paragraphs, lists, and catchy illustrations and graphics to break up and supplement the text and make the document both visually inviting and easy to understand. Remember, an advertisement has to capture the reader's attention quickly.

2.3.2 DIMENSION OF BRANDS: There are many models of brands. There is a one correct model that everyone accepts - as is so often the case in marketing. Here we will look at two which are representative. First, let us distinguish between brand image and brand identity.

Brand image is a phrase used rather loosely, particularly by people outside marketing ‘Let’s change the image’, they say hopefully of a brand in trouble. In fact the image of a brand is what exists in the minds of consumers. It is a total of all the information they have received about the brand - from experience, word of mouth, advertising, packaging, service, social norms and forgetting. It may be messy and untidy, not what we would prefer, but it what exists, and what must work on and from.

Brand identity is what we transmit to the market place- it is what is under our control, provided that we understand the essence and expression of our brand. It is here that models can be useful. One model, shown in Figure, is from the Leo Burnett Brand Consultancy, and uses the dimensions, functions, personality/ image, source and differences.
The dimensions form the brand essence at the centre. Brand identity will be strong when there is consistency between the dimensions, and they are supporting each other. If any dimension is weak or sending conflicting messages, then the resulting image in consumers’ minds will be confused.

2.3.3: Researcher’s observations:

Brands are created and managed by managers. Brands are important because they are primary instruments of value creation. Brand is the ‘asset that makes the crucial difference between the sterling performing companies and the also ran ones. For the customers brands are valuable for the value addition that they bring to the market entity. With effective branding a product can be pushed into a higher value orbit by transforming its value content and connection with the prospects. On the one hand a branded product or service experience can provide higher satisfaction. On the other hand for marketers branding is important for it provides escape routes to all pervasive parity. Branding offers effective and forceful opportunity to achieve differentiation that is much less prone to perfect imitation.

2.4: ADVERTISING MUST POSITION THE BRAND:

2.4.1. What is the role of advertising in the context of positioning?

A landmark definition of advertising was developed for the Association of National Advertisers of the U.S.A. by Russell H. Colley. It brought a greater degree of clarity to management thinking on advertising decisions. It emphasized that advertising pulls a consumer towards purchasing action through changes in his or her knowledge and attitude responses. It laid the foundation for a practical and widely used model: DAGMAR or ‘Defining Advertising Goals for Measured Advertising Results.’

2.4.2. Colley’s definition is: Advertising is mass, paid communication, the ultimate purpose of which is to impart information, develop attitude and induce action beneficial to the advertiser - generally the sale of a product or service.

This is a comprehensive definition. You cannot fault it. But we could attempt another definition that is more operational that specifically takes into account a competitive marketplace,
and that recognizes the increasing difficulty of creating distinct brand identities. We could say, for example:

*Advertising is the discovery and communication of a persuasive difference for a brand to the target prospect.*

There are three critical elements here. Advertising must communicate a difference for the brand. It must be competitive and persuasive difference. Such a difference may not fall into the communicator’s lap in the form of readymade USP. In the absence of strong functional superiority or distinction, he must search and discover where such persuasive differentiation lies.

**2.4.3. Essence of Positioning.** We discussed there that the essence of positioning strategy is to create differential advantage for the brand. We might, therefore, crystalline our thinking by saying that the central task of advertising is to place the brand in the desired position in the prospect’s mind.

That is, advertising has one overriding task: to position our brand in the prospect has one overriding task: to position our brand in the prospect’s perception or perceptual space, in relation to competitors, so as to create distinctness and preference.

We could rightly say that the entire marketing mix should be geared up to serve our brand’s positioning objective. Advertising, however, has to carry the major burden in packaged goods marketing with decreasing product differences.

Recent articles in the Journal of Advertising Research note this new orientation to the objectives of an advertising campaign. This new approach acknowledges that the principal role of advertising is to influence positioning.

A truly successful advertisement has to be strongly associated with its brand, be memorable and be influential enough to affect the final position of its brand.
Ogilvy is quoted over again in a thought-provoking new volume entitled ‘The Unpublished David Ogilvy.’

My original Magic Lantern started with the assertion that Positioning and Promise were more than half the battle.

Reiterating his views on what makes great campaigns; Ogilvy voices his two most important concerns.

Do all your campaigns execute an agreed positioning?

Do they promise a benefit which has been tested?

2.4.4. Researcher’s Observations:

American Marketing Association defined ‘brand’ as a name, term, sign, symbol or design or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of their competitors. This concept of brand takes branding in a physical sense. The external façade is highlighted in this context of a branded product or service. Brands it seems are created for the reasons of identification and differentiation.

- Identification: Where does this product come from or whose effort has gone in its creation? For instance the signature of a painter that appears on one corner of a painting allows people to know whether it is a work of art by Hussain or Amrita Shergil or somebody unknown. With the help of a clearly identifiable name or symbol strategically placed on the hood of different cars we know the company that produced it just by a glance. The propeller signifies BMW and five overlapping circles suggest it’s an Audi.

- Differentiation: How is the product different from other similar appearing products in its category? Employment of different names or symbols makes signification about the nature and content of the product easy. Three names- City, Civic and Accord – used by Honda for its range of cars targeted towards different segments of customers with unique product functionality and imagery facilitate understanding of their differentiation.
2.5. The Positioning Strategy:

It has helped establish how the manager should address the two core communication objectives of brand awareness and brand attitude. Now it is time to establish communication objectives and the specific brand awareness and brand attitude strategies that reflect what was learned about how the target audience makes decisions in the category. Depending upon how awareness is used to identify the brand for purchase, recognition or recall brand awareness strategy will be required; and the level of involvement with the purchase decision along with the motivation driving category behavior will determine the brand attitude strategy, as we see below.

2.5.1. Key concepts:

1. Communication objectives are determined by which of the communication effects are needed: category need, brand awareness, brand attitude, brand purchase intention.

2. While any of the four communication effects may be a communication objective depending upon the situation, brand awareness and brand attitude are always communication objectives.

3. Brand awareness strategy is determined by whether a brand at the point of purchase remind the target audience of a need for purchase (recognition brand awareness) or whether the brand must come to mind when the need occurs (recall brand awareness).

4. Brand attitude strategy depends upon whether the level of perceived risk in a purchase is seen as low or high and whether the underlying motivation driving behavior in the category is seen as negative or positive.

We are now going to deal with creative strategy, and the first thing we must consider as we address this issue is the development of communication strategy. We have been through our initial planning stages – selecting a target audience, developing a model of consumer decision making, and positioning our brand. Now it is time to decide how to put together our message. Clearly, before we can create advertising or other marketing communication executions we must have an overall communication strategy and this begins with setting communication objectives.
We will be looking at how to go about selecting communication objectives, with a special emphasis on brand awareness and brand attitude, which are always communication objectives.

### 2.5.2 Setting Communication Objectives

We have already briefly introduced four communication effects discussed in the work of Rossiter and Percy, and it will be from the effects that we draw our communication objectives: category need, brand awareness, brand attitude, and brand purchase intention.

In this section we will see how and when each of these effects may become an objective for advertising and other marketing communications. Depending upon where a product or brand stands within the market, as defined by the consumer, we will have various options open to us that will guide the selection of the desired communication effect. Once this is done, we will be in a position to choose the appropriate effect for a communication objective.

### 2.5.3. Brand Awareness and Brand Attitude Strategy

How do you decide which awareness response and which aspect of brand attitude should form the basis of your communications objectives? We have seen that both brand awareness and brand attitude are always communication objectives. But with brand awareness, should it be recognition or recall? How do we look at the various aspects of brand attitude in developing an optimum communication strategy? In this section we will look into these questions as we take a more in-depth look at brand awareness and brand attitude strategy.

