Chapter One

Framework of Advertising
Advertising is multidimensional. It is a form of mass communication, a powerful marketing tool, a component of the economic system, a means of financing the mass media, a social institution, an art form, an instrument of business management, a field of employment and a profession.

Today we are exposed to a larger number of commercial messages than at any time in the past. Newspapers and magazines are full of advertisements. Not only has the quantity increased, even the quality of advertisements has improved considerably over the past couple of years. Other means of advertising, such as the radio, television, the cinema and billboards, etc., have also amply contributed to the growth of this industry. Advertising, which has become a marketing force helping mass selling and distribution, is also the object of much criticism, some justified, some not. It has been claimed that much advertising is false, deceptive and misleading, and that it conceals information which should be revealed and omits the limitations and comparative disadvantages of the item advertised. Not only this; some fear that the power of advertising to persuade and manipulate the consumer and the public at large has increased. However, before going into a serious debate on the benefits of advertising and its effect, we must understand fully what advertising is. The advertising process and different forms of advertising are the subject matter of discussion. In the following paragraphs.

When a marketer or a firm has developed a product to satisfy market demand after thoroughly analysing the market, there is a need for establishing contact with the target market to eventually sell the product. Moreover, this has to be a mass contact which means that the marketer is interested in reaching a large number of people so that his product may receive optimum exposure. Naturally, the best way to reach this mass market is through mass communication and advertising is one of
the means of such mass Communication along with such other means as publicity, sales promotion and public relations.

Advertising as a means of mass communication has, therefore, made mass selling possible. It is perhaps the best known mass communication channel. Marketers and firms engaged in selling their products and services throughout the country and or in other nations are fully aware of the necessity and importance of advertising. As a means of forceful communication, advertising promotes the sale of goods, services, images and ideas through information and persuasion. But one thing may be well understood that advertising by itself cannot sell the product. It cannot sell products of poor quality, products which are too costly, or items which do not come up to the expectations of the consuming public. Advertising only helps in selling.

The simplest definition of an advertisement is that it is a 'public announcement.' In earlier times, to 'advertise' meant merely to announce or to inform. Some advertisements today still do just that: provide information about 'birth,' 'deaths,' 'engagements,' with little or no intention to persuade. The majority of classified advertisements provide useful information about jobs, accommodation, sales of second hand vehicles and furniture, etc. Matrimonial advertisements, recruitment advertisements, and tenders, notices and similar types of public announcement also provide the public with valuable information, which would otherwise be difficult to obtain easily. The earliest advertisements in the first English newspapers published in India in the eighteenth century were little more than 'public announcements' about the arrival of ships and merchandise from abroad.

Basically, then, an advertisement is an announcement to the public of a product, service or idea through a medium to which the public has access. The medium may be print (such as newspapers, posters,
banners, and hoardings), electronic (radio, television, video, cable, phone) or any other. An advertisement is usually paid for by an advertiser at rates fixed or negotiated with the media.

An advertisement is a form of persuasive communication with the public. The communication is usually one-sided, in one direction from the advertiser and to the public. The members of the public are free to respond to it in their own way; the response is at an individual or family level. There is little or no dialogue with the public; advertising forces itself upon the public. At the same time, especially in a democracy with a market economy, such communication is required so that intelligent choices are made.

The American Marketing Association, Chicago, defines advertising as "any, paid form of non-personal presentation of ideas, goods and services by an identified sponsor."

An analysis of each element of this American definition follows:

Any Form: Advertising may be in any form of presentation. It may be a sign, a symbol, an illustration, an ad message in a magazine or newspaper, a commercial on the radio or on television, a circular despatched through the mail or a pamphlet handed out at a street corner; a sketch or a message on a billboard or a poster. Any form of presentation, which an advertiser imagines will fulfil the requirements of an advertisement, can be employed.

Non-personal: This phrase excludes any form of personal selling, which is usually done on a person-to-person or on a people-to-people basis. If it is a personal; to-person presentation, it is not advertising.

Goods, Services, Ideas for Action: It is well-known that advertisements are employed to communicate information about products and services. Most definitions neglect the use of advertising to promote ideas.
Posts and Telegraph Department advertising to promote the use of the PIN code for faster delivery of letters is an example of selling an idea for action. The Income-Tax Department advertising to persuade the income-tax payers to pay their taxes before the due date to avoid default is another case of the application of advertising to ideas involving action.

