CHAPTER - 7

SUGGESTIONS FOR FUTURE RESEARCH

This thesis attempts to formulate certain mathematical models for effective advertising decision making problems and obtains procedures for their solution, keeping in view both requirement and practicability. As research is a never-ending process, no suggestion offered for improving practises in effective advertising decision making can be regarded as perfect and ultimate. There is always scope for improvement in the kind of work undertaken in this thesis. Hence, we feel that this thesis will be incomplete without a suggestion as to the direction in which future improvements could be carried out. In the present chapter, we have indicated some of the areas for future development which will offer considerable challenge to expertise in several disciplines.

7.1 Suggestions for Tackling Budget Decision Problems:

In chapter-2, mathematical models are developed in a competitive situation where each
competitor has his own control variables, viz., price, advertising effort and selling effort. We have derived the advertising budgeting conditions under which model gives the equilibrium solution. The discussion can however be extended to the case where there are more than three control variables, and where the market potential is a function of all these control variables considered in the model.

Also, it has been assumed that where firms do not spend on advertising and selling efforts, their market share is to be regarded as zero. A more realistic assumption may be that in the absence of advertising and selling activities by firms, their share of market should be determined by their prices and other factors such as product quality, distribution channels, packaging etc. An extension of the models of Budget Decision to include these factors is another area of research which should receive priority.

Statistical decision theory offers an alternative method of formulating the Budget Decision problems. The concept of consumer behaviour also can be useful in evolving advertising budget
determination. Research can be directed at linking the parameters of the consumer preference with the controllable marketing variables to obtain the optimum determination of the advertising expenditure.

7.2 Suggestions for tackling Media Decision Problems:

In chapter-3, an Evaluation Model is developed in television medium which assumes that probability of viewing across programmes and channels is independent. This means that a person makes a completely new decision at the end of each programme. In reality, however, the viewer often simply leaves the television turned to a particular channel for several programmes and, in general, viewers are more likely to watch a particular set of shows than others. Considering the practical importance of relaxing this assumption of probability of independence, the model we have formulated have to be suitably modified. Similarly, the optimization procedure we have developed will have to be corrected when the assumption of probability of independence is relaxed.

In chapter-3, for the solution of the
television evaluation model, we have made judgements on the basis of desired Reach and Frequency which are to be achieved by means of a media plan, instead of directly relating exposures to audience response. It will be desirable to undertake research to develop methods that will evaluate the response in television medium and that will help selecting the appropriate channels and programmes so as to maximise the response.

In the television medium, another factor to be taken into account is the optimization of inter-exposure time interval, which should also receive priority.

7.3 Suggestions for tackling Copy Decision Problems:

In chapter-5, a Copy Arrangement Model is developed which is based on comparatively strong assumptions. The assumption that each poster has the same probability of being viewed is unrealistic. Poster ratings may be dissimilar. Also, the assumption of mutually exclusiveness can be generally applied when 'posters of other products' are specifically defined as posters of 'competitor's product.' Hence, it will be necessary to redefine a model so as to accommodate
relaxation of given assumptions in order to make the situations more realistic.

In this chapter, the optimum criteria for exposures is suggested, but the cost analysis to arrive at the optimum decision is not dealt with at all. More realistic results can be expected, if budget constraint is taken into consideration.

7.4 Suggestions for tackling the Advertising Effectiveness Evaluation Problems:

In chapter-6, methods suggested for advertising effectiveness evaluation make use of exposure criteria (i.e., Reach and Frequency) for measurement. Advertising may be evaluated in terms of attitude changes* that the firm believes will ultimately enhance sales and profitability. Although considerable progress has been made in attitude measurement there are certain limitations in its use as a criterion of advertising performance.

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* A model of the progress of a consumer from unawareness through attitude changes, to ultimate purchase has been given by Lavidge and Stenier (70).
Another important area of research is usage of Information Theory$^4$ for measuring advertising effectiveness. Here the effectiveness measure can be defined in terms of the transmission of information that is carried from the advertising copy to the target audience.