#### 2.5.3.1. Brand Awareness Strategy

There are three possible ways for brand awareness to be used as a communication objective. As we have seen, brand awareness may be executed as brand recognition or brand recall, or in certain cases both may be appropriate. As we noted in our discussion of positioning, the link between the category need and the brand is what brand awareness is all about. In effect, this is how advertising and other marketing communication ‘brand’ the product. Unfortunately, failure to brand effectively in advertising is an all too common problem. As a result, it is critical to effective branding in marketing communication that the creative tactics used are appropriate to the type of brand awareness most likely to be involved in the brand choice decision. The
behavioral sequence model, because it identifies how, when, and where a brand choice is made, helps the manager identify whether it will be package or brand name that is primarily present at the time of purchase (for brand recognition awareness) whether the brand is ‘in the consumer’s mind’ (for brand recall).

2.5.3.2. Recognition Brand Awareness

Recognition brand awareness is where the awareness of the brand reminds you of the category need. The primary reason for selecting brand recognition as a communication objective is that consumers buy the advertised brand because they recognize it at the point of purchase. This is a very frequent occurrence, especially with supermarket products. Think about most people’s shopping behavior. They do not really have in mind all the brands they are likely to buy when they go shopping, even as they use a list. Instead, as they shop, when they go past, say, the cereal section and see all brands, they recognize the brand they usually buy and are reminded that they need cereal. In effect, what is happening here is that the awareness or recognition of the brand reminds them of the category need. Again, even if they were using a list, it would probably serve only as a reminder that they needed, in our example, cereal. The brand choice would probably not be made until it was recognized at the point of purchase.

Recognition awareness can function in another way. What we have just discussed is really visual recognition. In other words, you see a package and recognize the brand. But recognition can be auditory as well. For example, suppose you get a phone call from someone trying to sell you insurance of financial services. If you do not recognize the name of the insurance or brokerage house, how likely are you to be interested in what the caller has to say? This is a case where the brand name is heard and recognized rather than seen and recognized.

When visual brand recognition is our objective, in almost all cases we will want to feature the package and brand name in a dominant position. For both print advertisements and television commercials, a close-up in color of the package should be presented in order to offer the best possible cue for consumers when they later confront the package in the store because a visual representation of the package is required, quite obviously only visual media can be used. As a result, when visual brand recognition is the brand awareness communication objective, radio cannot be considered. Radio, of course, would be appropriate for spoken, verbal recognition, as
we saw above. We are looking for the package and brand name to appear in the advertising as closely as possible to how it will be seen or heard at the point of purchase. And, because brand awareness represents the link in memory to category need, that need must be obvious.

2.5.4. Researcher’s observations:

A deeper understanding of the branding process reveals that brands are the tools used by the marketers to talk to consumers and buyers. What appears to customers as signs, symbols or names of brands, are actually signifiers of what brands stand for. What they convey is of great significance than the symbol itself. Brand names are hence not ends but means to establish a dialogue with the audiences. The name is important, for, it can both facilitate and obstruct meaning transfer. Improper names may create initial misconceptions. But a good name in itself can not make a poor product a great brand. Brands like Kellogg’s, Johnny Walker, Armani, Chanel and Mercedes enjoy phenomenal equity. They can command their customers to take pains to reach out to them rather than buying a substitute.

A brand cannot afford to stand static in shifting sands. It must move back and forth to maintain its position or else it would fall when the earth beneath has completely undergone change.

2.6. Advertising Communications and Promotions:

Advertising communications are often regarded as relatively indirect form of persuasion, based on information or emotional appeals about product benefits, designed, to create favorable mental impressions that ‘turn the mind towards’ purchase.

Promotions are often regarded as a more direct form of persuasion, based frequently on external incentives rather than inherent product benefits, designed to stimulate immediate purchase and to ‘move scales forward’ more rapidly than would otherwise occur.

The emphasis is contemporary advertising management is on integrated communications – IMC for a brand. By ‘integrated marketing communications’ or simply integrated communications we mean the (1) selective combination of appropriate types of advertising and promotion (2) meeting a common set of communication objectives for the brand and more particularly, to support a singular macro-positioning for the brand and (3) integration overtime with regard to
customers. Our approach identifies a six-step effects sequence for AC&P exposure – processing communication effects and brand position – target audience action – sales or market share and brand equity – profit.

2.6.1. We will now explain each of these six steps in turn.

1) **Exposure**: In order for advertising communications or promotions to be successful, the prospective buyer must first be exposed to the advertisement, ad-like event, or promotion offer. This means that the ad, ad-like event or promotion offer must be placed so that the prospective buyer can see, read, or hear it, as appropriate. Exposure takes place via advertising or promotion media. Step 1 is exposure.

2) **Processing**: The prospective buyer must next process (respond to) one or more elements in the ad, ad-like event or promotion offer if it is to have an effect. Processing consists of immediate responses to elements of an ad, ad-like event or promotion offer- namely, attention, learning, emotional responses and acceptance. Step 2 is processing (of the ad or ad-like event or promotion offer)

3) **Communications effects and Brand Position**: Immediate responses to an ad, ad-like event, or promotion offer have to produce more permanent responses - associated with the brand. These more permanent, brand connected responses are called communication effects. Two universally necessary communication effects are brand awareness and brand attitude. Their content determines the brand’s position in the target audience buyer’s mind. Step 3 is communication effects and brand position (connected to and for the brand).

4) **Target Audience Action**: Communication effects and the brand’s position are elicited when the prospective buyer – a member of the target audience for the advertising or promotion – decides whether or not to take action with regard to the brand, such as purchasing the brand. More broadly, this is buyer behavior although in and advertising communications or promotion context, it is target audience buyer behavior that the campaign is specifically seeking. Step 4 is target audience action.
5) Sales or Market share and Brand Equity: The actions of individual buyers of the brand cumulate to produce sales. In comparison with the sales of competing the brands in a category or market, sales can be expressed as market share. More recently, brand equity (the brand’s strength as measured by its price elasticity of demand) has been added to this step. Step 5 is sales or market share as well as brand equity.

6) Profit: From the company’s standpoint, sales are worthwhile only insofar as they lead to profit. If advertising communications and promotions are supposed to produce sales, then they must be accountable for producing profit too. Step 6 is profit (for the company).

Briefly, these are six steps that form the six-step effects sequence for advertising communications and promotions.

2.6.2: Researcher’s observations:

Brand is like a floating piece of ice on water. It acts as an identification device. What appears visible is not the brand but the identifier of what is hidden. The brand itself is actually hidden. What is submerged is the true core of branding. Whether the piece of ice is on the surface of a submerged iceberg depends on discovery. True brands are much more than mere names. The hidden portion is what distinguishes the solid brand from the hollow brand. It is the hidden marketing component of branding that makes effective branding a rare feat that only a few are able to achieve.

2.7. Brand Management:

2.7.1 Brand Plan: The most effective way to determine and communicate the value of your brands to others is to create a brand plan that includes objective, strategies, tactics and measurements.

2.7.2. Brand Market Positioning: Brand positioning plays a vital role in keeping a brand on track towards its destination. It pinpoints what makes the brand motivating, different and true for target customers. In doing so it should inspire and guide the team to help them develop a competitive and coherent brand. When positioning is clearly defined, it can be a central tool for
helping boost return on brand investment. It inspires and guides the team, giving a clear picture on both the ‘job’ the brand needs to do and the human side’ to be reflected in tone and feel.

The choice of tool for defining a brand’s position is of little importance. What is important is that within a company everyone uses the same tool definition and format. Speaking the same language is crucial to facilitate effective communication. The different elements of positioning (essence, values, personality, promise, benefits brand truths, consumer insight, market definition, target consumer) should come together as a coherent whole. In the case of most strong brands, positioning is underpinned by brand truths, providing real substance and content that can be the starting point for a compelling and unique story.

When managing a brand, the external or internal circumstances may call for some changes in the execution of brand strategy, brand refreshment and rejuvenation, but the values underpinning positioning should remain constant.

2.7.3. **Brand Promise:** At the heart of the brand is the promise that it makes to its customers. Companies keep their promises by understanding their brands and acting on that understanding in every endeavor. That promise is carried out by people at all levels of the company – from CEO to the line worker - so that integrated branding is much more than communications strategy or a set of messages. When brand promise meets customers in an integrated way, through products, services, communications and culture, it produces unique and valuable customer relationships.