Appointment ads by corporations and employment agencies, the seeking of donations by charitable institutions and political parties, and election candidates advertising to "sell" themselves to the public are striking examples of advertising being fruitfully employed for a persuasive communication of ideas for action. In fact, in the presidential election in America –a much-advertised and the most lengthy election in the world –candidates do employ ad agencies to sell "The President 1996." This is neither a product, nor a service, but an idea for action. In most social marketing, we advertise ideas for a social cause, may be family planning, prohibition, adult education, etc. The services of ads released by the Loss Prevention Association of India promoting the prevention of losses and the preservation of life are very relevant here. One such ad may highlight the hazards of fire-crackers during Diwali days which may take the lives of children who are somewhat careless. The headline may say: "This year, take that nagging fear out of Diwali days. Teach your children these simple rules of safety.

Openly Paid for by an Identified Sponsor: This means that advertising is openly and directly paid for as against publicity, which is not openly paid for. As it is paid, the sponsor has control over the form, content and scheduling of the ad. The sponsor, too, is identified. The sponsor is identified by his company's name or brand name or both. If, in an ad, the sponsor is not identified and it is not paid for its use of the media in which it has appeared, then the message is considered to be publicity. The publicity material, when prepared, may be paid for by its sponsor;
the newspaper, magazine or radio station that carries it does so free of charge.

Other Definitions of Advertising:

John E. Kennedy who was a Canadian ex-Mountie formerly and was a copywriter at Lord and Thomas Advertising Agency described advertising as "salesmanship in print." (1905). Sidney Bernstein (1990) reinforces Kennedy's definition by describing "advertising as a substitute for the human salesman."

1.1 Advertising as a Tool of Communication:

Advertising is as old as man. There is a semblance of advertising in their activities of a human being, especially those activities which influence others, either favourably or otherwise. A baby crying for its feed, a girl wooing the prince charming, a doting wife desirous of having a new sari are all aspects of advertising. They want to communicate, to persuade, to influence and to lead to some action. All this has been a part of human life almost from the time it took shape. We shall go a step further and state that the persuasive form of communication that is advertising pre-existed human life. Take, for instance, the dancing daffodils or sweet smelling roses which slyly invited butterflies to achieve the objective of pollination. There were fruits, flora and fauna all advertising themselves even before man existed. Yes, but advertising informally is interwoven with nature and the evolution of the world. Padamsee, the ex-CEO of Lintas says: "when a man wears trouser-shirt ensemble instead of a dhoti, he is advertising he is westernised. When a woman wears lipstick, she is advertising that she wants to look beautiful. When a neta delivers a speech, he is advertising "that he wants to be noticed. Ads are parts of human nature to be noticed."

(15)
Perhaps, as a means of formal mass communication, advertising came to be practised by royalty who sent drummers to make an announcement or communicate the will and desires of a monarch to his people.

Advertising, as we understand it today, was not used until about 200 years ago. The form of advertising for the transmission of Information dates back to, ancient Greece and Rome. Criers and signs were used to carry information for advertising goods and services well before the development of printing. Even during the Middle Ages, advertising signs were very extensively used. These signs generally consisted of illustrations of symbols of the products advertised. The upsurge in advertising came after the development of printing. When printing techniques were perfected, and as this industry developed, the signs were replaced by written words or messages.

Advertising has evolved since the industrial revolution as a tool of marketing communication. It is an art as well as a science. It is a career for many. It is rapidly getting professionalized. Competition, growing marketing expenses, product failures, liberalization, globalization emergence of new electronic media has given an impetus to advertising activity

Advertising is the most visible marketing tool which seeks to transmit an effective message from the marketer to a group of individuals. The marketer pays for sponsoring the advertising activity. Advertising, unlike salesmanship which interacts with a buyer face-to-face, is non-personal. It is directed at a mass audience; and not at an individual, as in personal selling.

Though marketers use advertising, basically it is a communication process. Here the advertiser is the source who transmits the message which passes through an appropriate medium like press, TV, radio or
magazines. The message is decoded meaningfully. It is ultimately received by the target audience for whom the product/service is meant. The ultimate aim of advertising is to make the target audience favourably inclined towards the product or service. In that sense, advertising is not ordinary communication but marketing communication. Since it is received by a large number of people, through the mass media it is called 'mass communication.'

Advertising aims at drawing attention to a product. It seeks to create an awareness about the existence of advertised product. It passes on information about the product in such a way that interest is created in the mind of the prospective consumer about the product. Then there is a growing desire to possess the product. There are convincing arguments in favour of the product. All this leads us to a buying inclination.

**The Communication Process**

In marketing communication, there is a transmission of a message from a sender to the receiver. The end result of the communication process is the understanding of a message. The message is transmitted through media or certain channels. The response to the message is known by receiving the feedback from the recipient of the communication. The communication sometimes fails to accomplish its purpose - creation of an appropriate response or understanding when the message is distorted by 'noise' elements. The following diagram illustrates the communication process.

The sender is the source of the message. It puts the message in symbolic form say a letter or advertising copy. It is called 'encoding.' The message is carried by the media, say the postal department or TV
or newspapers. The message is received by the receiver who shows a particular response which is communicated back to the sender.

The message must accomplish three tasks in order to be effective:

(a) It must gain the attention of the receiver.

(b) It must be understood.

(c) It must stimulate the needs of the receiver and suggest appropriate method to satisfy these needs.

Modern marketing is the management of the four 'P's - product, price, promotion and place or distribution channel. In a sense the entire marketing process has a large content of communication. For instance, the product communicates a distinctive image such as youthfulness, glamour or prestige. The brand name communicates physical and psychological attributes of the product, e.g., Dreamflower talc. The package communicates to the consumer what the manufacturer thinks of his convenience and sense of beauty. The price communicates the quality of the product. There are communications between buyers and sellers, i.e., the distribution channel, Thus each element of the marketing mix either helps or hinders communication and ultimately the sales effort. Marketing communication is thus a broader term than promotional strategy. However, the most important element of marketing communication is the planned promotional communication.

The marketing communication mix (also called promotion mix) consists of four major tools:

**Advertising:** Any paid form of non-personal communication of ideas, products and services by an identified sponsor.

**Sales Promotion:** Short-term direct inducements to encourage sales of products and services.
Publicity: Non-personal stimulation of demand for a product/service or business organisation as a whole by putting commercially significant news in media to create a favourable image. It is not paid for by the sponsor.

Personal Selling: For making sales, a salesman interacts orally with the buyer or buyers in the form of a sales presentation.

Public Relations: Marketers engage in public relations to develop a favourable image of their Organisations in the eyes of public, public at large, customers, suppliers, government, media, competitors, shareholders, employees and the society.

Advertising and Personal Selling

Advertising is communication with many consumers of products and service. Communicate with a large group, we put the advertising message through mass media like the press, magazines and TV. Advertising is thus one form of mass communication. Advertising communication is non-personal. We communicate with the buyers through the media. There is no face-to-face conversation. Personal selling is personal communication where a salesman talks person to person with a prospect. Advertising aims at a group, i.e., mass while personal selling aims at individuals. Personal selling is not mass communication but individual communication. These days products are mass produced for mass consumption. It is not possible to contact each customer individually. Therefore, advertising a mass communication tool is a must for modern marketer. But industrial products and complex pieces of machineries can be sold better by personal selling where the salesman is in a position to explain the characteristics I" of the product to the buyer. Salespersons are in a position to tailor their messages
according to unique characteristics of each prospect. In modern marketing, the marketing manager decides a judicious mix of advertising and personal selling. It is difficult to measure the effectiveness of advertising, however salesperson receives immediate feedback during their interacting and can see how their messages are getting across. They may, therefore, adjust the message or presentation quickly.

Personal selling is a very intense means of communication. People may skip an advertisement on TV but find it difficult to dismiss a salesperson. It is the most effective communication tool as it is interpersonal. But this is its major weakness as well as strength. It is terribly inefficient for mass market producers, where advertising a mass communication tool scores over it.