2.7.3.1. Successful branding is not just about communicating a unique personality or brand identity. It is about delivering the promise made to customers, and that makes it a responsibility of everyone in the company. These brand promises are no longer just empty advertising slogans. They are the heart and soul of the brand. They are the things that everyone in the organization is charged with delivering. Thus branding is no longer just sending the messages, it’s living the brand every day in every way.

2.7.3.2. Mobilizing the people in the organization behind the brand is the key to achieving growth. This requires taking people on a journey of commitment from rational understanding through emotional engagement to alignment of behavior. No matter how strong the insight,
vision and strategy are, without motivating and directing the people in the organization it is impossible to deliver the brand promise consistently.

2.7.3.3. More and more people are using internal communication to try to encourage the brand.’ Many of those are falling into the trap of talking about the vision without any effect on the way a business is run, which amounts to a cosmetic cover-up of problems within the organization. In the same way that consumers are disappointed when a product fails to live up to the promise made in communication, the same way that consumers are disappointed when a product fails to live up to the promise made in communication, the same goes for the employees and the company they work for. In reality, such internal communication has a limited role to play in engaging and aligning people with the brand.

2.7.4. Brand Communications: Central to modern marketing management is the concept of integrated marketing communications; the planning and execution of all types of communication to meet a common set of objectives for the brand. The aim is to support a single positioning through advertising PR or co-branding. A holistic view of the brand should be pursued. This is not to say that there must be one rigid, omnipotent message, rather it suggests that the messages conveyed by different media need to interconnect. They all need to tell broadly the same story.

There is nothing to be gained from promising one thing in your advertising and not being able to deliver at the point of sale. In fact, there is nothing worse for a brand then empty promises, another reason for adopting integrated brand communications is that messages aimed at one audience is increasingly seeping out in spheres of other audiences. It would be misleading to think of different stakeholder groups (e.g. Consumers, employees and shareholders) as isolated and mutually exclusive groups. Arguably, as much attention should be given to ‘managing the employee brand’ as to the consumer brand, as employees are the most direct link between the brand and its customers. Five points to remember when implementing integrated marketing communications.

1. Audiences will attempt to interpret the messages you send, but not necessarily in ways that were originally intended.
2. It is the task of management to maximize the interpretation of intentional messages and minimize the interpretation of unintentional messages.

3. To do this effectively the process needs to be managed from the centre. The brand needs to embody a vision or mission.

4. All audiences should be informed and involve employees and shareholders, as well as customers and consumers.

5. All audiences interact and interconnect, indeed, because the same person often has the different roles, brand communications ought to be broadly consistent across these audiences.

2.7.5. Maintaining Brand Integrity: Advertising, packaging, price and promotions have this in common: they are all within the control of the marketing company. To be rather more accurate, the transmission of those brand stimuli is within the control of the marketing company. The reception however, is not. However, there are other factors which lie outside the brand’s control, but their effect on the public can be significant. Because they are impossible to foresee and orchestrate, they tend to be totally ignored.

Examples of these include: a story in the press about racial discrimination or unethical employment practices at a brand’s factory, an anti-brand crusading website, a product recall for safety reasons, dangerous driving by a clearly branded truck, or two cars of the same make broken down at the roadside within a mile of each other.

Most chance encounters are negative in impact, and every single one of them will have some lasting effect on the people’s aggregate belief in the brand- and therefore on its success and profitability. Future prizes will go not just to those who make the fewest errors, but also to those who recover, apologize and take corrective action. Intelligent, informed and trusted staff can turn even a catastrophic brand encounter into a reinforcement of brand loyalty.

In the field of consumer goods that do not require much consumer involvement, it is no longer the consumer who is solely responsible for the success and failure of a brand, but distributors. In deciding whether or not to give room to a new brand, they are the ones who can cause it to fail.
They are also the ones who can cause the premature decline of a new brand if they judge its turnover to be too sluggish. Manufacturers’ brands now also need to compete with distributors; own brands which offer higher margins to retailers. Because so much depends on having a product in the right place at the right time, it is necessary for manufacturers to take the retailers’ reaction to products into account and develop a mutually beneficial relationship.

2.7.6: Researcher’s observations:

Customer Retention:

The greatest problem faced by marketers in different product categories is how to make customers to keep coming back. Why does customer retention make sense? It does not make sense for any emotional reasons but for the economics related to lifetime customer value. A customer retained for a longer term can fetch much higher value for the firm. With retention the marketing costs decline, the sales volume increases, premium can be commanded and good word of mouth is spread.

Relationship marketing has emerged as a strategy only when marketers discovered that customers cannot be taken for granted.

2.8. The Communication/Persuasion Process:

The most important factor to be considered in planning advertising, in addition to a specific marketing plan, is an understanding of the communication/persuasion process.

Although much has been researched and written about the effects of advertising and how it works, it is important to appreciate that this is a subject about which there are few definitive answers. There are perhaps as many theories about how advertising and how it works, it is important to appreciate that this is a subject about which there are few definitive answers. There are perhaps as many theories about how advertising ‘works’ as there are people who work in advertising, and it would be impossible to discuss them all here. An appreciation for the processes by which advertising works should be of great value in designing advertising plans that maximize the advertisement’s impact on the consumer.
Advertising communication always involves a perception process and four of the elements shown in the model: the source, a message, a communication channel, and a receiver. In addition, the receiver will sometimes become a source of information by talking to friends or associates. This type of communication is termed word-of-mouth communication, and it involves social interactions between two or more people and the important ideas of personal influence and the diffusion of information.

2.8.1. Source  The source of message in the advertising communication system is where the message originates. There are many types of ‘sources’ in the context of advertising, such as the company offering the product, the particular brand, or the spokesperson used. A model on source factors is developed to show the various dimensions of source effects such as credibility and attractiveness, which are of obvious importance in deciding how best (and through whom) to communicate the advertising message.

2.8.2 Message: The message refers to both the content and execution of the advertisement. It is the totality of what enters the receiver’s perception process. The message execution can be described in a great variety of ways, such as the use of humor and fear appeals discussed. Specific types of television commercials will be discussed and can also be considered ways to think about the advertising message.

2.8.3 Channel: The message is transmitted through some channel from the source to the receiver. The channel in an advertising communication system consists of the media, such as radio, television, newspapers, magazines, billboards, point-of-purchase displays, and so on. The impact of the communication can be different for different media. For example, and advertisement exposure in Vogue magazine can have an effect quite different from exposure to the same advertisement in Good Housekeeping. Word-of-mouth communication represents another channel that is of special interest because it can sometimes play a key role in an advertising campaign. It should be noted that a communication usually has a channel capacity. There is only so much that a receiver will be motivated and capable of processing. Furthermore, there is physical limit to the number of advertisements that can be shown on prime time. Shortages of available advertising can be a real problem.
2.8.4. Receiver: The receiver in an advertising communication system is the target audience. Thus, the receiver can be described in terms of audience segmentation variables, lifestyle, benefits sought, and demographics and so on. A particular interest can be the involvement in the product and the extent to which the receiver is willing to search for and/or process information. It is characteristics of the receiver, demographic, psychological and social that is, of course, the basis of understanding communications, persuasion and market processes.

2.8.5. Destination: The communication model does not stop at the receiver but allows for the possibility that the initial receiver might engage in word-of-mouth communication to the ultimate destination of the message. The receiver then becomes an interim source and the destination becomes a receiver. Word-of-mouth can be a critical part of an advertising program. The reality is that for some products the absence of word-of-mouth communication can be fatal, because it is only the word-of-mouth communication that has the credibility, comprehensiveness, and impact to affect ultimate behavior of a portion of the audience.