**Advertising and Sales Promotion**

Advertising predisposes a person favourably for a product/service/idea moving towards its purchase. Sales Promotion takes over at this point. It makes the consumer take a favourable purchase decision by providing one or other kind of direct inducement, e.g., discount, price off, gift, coupon etc. Mostly advertising is indirectly concerned with sales. It either informs or persuades or reminds about a product or service. Most of the times, it is indirect in its approach and has a long term perspective, e.g., building up a company image or brand image. Sales Promotion is a short-term approach, a direct approach and expects an immediate response in terms of sales. Sales promotion is an important adjunct to selling. Advertising is more frequent and repetitive than Sales Promotion. "Sales Promotion are non-recurring selling efforts. They supplement the advertising and personal selling. Displays are effective method of sales promotion."
Advertising and Publicity

Publicity is defined as non-personal stimulation of demand for a product/services/business unit by planting commercially significant news about it in a published medium or obtaining favourable presentation of it on radio, TV or stage that is not paid for by the sponsor. Two significant distinctions emerge. Publicity is not openly paid for. Secondly, presentation is not programmed.

Marketers have less control over publicity than they have over advertising. Publicity is left to the discretion of the media in terms of whether to present it or not, contents of presentation and the format of presentation. Publicity may be negative as well as positive.

Advertising and Public Relations

The ultimate aim of Public Relations is to develop a favourable image in the eye public. It refers to a company's communication and relationships with various sections of the public - customers, suppliers, shareholders, employees, governments, media, society at large. PR can be formal or informal. PR, unlike advertising, is personal.

Advertising is not the only form of persuasive communication. Very closely allied to advertising are sales promotion and public relations. In fact both are important parts of advertising, and are often 'managed' by the same people or agencies or departments. All three are vital to the 'marketing' of a product, service or idea.

While advertising is termed 'above the-line' communication, sales promotion may be termed 'below-the-line' communication. The ultimate goal of all three is to sell products, services, reputations, projects,
programmes, people, politicians, beliefs, ideas -indeed everything and anything.

The institute of Public Relations, London, defines Public Relations as "the deliberate, planned and sustained effort to establish and maintain understanding between an organization and its public." Public Relations is low-cost com- pared to advertising, for the publicity obtained, say in the press, through public relations is not directly paid for. Indirectly, the expenses involve keeping in close touch with people in the media through press conferences, press visits and press releases. Besides, media persons have to be 'entertained,' and some of them expect 'gifts' from companies.

According to Edward L. Bernays, the 'father' of Public Relations, and the author of 'Engineering of Consent,' the phrase Public Relations means, "quite simply, the name of the engineering approach, i.e., action based on thorough knowledge of the situation and on the application of scientific principles and tried practices in the task of getting people to support ideas and programmes."

There are four elements to the mechanics of PR:

1. The message to be transmitted

2. An 'independent' third party endorser to transmit the message

3. A target-audience that it is hoped will be motivated to buy whatever is being sold, and

4. A medium through which the message is transmitted.

Advertising and PR are different from the point of view of their objectives. Advertising is an aid to selling and it improves the bottom line of business.
PR, which is the business of image management, cannot replace advertising. Of course, PR can in some way push up sales because it changes the way of consumers perceive the company and hence the product. Advertising and PR are complementary in most cases but sometimes advertising is not necessary. PR can do the job. If a new manufacturing facility is started by a company, it cannot be advertised. A PR effort is more effective.

PR no doubt is valuable. Edit space is far more important than paid ad space. Of course, what has been achieved by PR must be adequately supported by the product and service. If PR is professionally handled, it can achieve benefits for an organisation at a fraction of a cost of advertising.

Advertising has a greater role when we are selling a tangible product. In a service industry, however, PR has a greater role, since the product is intangible.

Advertising and PR can't replace each other. By PR we create a good image. Advertising is necessary to take advantage of that good image for actual selling.

PR has higher degree of credibility since it is not paid for. Advertising, however, creates a brand personality. Only advertisement can add value to a product.

PR has now slowly evolved into an integrated approach called corporate communications.

1.2 Advertising as Marketing Tool

Advertising is the communication link between the seller and the buyer or the consumer. It does not simply provide information about products and services but is an active attempt at influencing people to action by
an overt appeal to reason or emotion. In other words, advertising does not end with the flow of information from the seller to the buyer; it goes further to influence and persuade people to action or belief. This is, however, only the communication point of view of advertising function. There is another way of viewing the advertising function; and that is the marketing point of view.