2.8.6. Furthermore, advertising can actually stimulate word-of-mouth activity. Even when it cannot stimulate it, knowledge of its appropriateness and power can be very helpful. Note that the communication can have a variety of effects upon the receiver. It can:

1) Create Awareness
2) Communicate information about attributes and benefits.
3) Develop or change an image or personality
4) Associate the brand with feelings and emotions
5) Create group norms
6) Precipitate Behavior

Our second model of communication / persuasion processes separates these different effects. First exposure to the advertisement can create awareness about the brand, leading to feeling of familiarity with it. Second, exposure to the ad can also result in information about the brand’s benefits. (and the attributes leading to those benefits) registering with the consumer. Third, advertisements can also generate feelings in an audience that they begin to associate with the brand or its consumption. Fourth, through the choice of the spokesperson and various executioner devices, the advertisement can also lead to the creation of an image for the brand, often called ‘brand personality’. Fifth, the advertisement can create the impression that the brand
is favored by the consumer’s peers, or experts: individuals and groups the consumer likes to emulate. This is often how products and brands are presented as being fashionable. These five effects have the consequence of creating a favorable liking, or attitude, toward the brand, which in turn should lead to purchasing action. Sometimes, the advertisement can directly attempt to spur this purchasing action, by serving a reminder function or by attacking reasons why the consumer may be postponing that action.

2.8.7. These two models help us to understand how and why consumers acquire process and use advertising information. It is also important at the planning stage to develop a good understanding of where advertising fits into the total pool of information processing invariably leads to the need for understanding a wide range of other important psychological constructs, such as perception, learning, attitude formation and change, source effects, brand personality and image, cognitive and affective response, and social factors such as personal influence. With this background in the communication persuasion process behind us, however, let us return to the steps involved in the creation of the advertising plan.

2.8.8. Researcher’s Observations:

Customer Loyalty:

Customer loyalty can be defined in many ways. Overall brand loyal customers provide stability in the market share and growth. Generally marketers with large market share have had a high proportion of loyal customers.

The true test of loyalty lies in discovering the inner feeling. The really loyal customers tend to be brand faithful. They not only favour the brand for its superior functionality but also because of their attachment and affection. Loyalty must be seen as an attitudinal construct. A brand must forge ties with a customer’s higher order needs besides performing utilitarian functions. The brand interactions with customers are the most crucial considerations in defining and designing the brand identity structure. Relative attitude is made of two dimensions – strength of attitude and degree of attitudinal differentiation among competing brands. The four loyalty types:

1) High loyalty (high attitude and high repeat buying).

2) Spurious loyalty (low relative attitude and high repeat buying).
3) Latent loyalty (high relative attitude and low repeat buying).

4) No loyalty (low relative attitude and low repeat buying).

The true measure of branding success is customer trust. All these are brands in their own right. Their name creates bonding based on trust with select clientele. For their target customers these are brands on which customers put their faith.

2.9. The New Strategic Brand Management:

2.9.1. A brand is a long term vision. The brand should have its own specific point of view on the product category. Major brands have more than just a specific or dominating position in the market. They hold certain positions within the product category. This position and conception both energize the brand and feed the transformations that are implemented for matching the brand’s products with the ideals. It is this conception that justifies the brand’s existence, its reason for being on the market, and provides it with a guideline for its life cycle. How many brands are capable today of answering the following crucial question: ‘What would the market lack if we did not exist?’ The company’s ultimate goal is undoubtedly to generate profit and jobs. But brand purpose is something else. Brand strategy is too often mistaken for company strategy. The latter most often results in truisms such as ‘increase customer satisfaction.’

2.9.2. Specifying brand purpose consists in re (defining) its raison d’être, its absolute necessity. The notion of brand purpose is missing in most marketing textbooks. It is a recent idea and conveys the emerging conception of the brand, seen as exerting a creative and powerful influence on a given market. If there is power, there is energy. Naturally, a brand draws its strength from the company’s financial and human means, but it derives its energy from its specific niche, vision and ideals. If it does not feel driven by an intense internal necessity, it will not carry the potential for leadership. The analytical notion of brand image does not clearly capture this dynamic dimension, which is demanded by modern brand management.

2.9.3. Thus, many banks put forward the following image of themselves: close to their clients, modern, offering high performing products and customer service. These features are, of course, useful to market researchers in charge of measuring the perceptions sent back by the market and
the level of consumer satisfaction. But from which dynamic programme do they emanate, which vision do they embody?

2.9.4. Certain banks have specified what their purpose is: for some it is ‘to change people’s relationship to money’, while for others it is to remind us that money is just a ‘means towards personal development.’ Several banks have recently worked at redefining their singular reason for existence. All of them will have to do so in the future. The Amex vision of money is not that of visa.

2.9.5. More than most, multi-segment brands need to re-determine their own purpose. Cars are a typical example A multi-segment brand (also called a generalist brand) wants to cover all market segments. Each model spawns multiple versions, thereby theoretically maximizing the number of potential buyers: diesel, gas, three of five doors, estate. Coupe, cabriolet etc. the problem is that by having to constantly satisfy the key criteria of each segment (bottom range, lower mid-range, upper mid-range, and top range) i.e. to churn out many different versions and to avoid over typifying a model in order to please everyone. Companies tend to create chameleon brands. Apart from the symbol on the car hood or the similarities in the car designs, we no longer perceive an overall plan guiding the creative and productive forces of the company in the conception of these cars. Thus, competitors fight their battles either over the price of the options offered for that price.

No longer brands, they become mere names on a hood or on a dealer’s office walls. The wood has thus lost most of its meaning. What does Opel or Ford mean? What unifies the products of a brand are not their marquee or common external signs; it is their ‘religion’ what common spirit, vision and ideals are embodied in them.

2.9.6. Major brands can be compared to a pyramid. The top states the brand’s vision and purpose – its conception of automobiles. For instance, its idea of the types of cars it wants and has always wanted, to create, as well as its very own values, which either can or cannot be expressed by a slogan.

2.9.7. This level leads to the next one down, which shows the general brand style of communication. Indeed, brand personality and style are conveyed less by words than by a way of
being and communicating. These codes should not be exclusively submitted to the fluctuating inspiration of the creative team: they must be defined so as to reflect the brand’s unique character. The next level presents the brand’s unique character. The next level presents the brand’s strategic image features: amounting to four or five, they result from the overall vision and materialize in the brand’s products, communication and actions. This refers: for example, to the positioning of Volvo as a secure, reliable and robust brand or of BMW as a dynamic, classy prestigious one. Lastly, the product level, at the bottom of the pyramid, consists of each model’s positioning in its respective segment.

2.9.8 The problem is that consumers look at the pyramid from the bottom up. They start with what is real and tangible. The wider the pyramid base is, the more the customers’ doubt that all these cars do indeed emanate from the same automobile concept that they carry the same brand essence and bear the stamp of the same automobile project. Brand management consists for its part, in starting from the top and defining the way the car is conceived by the brand, in order to determine exactly when a car is deserving of the brand name and when it no longer is – in which case, the car should logically no longer bear the brand name, as it then slips out of its brand territory.

2.9.9. Permanently nurturing the difference

Our era is one of temporary advantages. It is often argued that certain products of different brands are identical. Some observers thus infer that, under these circumstances, a brand is nothing but a ‘bluff” a gimmick, used to try to stand out in a market flooded with barely differential products.

This view fails to take into account both the time factor and the rules of dynamic competition. Brands draw attention through the new products they create and bring onto the market. Any brand innovation necessarily generates plagiarism. Any progress made quickly becomes a standard to which buyers grow accustomed: competing brands must then adopt it themselves if they do not want to fall short of market expectations. For a while, the innovative brand will thus be able to enjoy a fragile monopoly, which is bound to be quickly challenged unless the innovation is or can be patent.
2.9.10. It acts as a mental patent, by becoming the prototype of the new segment it creates- advantage of being a pioneer.

If it is true that a snapshot of a given market often shows similar products, a dynamic view of it reveals in turn who innovated first, and who has simply followed the leader, brands protect innovators, granting them momentary exclusiveness and rewarding them for their risk taking attitude. Thus, the accumulation of these momentary differences over time serves to reveal the meaning and purpose of a brand and to justify its economic function, hence its price premium.

Brands cannot, therefore, be reduced to a mere sign on a product, a mere graphic cosmetic touch, they guide a creative process, which yields the new product A today, the new products B and C tomorrow, and so on. Products come to life, live and disappear, but brands endure. The permanent factors of this creative process are what gives a brand its meaning and purpose, its content and attributes. A brand requires time in order for this accumulation of innovations to yield a meaning and a purpose.