Each organisation has marketing objectives and a marketing plan to achieve them. An organisation also identifies the segments of the market it intends to serve. In the process of achieving its marketing objectives, the organisation uses several marketing tools. In a study of marketing management, four variables are identified, which are well within controllable limits by the individual organisation. They are popularly known as 4 Ps - Product, Place, Price and Promotion. An ideal mix of these four variables is known as the ideal marketing mix to realise the set objectives. This means that the right product should be developed and offered through a distribution network suitable to the organisation and the target market segment. The product should not be too costly, and should be offered with a suitable promotion strategy. Under promotion, the marketer provides face-to-face communication with individual or a small group as well as mass communication with a large audience by way of advertising. Thus, advertising is a part of the marketing mix under the major variable of promotion.

Advertising as a part of the total marketing mix influences the sale of the product, as do the other variables of the mix. Together with the product or brand, price, channel of distribution and personal selling, advertising attempts to reach the marketing objectives. When a firm introduces a prestige product with a premium price, advertising should reinforce the idea of the high quality and prestige of the product by associating it with prestigious people, places and events. Similarly, the nature of
advertising and the strategy would differ when distribution strategy is through intensive, exclusive or selective outlets.

Advertising should be complementary to personal selling, which is another marketing tool primarily concerned with communication. In personal selling, communication is more effective, for it can be tailored to suit each prospect. Also, personal selling provides flexibility in altering presentation based on the feedback gathered during interpersonal interaction. However, advertising has its own role, and should be suitably designed to support personal selling efforts. In short advertising, being one of the marketing tools, affects the sales of the firm. Right advertising is as essential as the right product, the right price, the right distribution channel and personal selling. This necessarily calls for right advertisement planning.

**Active Participants in Modern Advertising**

There are three active participants (called the three sides) in advertising - the advertiser, the advertising agency and the media. A fourth side has been added now: Public Relations (PR) because PR and advertising operate in harmony. All these four sides are supported by the fifth side of ancillary services. These days a sixth side has also emerged: freelance services.

These six sides of advertising are discussed below:

*The Advertiser:* He can be a manufacturer. He can be a retailer. He can be a distributor. The advertiser may be a public sector undertaking or a popular government. It could be a government department or official body. It can be a voluntary organisation.
The Advertising Agencies: There are about 500 accredited agencies here. They accept the brief from the advertiser, and do a campaign on his behalf. They render useful services like MR, TV film production, positioning, launching of products, packaging, branding etc. They deal with the media, and collect their commission from the media. The agency can be an integrated large agency (like HTA, Lintas), or a medium-size service agency, or a technical specialist agency or a 'hot-shop' group of experts who engage services when needed. have formed associations.

Media Owners: These are publishing houses who bring out t. and magazines. They also bring out weeklies and tabloids. Then ti magazines. There are directories, time-tables and year-books. space. We have broadcast media -radio, TV and films. There a transit advertising contractors. There are organisers of exhibition Fair Authority of India.

PR Consultants: We find them in PR departments of advertising agencies or they operate independently. They have got an Association : Public Relations Society of India.

Ancillary Services: These are needed to produce create advertisements. A whole range of services like the studio service, photographic se service, gift-item producers etc. fall into this category.

Free-lancers: They are generally professionals of a good track record. They may be copywriters, jingle singers, radio announcers, artists, visualizers, technical writers etc.
We have studied advertising from two distinct point of views. As a marketing, advertising is a business approach; but, as communication, it is a creative approach. Advertising is the product of these two distinct approaches. The business approach comes from the business mind, whereas the creative approach comes from the operation of the creative mind applied to the advertising function. The business mind is concerned with sales and profits, whereas the creative mind is concerned with the artistic and intangible field of communication. In recent years, there has been a growing awareness of the effectiveness of advertising. This refers to a system of feedback to eventually determine the effectiveness of advertisement efforts. The principles of why and how advertising succeeds or fails must be evolved to make advertising a more useful market tool. This is nothing but introducing the research approach in the total function of advertising. Without feedback, advertising is like firing in the dark at a moving target with a high-powered and expensive rifle without really finding out whether the target was hit or not. With the introduction of advertising research, advertising has now become a profession fulfilling the important requirement of having a high degree of generalised and systematic knowledge derived from experience, experiment and empirical analysis and research. Advertising recently has been recognised as an important function in the organisation, and an increasingly larger number of professionals are employed in the newly-formed full-fledged department of advertising and publicity. Not only this, but a large number of advertisement agencies have come up, and the advertising function has now come to be viewed by others with respect.