Brand management alternates between phases of product differences and brand image differentiation.

2.9.11: Researcher’s observations:

Condensed value:

Branding is conceptualized in a number of ways. But the essence of brand building is to somehow neutralize the forces of competition by reducing substitution among alternatives. Solid brands create value by making the elasticity of demand asymmetric in their favor. A brand benefits the consumer when its demand is made inelastic at the cost of rivals whose demand has turned elastic. In this way price competition is avoided. This obviously requires development of customer pulling factors. The brand must successfully set itself apart or differentiate itself from others in the pack and create intense customer motivation. In modern day marketing it is difficult to create and maintain differentiation solely based on the product and that is where branding comes in handy.
Brand is a product that provides functional benefits plus added values that some consumers value enough to buy. The strongest brands have two important characteristics. First, they are highly distinctive. This distinction is built on a balanced combination of two benefits:

- Motivating benefits – that prompt consumers to choose a product category (usually product-centric functionality).
- Discriminating benefits – that make consumers choose one brand over the other.

2.10. Corporate Communications:

*Corporate Communications* is defined as communication which goes to all staff. Corporate communications serves as the liaison between an organization and its publics.

Organizations can strategically communicate to their audiences through public relations and advertising. This may involve an employee newsletter or video, crisis management with the news media, special events planning, building product value, and communicating with stockholders, clients or donors.

**What corporate communications encodes and promotes**

- Strong corporate culture
- Coherent corporate identity
- Reasonable corporate philosophy
- Genuine sense of corporate citizenship
- An appropriate and professional relationship with the press, including quick, responsible ways of communicating in a crisis
- Understanding of communication tools and technologies
- Sophisticated approaches to global communications

How an organization communicates with its employees, its extended audiences, the press, and its customers brings its values to life. Corporate Communications is all about managing perceptions and ensuring: Effective and timely dissemination of information -Positive corporate image- Smooth and affirmative relationship with all stakeholders. Be it a corporate body, company, organization, institution, non-governmental organization, governmental body, all of them needs to have a respectable image and reputation. In today's day and age of increasing competition,
easy access to information and the media explosion - reputation management has gained even more importance. So corporate communications as a role has become significant and professional in nature.

2.10.1. What is a communication strategy?

A corporate communication strategy takes you from where you are now to where you want to be. It ensures that all your communications are focused on your priorities and are effectively targeted to the right people at the right time.

To be effective, it has to be a live working document and should reflect the fact that communicating is a cross-cutting issue which affects the whole council and should not be operated in silos. The strategy should contribute to the community plan and council-wide programmes such as e-government and customer care, or refer to those strategies if they already exist. If those strategies are to be developed, they in turn should tie into the communication strategy.

Directorate communication strategies should show how they will contribute to the objectives set out in the corporate communication strategy, as well as setting more 'local' objectives of their own.

The corporate communication strategy must be owned internally, from the top of the organization to the front line staff, if it is to be implemented effectively and receive the resources it needs.

There is no single format for putting together a communication strategy - although good ones tend to contain the following elements:

i. engaging stakeholders
ii. using consultation and research to provide a baseline
iii. measurable objectives
iv. clear indicators
2.10.2: Corporate Communications:

Corporate communications in its broadest application, addresses every aspect of a company’s communications with its audiences. It begins by establishing a voice and image, while building on a long-term relationship with its target audiences. The ongoing processes of Corporatization, Digitization, and Globalization have empowered the corporate communicator’s position, while adding to its challenge. The communication of the company’s brand and the opening up of audience spectrums have resulted in three key components:

- Corporate communications is a long-term strategic initiative usually created within a company to communicate its brand and core messages. Central to this process is the creation of a corporate voice that is assertive and effective in the interactive and influential modes.

- As a strategy, corporate communications proceeds from the core of the company- its senior management- in a credible and informative way to impact every level of the organization. The internal audiences could include employees, stakeholders, and investors. In public domain; the audiences typically include customers, regulatory bodies, industry councils, opinion leaders, financial markets, pressure groups and potential employees. As each audience group is different and calls for specific communicative approaches – with measurable outcomes.

- Finally, corporate communications is an evolved response to the dynamic communications need of the 21st century corporate. As part of its strategic armory, it deploys the following techniques: advertising, public relations, community relations, corporate literature, corporate hospitality, exhibitions, event management, new media, crisis management, lobbying, investor relations, research, sponsorship management, traditional media and integrated marketing communications.

There are measurable outcomes. This is the ground on which quality meets quantity. Corporate communications ensure that the brand message and communication strategy are consistent with the overall promotional objectives – backed by measurable outcomes. In a rapidly expanding global marketplace, the company is communicating the brand message and core messages about the products and services to active audiences. Therefore, the strategy must be measurable against predetermined objectives. Every strategy should have measurement capabilities to allow for tracking of its success. Measureable outcomes play a key role in the working of a 21st
Business processes that dominate the working of new era companies are centered on ‘the numbers’- quantifiable results that project the measure of success against the predetermined goal.

As a corporate communicator in the company, one needs to evaluate performance on the following quantitative parameters:

1. Analysis of media coverage.
2. Delivery of key messages.
3. Market research and surveys.
4. Tracking customer/reader enquiries.
5. Tracking media opinion.

Brand audits merit a special mention. Once the communication needs of the company have been fully understood, one needs to design the most suitable campaign to build its brand.

The factors that one needs to take into account are the core message, the target audience, the available budget, and relevant government policy, and current public opinion, relevance of the campaign and competitor activity.

Corporate communication essentially oversees three key processes from concept to completion, at the inception of a business. They are:

1) The Brand / Mission Statement.

2) The Corporate Identity Programme.

3) The Corporate Communications Strategy.

2.10.3. The Brand / Mission Statement: A brand statement is the core reactor of a corporate; the hub of business dynamism from which the brand draws energy for its market impact. A brand statement is usually an inspiring statement that is precisely
worded. It captures the Spirit of the brand. And; it is the soul of the corporate . It is the living breathing affirmation of a business’s presence. The brand statement evolves without changing its essence. Like the nucleus of a cell, its premise points to the future growth areas of the corporate organization from the brand statement that the corporate derives its name, logo, slogan and colors. Whenever, brands work one finds clear, crisp, and consistent brand statements. A good way to write a brand statement is to understand the founding team. Understand their passion, drive, passion, and visionary. One must understand how long they have been in the business. Is their aim immediate market results? The brand statement must be reflect the brand’s personality. It must be done in an unforgettable way.

2.10.4. The Corporate Identity Programme: The second significant step is the corporate identity programme. This is the nuts- and bolts approach of brand building. Here, the business creates its presence through a corporate identity programme. In its basic form, the corporate identity programme involves a corporate name, logo and slogan. By extension, a corporate identity programme enhances corporate stationery, literature, website and the like. For a business, the corporate identity programme, though small, is a comprehensive one. After taking stock of the business’s environment, the corporate identity programme becomes an implemented decision. The best image to be cultivated, especially for a new business, is an assertive presence. This is preferred over a louder, more aggressive image or a silent, passive image.

Typically, a corporate identity programme for a business comprises the following components: Business cards, letter pads, business covers, stamp pads brochures, flyers, corporate profiles, media releases, corporate website, digital presentation, office memo pads, display boards, neon signs and relevant signage. This list covers most of the requirements for a business. As we move to bigger organizations, the list becomes more elaborate and comprehensive. We must also mention of its primer: the corporate identity manual. This admirable work is a professional outline of how a logo and its allied elements are used in the various media and across various platforms. Manuals meticulously specify logo sizes for envelopes in America, Europe and Asia. The more detailed manuals run into thousands of pages detailing elements like how logos are to be placed on vehicles and billboards.
Environment identity- the use of a corporate brand name and logo- in various settings is an art, craft and science that charts new ground every day.

2.10.5. The Corporate Communications Strategy: This is the sacred ground upon which brand vision gets translated into actionable strategy. This is also the gladiatorial arena that tests the mettle of a corporate communicator. Every organization with its human element, is inevitably subject to tugs and pulls that draw it in different directions. While the senior management sets the direction, the corporate communicator is called upon to maintain brand integrity – a challenging task in a competitive setting. For this reason, one needs to begin with a strong, persuasive, corporate communication initiative that is based on one’s business’s growth strategy. It should fit the corporate like a cloak that distinguishes it from the other corporate. Here is how the corporate communications strategy works at all levels of the corporate:

i. It begins by communicating the brand mission to the internal audiences. It begins with the senior management and works its way to the inner circle of employees and finally to the outsourced workforce. The aid of Human Resources Department is enlisted in the communication process, for this purpose.

ii. In tandem, a separate strategy is initiated to address and inform the external audiences in the public domain. This involves potential customers, potential employees, opinion-makers, the media, the government, regulatory agencies, pressure groups and the ubiquitous public domain. The corporate communications strategy here could embrace initiatives in advertising, journalism, and public relations, not to forget other platforms like corporate events and sponsorships.

iii. The third component of a corporate communication strategy is an ongoing and constant research and evaluation initiative. The corporate communicator today has an array of quantitative tools that help him or her to measure the success of a given strategy. A reputed education institution measured the success of its nationwide campaign by advertising in separate papers- region wise. It then monitored the number of applications from each region, also using its website as a source for application forms. Then, to boost the application drive, it also started a public relations initiative to build its institutional presence. So, in quantifiable terms, the second year’s campaign, with its vibrant
combination of advertising and PR, resulted in a dramatic increase in number of applications, over those in the first year.

### 2.10.6. Corporate Communications

Corporate communication is no more just propagating the company’s tag line; it is extending the entire brand experience. For example, McDonald’s is not only about the burger, but the entire experience of eating at McDonald’s – the golden arches, the internal store layout, the kid’s corner, the obligatory ‘would you like fries with that’, and the free gift with the “Happy meal combo”.

Corporate communication of the brand experience is the holistic strategic approach a corporation gives to every message, mode, medium and exposure of every facet of its existence and the way it is executed. Corporate communication is based on the strategic message. The strategic message is an idea that is communicated in depth to achieve fast, coordinated action leading to economic transactions. The strategic message is more a synthesis of a business environment than a concept imposed on it. In the end, a strategic message is an intricate web of understanding, resources and compliance that cannot be repeated precisely in the same way in every way in every case. ([www.pr-online.com](http://www.pr-online.com))

Corporate communications is the strategic initiative taken by a corporate organization to communicate the corporate brand and its core messages to a spectrum of growing audiences in a globalised market environment. At its core, corporate Communications is very simply, the way a corporate communicates. ([www.median online.com](http://www.median online.com))

The question relates to how holistic the client’s approach to corporate communication is. It includes Public Relations (PR), Write-ups in the press, sponsorship of events and advertising.

The first is Public Relations.”Public Relations is the practice of creating, promoting, or maintaining goodwill and a favorable image among the public towards an institution or a public body. It could also mean the condition of the relationship between the organization and its public. To elaborate, Public Relations is the planned and sustained effort to establish and maintain goodwill and mutual understanding between an organization and its publics. Going by the traditional approach, an ‘organization’, can be a government body, a business, a profession, a public service or a body concerned with health, culture, education- indeed any corporate or
voluntary body large or small. “Publics” audiences that is important to the organization’. (Navin, 2003, p.1)

Corporate use PR as a brand builder: first, by starting a chain reaction of image building, with a market strategy to attain a brand reputation.’ PR’ has gone beyond mere ‘press relations’ to become a full-fledged strategic area for the modern corporate.

Marketing Public Relations is the use of public relations strategies and techniques to achieve marketing objectives. The purpose of MPR is to gain awareness, stimulate sales, facilitate consumption, and build relationships between consumers and companies and brands. (Kitchen and Schultz, 2003, pg 177)

A good public relations programme ties strongly with the brand’s marketing objectives. It recognizes key audiences –the end user, the buyer, the influencer, and the trade messages, relevant for each audience. PR programmes demand a holistic understanding of brand communication. Media relations are a key factor in PR. It offers the brand owner an opportunity to study brand issues and needs from an audience perspective. He can then deliver targeted communication, relevant to audience perspective. PR sets out the brand messaging. PR can influence perceptions, attitudes and behavior. A powerful PR strategy will give a corporate the image and exposure it needs.

A brand is a collection of perceptions in the mind of the consumer. Brand strategies revolve around distinguishing a product or service from others, maintaining its brand image and building that image consistently through channels of communication.

One of the most important components of corporate communication is advertising. Advertising remains the single most powerful and persuasive way for a corporate brand to build its presence through the media. Advertising is the dissemination of information concerning an idea, service or product to compel action in accordance with the intent of the advertiser which leads to consistent consumer experiences. Advertising facilitates developing the brand’s core values in the minds of target audience. (Ref: Corporate Communication - Joseph Fernandez)
2.10.7. Corporate Communication: Self- Interpretation

Business does not exist in a vacuum. It depends on its external environment; it is a part of the macro systems, such as the industry to which it belongs, the economic system, and the society.

Being in touch with its internal and external audience is essential for any business. All organizations communicate on multiple levels and a company's image is directly affected by all of them. Whether it is an internal newsletter for employees or a corporate presentation for clients, organizational philosophy and objectives should consistently reflect in all of them. Today's successful organization needs to manage its message in print and online, on radio and television; the range of communication channels is constantly expanding.

Corporate communication is a broad category that spans from brand identities, advertising and promotion, through presentation material and reports, to material such as trade show graphics and relationship pieces such as magazines and calendars. In fact everything you do in marketing your firm or products is a form of corporate communications. Internally, written reports need to be effective, teams need managing, and everything you produce- from an email to a website - must be accurate, clear, concise and compelling. Externally, you need to manage broadcast, print or online media, newsletter or publications, proposals and presentations.

Effective corporate communication involves not only the message itself, but also the medium that carries and delivers it. It's these two components of a communication that dictate whether employees will receive and understand it. But don't fool yourself in thinking that there's some long process of deliberation when they receive one of these messages. Most corporate communications will grab the attention of an employee for no more than a few seconds - if at all. It's within that very narrow window of opportunity that they will decide whether to read something or toss it aside.

Another key component of corporate communication is sponsorship of events. This is a very important weapon in the corporate communication artillery. In today’ marketing scenario to stay in the public eye, one has to sponsor events. There are various events like film events, television events, sporting events, social service events, and events to support different causes. A
company has to conduct extensive research to find out which event suits their brand image. The events sponsored by the company enhance the mental picture in the mind of the consumer.

The major events include various film awards like Film fare awards, Screen awards, Zee awards, Stardust awards. The television industry also conducts various award shows and the various shows on television like reality shows, fiction, non-fiction, family soaps, music shows, dance shows, quiz shows, educational programmes, shows meant for children like cartoon shows, story-telling shows etc. provide opportunities for sponsorship for corporate to showcase their products and services. Sports in India are keenly followed. Major sporting events like World Cup Cricket, Indian Premier League, Test cricket, etc. are a huge draw in a cricket crazy nation like India. In addition, other sports are also gaining popularity like football popularly known as soccer, hockey, athletics, archery, tennis, rifle shooting, badminton and various others. The Asian games, Commonwealth games, Olympics, all avidly watched provide great opportunities for sponsorship for corporate to make their presence felt.

In addition to entertainment and sports, there are various social causes that companies can associate themselves with to enhance their brand building exercise. Events to help economically, socially, backward classes are being held to make society aware of their social responsibility. Events which promote and help the underprivileged, visually, auditory, physically, mentally challenged, the senior citizens are the perfect vehicles for Corporate World to make an impact in the minds of their consumers. Some of the examples are the Mumbai Marathon, the women’s Drive, and Cycling Marathon etc. There are also special days for special causes which can be turned into a multi-hued strategy to build customer loyalty.