We have now an advertising billing worth Rs. 5,000 crores. Along with this growth, the question of professionalization becomes relevant. What have we done to professionalize? Our score-sheet is poor in many
respects. Though there is Advertising Standards Council, its code has not been accepted voluntarily by all agencies. The training in advertising is still not to the desired extent and level. Very few academic institutions offer a full-fledged course in advertising.

In Mumbai, which is Mecca of advertising, excepting a few seminars and workshops, there is only one full-time post-graduate course in advertising having a broad-based syllabus. Yes the management institutes have a paper in advertising, under the marketing specialisation, but that is far from sufficient. Basically, marketing course makes students good account executives, media planners and advertising managers in companies. But they do not make you creative advertising people.

In spite of this, advertising as an art and science has definitely taken rapid strides. It has improved -thanks to colour printing and processing, creative copy writing, brilliant thematic handling etc.

Advertising industry itself has become competitive. It has given rise to specialised advertising agencies like advertising agencies handling shares and securities (e.g., Pressman, Sobhagya). Advertising industry has also started using MR as an essential input.

Media selection has become much more professional. However, still we need more national readership surveys (NRS) on a continuous basis.

Is Modern Advertising Informative?

Our buying these days is a carefully thought-out process, except when we buy some paltry things like hair-pins, shoe-laces, salt, and vegetables. We do budgeting for our major purchases. We also do window-shopping before final purchase.
Sometimes the buy is a life-time thing. Sometimes it is going to be a gift that will be cherished always by the receiver. When leisurely and expensive purchases are to be made, advertising over a period of time which explains the plus points of the product comes handy.

We require detailed information about a central heating system, an air-conditioner, a new car, a cooking range, a refrigerator, a sewing machine or a washing machine. All these are consumer durables, going to last for a long time and infrequently bought. The advertisements for these products are less dramatic but more informative. Informative advertisements can be made interesting and convincing. The appeal is quieter. These advertisements generally invite a reader to seek more information through a brochure later.

There are advertisements which are persuasive only with no facts and figures. There are advertisements which are informative only, but not appealing much. Mostly advertisement should fall between these two extremes. Advertisements for specialities like medicines might be totally informative as they are meant for doctors. Persuasive advertisements generally are put on TV, and the popular press. Informative advertisements appear in magazines and week-end supplements of newspapers. They are put in a more durable media.

Some informative advertisements create a mood favourable towards a product. We call them soft-sell (as opposed to hard-sell). Cigarettes are sold this way. The advertisements promote leisure and pleasure activities and associate them with their products.

One more version of informative advertisement is to present it as editorial matter, indistinguishable from the real editorial matter. The words 'advertiser's announcement' appear in fine print at the bottom of the advertisement. This is called 'reader advertisement.' Reader's Digest contains many such advertisements.
In these advertisements, we find that the appeals used are rational. These days visualisation of even informative advertisement has been improved. Industrial photography also helps these advertisements a great deal. The late Mitter Bedi was an ace industrial photographer. However, to explain the functioning of an equipment, a sketch drawing is the best. Some of these advertisements, say for computers and two-wheelers, have started a compare-and-contrast method of advertising. Here the advertiser's product is compared specification by specification with the competitive product to prove his product's superiority.

In India these days we see lot of informative advertisements for photocopiers and gensets. Here cost comparisons are also made.

For a product like wall-paint sometimes only a colour spread with a logo at the corner is used as a visual. Jenson and Nicolson has used this effectively. So informative advertisements of Goodlass Nerolac and Asian Paints stand in sharp contrast to a verbless visual of J & N. You will appreciate paint as a product is consumed at once on application to a surface but remains with us for a few years. You can see the brand name on a fridge (say Kelvinator) but not so with the paint.

Places are also sold on the basis of information these days. Thus all the advertisements of star-hotels (whether 5-Star, 4-Star or 3-Star) and tourist places like Goa and Kashmir are wordy and informative.