One of the most important components of corporate communication is advertising. Advertising remains the single most powerful and persuasive way for a corporate brand to build its presence through the media. Advertising is the dissemination of information concerning an idea, service or product to compel action in accordance with the intent of the advertiser which leads to consistent consumer experiences. Advertising facilitates developing the brand’s core values in the minds of target audience. According to David Ogilvy, considered the father of image advertising:
2.11. - Driving the Consumer from Brand Awareness to Brand Insistence

Brand Forward believes that the ultimate goal of brand equity building is to move the consumer from brand awareness to brand insistence. Our brand insistence model in Corporate World five elements that drive a consumer to insist upon a particular brand to meet his or her needs: brand awareness, accessibility, value, relevant differentiation and emotional connection. We believe that these five areas of emphasis and activity are the primary drivers of consumer brand insistence.

2.11.1 Brand Awareness

Brand building begins with awareness. Consumers first must be aware that there are different brands in the product categories in which your brand operates. Next, they must be aware of your brand. Ideally, your brand should be the first one that comes to their minds within specific product categories, and also the first one they associate with key consumer benefits.

![Brand Forward’s brand insistence model](image_url)

Consumers should:
i. Be able to identify which products and services your brand offers:
ii. Be able to identify which benefits are associated with the brand;
iii. Have some idea of where your brand is sold.

2.11.2 Accessibility: Your brand must be available where consumers shop. It is much easier for consumers to insist upon your brand if it is widely available, and slight brand preference goes a long way towards insistence when the brand is widely available.

The importance of convenience cannot be underestimated in today’s world. (Brands whose marketplace positioning have ‘exclusivity’ as a key component are an exception to this. In those cases, scarcity and limited distribution can stimulate demand.)

Any brand that seeks to create emotional connection should find ways to tap into these and other underlying human motives.
2.11.3: Advertising and Brand Patronage

Advertising is an important promotion tool in order to establish brand patronage. Customer preferences towards brands indicate the following tendencies:

1) Brand Insistence: A buyer insists on purchasing one brand only and will not accept a substitute.
2) Brand Loyalty: A buyer has a strong attachment to the brand and will not accept a substitute if the brand is available.
3) Brand Preference: A buyer favors the purchase of the brand but will accept a substitute.
4) Brand Acceptance: A buyer will buy the brand but has an open mind to try another brand.
5) Brand Awareness: A buyer is merely aware of the existence of the brand but has limited knowledge about it and has no particular emotional attachment to it so far. He may or may not risk purchasing the brand.

1. Brand Unawareness: A buyer has no knowledge of the existence of the brand.

Most of the time, an advertiser (seller) tries to build a brand privilege or patronage for his product or service. A seller has brand privilege if buyers exhibit brand insistence, brand loyalty, or brand preference toward his product or service.

By means of advertising or persuasive mass communication, seller tries to move prospective buyers and existing buyers from lower level to higher level of brand attitudes of customer – from brand ignorance to brand awareness, or from brand acceptance to brand preference. Loyalty and insistence. This can be done through proper promotion tools over a period of time. However, the product itself must have good quality and performance. It should not have any other handicap.

Table 2.11.3.

Expected Effects of Advertising Campaign –

<table>
<thead>
<tr>
<th>Advertising Theme</th>
<th>Level</th>
<th>Objective</th>
</tr>
</thead>
<tbody>
<tr>
<td>Awareness</td>
<td>1st Level</td>
<td>Brand Recognition From 20 p.c. to 40 p.c.</td>
</tr>
<tr>
<td></td>
<td>Mental Response</td>
<td></td>
</tr>
<tr>
<td>Attitudes</td>
<td>2nd Level</td>
<td>Brand Preference From 15 p.c. to 25 p.c.</td>
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<tr>
<td></td>
<td>Mental Response</td>
<td></td>
</tr>
<tr>
<td>Purchase</td>
<td>3rd Level</td>
<td>Market Share From 20 p.c. to 25 p.c.</td>
</tr>
<tr>
<td></td>
<td>Purchasing Response</td>
<td></td>
</tr>
</tbody>
</table>
2.11.4. Researcher’s Observations:

A brand has to limit its target to a chosen consumer segment. A brand’s added values stem from the following:

- Brand experience - Consumer’s brand experience resulting in familiarity, known reliability and reduced risk.
- User profile – Value added by the kind of people who use the brand (user profile as glamorous, well-heeled).
- Brand effectiveness – Development of beliefs by consumers about a brand’s effectiveness.
- Brand appearance – value addition from the way a brand is packaged and made to appear to its audience.

Product is a narrow conceptualization of what a marketer offers to customers. It is production centric perspective of value. Products are entities of the real physical world. Brands on the other hand are entities of the perceived subjective mental world.

2.12. Essentials of Good Advertisement

A good advertisement must have the right message communicated through a right media. It must reach the right people and prospects and that too at the right time and at the right cost. Right timing of an advertisement needs no emphasis. It should fulfill its sole purpose, viz., gain sale or action from the prospects and the cost of communication should be reasonable. The task assigned to the advertisement can be successfully fulfilled when: (1) it is seen by the desired prospects, (2) It is read by them with interest, (3) It is properly understood by them exactly as the advertiser wants, (4) It is believed by them and it wins their confidence and trust and above all it succeeds in igniting their desire to purchase the product or service offered for sale. Effective advertisement takes the prospect near about the point of closing the sale so that actual sale may be easily completed by the sales force.
Each advertisement must be a unique selling proposition, invoking maximum force of persuasion to convert a prospect into a customer. Repetitive advertisements build up strong and enduring impression on the customers and help to create favorable brand image of the product. Public must be induced cleverly to look, like, learn and buy the advertised products.

Advertising requires efficient planning, organizing and effective control. First we must find out sufficient opportunity to make advertising worthwhile. Once it is assigned a definite role, we have to lay down advertising objectives for a given advertising programme. Advertising objectives should be precise. They should emphasize the communication tasks such as brand awareness, changes in consumer attitudes, etc. They must be connected with sales and profit goals.

Message creation is called the art of advertising. Message development is defined as “what is said, how it is said, where it is said, and how often it is said.” The message must capture the attention, arouse interest and ignite the desire to purchase. A good advertising theme stresses clearly the differential advantage of the product or service over rivals. The presentation of the message involves the choice of words, pictures, symbols, colors, slogan, testimonial and action.

Media are chosen to reach the desirable segment of the population. Media selection is based on: (1) the communication requirements, (2) emphasis on the prospect, (3) an eye on the competition, and (4) the budget. They have pre-tests of proposed advertisement as well as measurement of actual results with a post-test. Advertising agencies handle measurement of results as well as pre-testing of advertisements.

Advertising campaign can lead the prospect through the various stages of consumer decision processes, such as awareness, comprehension, conviction, purchase and repurchase. The communication effect of advertisement can be evaluated but sales effect of advertising is difficult to assess. Sales are influenced not merely by advertising but by all tools of promotion simultaneously. A firm may spend 50 per cent more than its normal advertising budget in one area, 50 per cent less in a second area and the previous normal budget in a third area. Then it can calculate the effects of these advertising changes on sales figures in each area. It is called experimental approach in evaluation of advertising results with regard to sales and profits.
Followers of communication-effect school look to opinion researchers to supply the tools of measurement to measure the effect of advertising as a communication tool. Followers of sales-effect school turn to Operations Researchers for assistance in making measurements of sales and profit due to advertising.

2.12.1. Concluding remarks:

Branding does not provide a shortcut way into winning consumers. Brands have acquired their relevance from equipping marketers with paths to add value beyond functionality embedded in the product component. Brands are not about names and symbols although these are used to signify the brands. Brands are not about communication although communication is an essential part of brand building. Often the manifested part of a brand is mistakenly taken as the brand whereas it is not so. It is important to dig below the surface to discover how a brand intersects with consumers and creates value. Simplistically, a brand is a sign, symbol or a name. Brand begins with an idea or concept which often is rooted in an extraordinary vision. Every successful brand name is built on a consumer – relevant idea that makes the life of the customer better. And it is this idea that manifests into a product or service.