We have just now advocated the necessity of competitive advertising, which means objective listing of facts about products and brands. Up till this, nothing is objectionable. The problem arises when firms indulge in an exaggeration of the advantages of their product and hide product weaknesses. They do make use of emotional appeals in seeking public favour. It is here that the critics make a frontal attack on the usefulness of advertising. They criticise it on the ground that it is totally irrelevant, for it promotes subjective satisfaction, and is, therefore, a wasteful
activity. They contend that such advertising only adds to the cost of the product, for which the poor consumer has to pay. Here, again, we can only say that, for many products, particularly fashion consumer goods, it is not enough to convey an objective listing of facts, because they do not convey consumer needs of style and glamour. For instance, a listing of the facts about a cosmetic item, giving the ingredients used, their chemical composition and percentage mix-up, etc., will not help a woman in buying a particular brand of cosmetic. She wants to be attractive and glamorous by using them. When she buys a lipstick, she is not buying something made of dyes and chemicals; in fact, she is buying a hope of looking beautiful and attractive by using this lipstick. The advertising of such products has to make use of emotional appeals to provide for the required emotional gratification of the consumers.

Advertisements of harmful products, such as cigarettes and alcohol, are criticised on the ground that this advertising is unnecessary. Here, again, we may argue that advertising per se has been confused with the harmful product as such, which alone is to be criticised. Cigarette smoking and alcohol consumption are bad, but not their advertising. Cigarette ads and alcohol ads are bad but not the advertising which is nothing but an activity, a discipline and a profession. Arguing on similar lines, it is possible that some isolated ads may be bad, wasteful, irrelevant, making exaggerated claims of product benefits, or misleading; but advertising as such cannot be blamed for this. It has its useful role to play in society and is necessary for its growth. We may blame advertising professionals for bad ads because it is these professionals who have made use of advertising as an effective tool for a bad purpose.

Today, it is advertising which helps launch new products, new technologies, making indigenously manufactured products acceptable against imported ones. It has now been accepted as an essential input
in the industrialisation and development of our society. Recall one of the recent corporate image building ads issued by Voltas with the headline: "This, too, is Voltas," which has this subhead: "mass marketing- to give you a better choice." It explains: "Voltas is one of the biggest corporations in the country. It has grown through mass marketing. Voltas believes that it is socially purposeful to provide relatively low cost but high quality products to millions of consumers, so that they may have a better choice of food products, beverages, vitamins, medicines and other necessities." In other words, mass marketing is necessary; and advertising makes it possible.

1.4 Advertising - A Powerful Tool

Most of us feel that advertising is, after all, for the marketer, a powerful persuasive tool for creating a demand for his product. Consumers apparently feel that they have nothing to gain from these advertisements. Most of us do not have cent percent faith in the correctness of the advertising message. We have some sort of predetermined impression that advertisements are exaggerations, highlighting the benefits of the product which are not too important while concealing the drawbacks which are more important. In short, we do not take any advertisement message seriously and have stereotyped reaction to almost all the advertisements. The basic purpose of advertisement to communicate effectively with the target market itself is not achieved.

Some economists have argued that advertising creates product differentiation, as a result of which demand becomes increasingly inelastic; that, in fact it does nothing but to replace price competition, by advertising. It is possible that the gain in eliminating price competition by covering a market segment for the advertised product may be much
more than the expenditure incurred on advertising. Large firms have the
d power of huge money; they spend it on advertising, particularly when
they introduce a product with a varying differentiation, which enables
them to capture a substantial market. Not only in such pre-empting of a
market possible; but such advertising has the power to create a barrier
for new firms or a product to enter the market in competition. The result
is that big companies continue to enjoy a large market share in a
monopolistic competitive situation, getting high prices and high profits
which, again, enable them to spend huge sums on advertising. And so a
vicious circle develops.

The power of advertising is so great that some authors have argued that
it deprives consumers of their discretion in the market place and makes
it possible for suppliers to manage demand. John Kenneth Galbraith, in
his monumental work, The New Industrial Estate, has observed:

"The control or management of demand is, in fact, a vast and rapidly
growing industry itself. It embraces a huge network of communications,
a great array of merchandising and selling organisations, nearly the
entire advertising industry, numerous ancillary research, training and
other related services, and much more. In everyday parlance, this great
machine and the demand and varied talents that it employs, are said to
be engaged in selling goods. In less ambiguous language, it means that
it is engaged in the management of those who buy goods."

In this criticism of advertising, economists assume that market response
is directly proportional to the amount spent on advertising. The bigger
the advertising budget, the greater is the market manipulative power
available with the marketer. Another assumption is that advertising is
too expensive, not really within the capacity of other medium and small-
size firms. The third assumption that once a company or firm takes the
lead, others are forbidden and cannot take away or snatch the market from it.