2.13. Prosumers

2.13.1. There’s a cash-rich coterie of ready spenders that most industries are recognizing. Few businesses are aware of them. Meanwhile; some far-sighted industries are boosting profits by targeting this growing segment.

The term ‘Prosumer’ originated with Alvin Toffler, who first used the term in his 1980 book ‘The Third Wave’. Toffler defined the prosumer as someone who blurs the distinction between a ‘consumer’ and a ‘producer’. The term has since come to mean a variety of things, but it is importantly defined as someone who makes little distinction between his or her home and work lives. The prosumer engages in activities belonging to either sphere regardless of time or location.

Because of their complex lifestyle with sometimes a demanding workload and an active family life, prosumers are eager adopters of web products and services – a convergence of process innovation, global marketplaces, and advanced technologies that fundamentally changes the way
consumers buy, retailers sell, and products are brought to market. Prosumers typically embrace web technologies such as social networking such as Face book, My Space; blogging, video on demand (VoD), podcasting, VoD casting, virtual realities (Second Life, There.com) mobile communication and other internet based technologies and services that allow people to stay connected whenever and wherever they desire. This is referred to as ‘Connected Life’, and the prosumer is enthusiastic and early adopters of connected lifestyle. Not all presumes use all these technologies, they access whichever technology subset best suits their individual preferences and lifestyles.

The CISCO Internet Business Solution Group (IBSG) has conducted research on the prosumer segment, studying how this group lives, works, thinks, and behaves. Prosumers prefer laptop computers to desktop computers because of their need to be mobile. They spend more of their discretionary income on entertainment than most people, and are interested in multi-screen applications. If they commute, their commutes tend to be longer. Much work at home and a percentage of them are full-time home workers. They view their commute as time that can be spent working, connecting to others or being entertained. They want to connect with friends and see technology as a way of balancing and helping to manage their busy lives. Prosumers value any technology that enhances and serves these needs.

2.13.2. The Prosumer Opportunity:

The Connected Life market which comprises both telecom services and consumer electronics continues to grow and grow and prosper. Quantifying the size of the prosumer market is difficult largely because there are several different definitions of term ‘prosumer’. For instance, in the United States, it is estimated that there are about 14 million prosumers; roughly about 4.5 percent of the total population. The U.S. Connected Life is expected to grow at more than 9 percent annually, representing more than 526 billion in consumer spending. Prosumers represent a similar percentage of consumers globally especially in developed nations.

Compared to the broader population, prosumers are classic early adopters of technologies, and their mobile phone use is the highest in the business sector. Prosumers salaries are 15 percent higher than those of their counterparts in other segments, and with an average age of 40, they are in
their prime money making years of their careers. Because prosumers tend to be in their middle years, they also have bigger families (57 percent) larger than those of their counterparts in older or younger demographic groups), and are the ones most likely to make spending decisions in the home.

As early adopters, prosumers make use of solutions that keep them in touch with their families and friends, such as social networking (personally and professionally). For example, instant messaging, which originated as a business tool has become the prosumers’ way to stay in touch with work colleagues and friends and family.

The prosumer opportunity for industries lies in creating solutions that tightly integrate work and home life to attract these individually such solutions are hard to replicate because changing providers also involves transporting and re-creating both personal and work data services. Securing the prosumer segment allows vendors to create a full portfolio that will draw more customers as this segment grows. In some verticals, service providers, consumer electronics, and travel among others – establishing a strong prosumer clientele is a must. Blurring of locations and devices distinguishes the prosumer workers to work from home.

2.13.3. The Prosumer Challenge:

Serving prosumers is complex; their needs cannot be defined by location, application, time of the day, or device alone. In fact, that is what makes them prosumers. They seek to be connected and serviced no matter where they are, what they are trying to do, or when they are trying to do it. Although prosumers are heavy technology users, they want solutions to be simple. In particular, application user interfaces must be easily accessible for both work and their personal life raising some issues relating to overlap between the two.

Serving the prosumer to the satisfaction of the prosumer and his or her employer is not easy. Early prosumer offerings fell short of what the prosumers really needed. An example of this is the mobile mail. When it is provided by the employer it works well for business purposes. But personal mail requires yet another application from a provider. The only way to handle this situation to maintain one phone for personal mail and another phone for business mail – an equally awkward situation. Effectively serving this segment requires delivering value that works for both prosumer and the enterprise.
2.13.4. Serving the Prosumer:

A few discerning industries are already aware of prosumers and their lifestyles and have developed programs and products to serve them. The hospitality and airline industries know that when people travel for business or pleasure, they tend to select providers that offer them benefits. As a result, when someone earns extra miles flying with an airline for business, that person will choose that airline for leisure travel because the frequent flier miles help pay for the vacation. The financial services industry has begun cross-selling products such as insurance and banking services especially to small and medium sized business owners (prime prosumer targets) recognizing that when someone starts a business, that person is inclined to select a financial services institution with which he or she is already doing personal business. Higher education institutions position their services to alumni as they enter the workforce because alumni often seek corporate sponsorship for more costly graduate work. Most industries however have not yet instituted formal business models to pursue prosumers as a target segment. Capturing the emerging prosumer category requires a deliberate and systematic approach with full understanding of what makes these complex individuals tick. The service provider industry (telecom services) is absolutely essential to the prosumers connected lifestyle, yet these companies have done little to court this segment. Providers need to invest in network infrastructure to deliver seamless, ubiquitous and secure prosumer experiences across and work requirements.

Because these industries have so much to gain from prosumers, it makes a great deal of sense to start with the design of user interfaces that are blended, yet provide sufficient separation between work and personal content to avoid conflict with corporate policy.

It also beckons the service provider industries to find out a way to provide services and billing methodologies that keep the prosumer connected yet allow for separation of work and personal activities. For instance, there should be a simple, non intrusive method for keeping mobile phone charges separate. There should be a way for prosumers to integrate their home and work calendars and address books without providing employer visibility into personal information and vice-versa.

2.13.5. Enterprises addressing the prosumer market must make an effort to educate prosumers about the value of their offerings. Prosumers can be reached in many ways through traditional consumer channels like advertising, direct mail, and so forth, non-traditional channels,
e-mail, online or sites or through business to business channels – industry site, advertising, trade publications before embarking on a communication program. However, channels should be analyzed carefully. All may not work. Prosumers rarely see television advertising. Instead, they record their favorite shows and watch them when they have time skipping commercials as they go.

Vertical industries must capture critical data about prosumers interests, activities, and behaviors to improve their product and service development for this segment. For instance, airlines have precise data about the habits of their business customers, which they then apply to attracting their leisure time travel. The data is there flowing across network methods can be developed to identify, isolate, analyze and apply this data to develop new services to this well-heeled and receptive group.

The prosumer segment may be small, but its influence is growing rapidly. It can be witnessed with the enormous popularity of I phones and I pods. Companies need to start thinking about the underserved prosumer market and how to address it better. There are several areas of focus for prosumers.

1. They need to be connected to work and family anytime, anywhere
2. They want simple to use, seamless solutions
3. They are interested in entertainment and spend more than the average consumer in this category.
4. They want access files at home as easily as they do at work.
5. They are mobile-friendly, and usually own several devices such as mobile phone, I pod, and laptop computer.
6. They are frequent, intensive users of the internet and mobile technologies at work and home.

Prosumers are not hard to find or identify. But capturing this desirable segment requires a systematic program of research, development and testing of prosumer-oriented offerings, plus education of prosumers about the value of the company’s product or service. The following are the steps one can take to take advantage of the lucrative prosumer opportunity.
2.13.6. Transformational Journey: Transforming from a consumer centric or business centric marketing model to an integrated prosumer model requires deliberate actions taken at many levels of the organization and the potential pushback should not be underestimated. For many the tried and tested way of doing things is always appealing. The prosumer is quite different from the mainstream consumer and the organization that supports a prosumer model needs to adopt new ways of doing business.

New products that optimize the prosumer experience must be designed and tested to ensure ease of use and functional enablement. Developers must creatively integrate technology innovations with usability in mind. Complexity is the main source of frustration for the prosumer, ease of configuration and use are their allies.
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