Let us examine these assumptions one by one. No doubt market response has a relationship with the dose of advertising; even so, advertising alone is not the only cause of the response. There are other equally important criteria which affect the buying decision. These are product quality, price, its availability and sales promotion. On a longer basis, therefore, advertising may be blamed for decreasing competition; but certainly not on a permanent basis. The assumption that advertising is too expensive cannot withstand a critical analysis. Due to technological advancement and the development of various media, advertising is commonly used by manufacturers and marketers.

It is evident, therefore, that though the criticism of advertising may be occasionally justified in the short period, it cannot be sustained on a regular basis. No doubt, advertising helps in building up the reputation of a particular brand; but it is not advertising alone, it is product performance that also matters. Yes, advertising does enhance the value of the product to its consumers to a good extent, if it is properly done. It influences the perception of consumers about the product and creates a desire to buy it. But this would happen only if consumers believe in the benefits promised in the advertisement of the product and its usage confirms their belief. This is the way advertising helps in value addition to a product or services.

1.5 Advertising - A tool for Consumer Welfare

Martin Mayer, in his book Madison Avenue, USA has stated that advertising adds perceptual utility as manufacturing adds form utility, transportation adds place utility and warehousing adds time utility.
Advertising is useful for buyers -for both consumers and industrial purchasers. It provides them with news of new products, their prices, new development research. It increases competition rather than reduces it, as many critics claim. Above all, advertising, being a creative work, brings out art work of the finest quality and design, having enough aesthetic appeal to million of eyes, though much advertising is routine and does not fall in this category.

Finally, talking about the social influence of advertising, we may observe that it cannot change values. It simply reflects the value system of a society; it does not create it. It simply responds to the prevailing value system. The advertiser has to know very minutely the attitudes, beliefs and motives of the target audience. He then selects appropriate media, advertisement messages, etc. Advertisers are keenly interested in favourable responses from the target audience; and these would be possible only when they offer, in the form of advertisements, products and services fully fitting into the value system of the audience.

Advertising promotes consumer welfare by encouraging competition and leading to improvements in product quality and reduction in price for him. In the words of Neil H. Borden: "Advertising's outstanding contribution to consumer welfare comes from its part in promoting a dynamic expanding economy."

1.6 Role of Advertising in Modern Business World

Advertising is primarily a means by which sellers communicate to prospective buyers the worth of their goods and services. Advertising is not a game, toy or a racket. It is a basic tool of marketing for stimulating demand and for influencing the level and character of the demand. It has economic, social and psychological functions.
Economic Function: All that advertisement has to do is to sell a product or service. This the advertisement accomplishes by communicating properly and effectively, by communicating to the right people, by communicating the right message, put across through brilliant and persuasive language making use of appeals to different human motives. Advertisements sometimes do the sales job in a subtle and indirect manner. They incline us favourably to the products, they affect our attitudes So advertising performs the economic function by being an art of persuasion. It also is helped by a science of layout, visualisation, print reproduction, special effects on films etc. Advertising has created wide markets. Sales information is conveyed to millions of people far and wide. This makes mass production and mass distribution possible. Advertising establishes a direct rapport with the buyer, with no middlemen in the way.

Advertising is a subject of study in journalism, mass communication and management schools. It is a profession which employs both creative and non-creative persons – persons as account executives, media planners, art directors, administrative heads, copywriters etc. It indirectly gives employment to a host of other functionaries like commercial artists, media employees, studio people, free lancers, street-walkers and talkers, radio and TV announcers, jingle singers, video production unit and what not. Advertising is also an economic process - it helps the products to become known, to facilitate ultimately an exchange between those who need the products and those who can satisfy this need. Advertising is in fact apart of marketing mix consisting of Four Ps (Product, Price, Promotion and Place).

Advertising not only markets the products, but also a corporate ethos, a corporate philosophy by giving memorable corporate stories reaching deeper into the public psyche than a bare recitation of performance statistics.
Social Function: Advertising has affected not the core cultural values but the subsidiary cultural values. For example, to get married is a core cultural value. Advertising cannot effectively change it by telling people that you do not marry. Yes, to marry late and not at an early age is a subsidiary cultural value. Advertising can definitely affect it. It can persuade people to marry late.

Advertisement is a mirror of the society in which it operates. It reflects the cultural values of that society.

Some argue that advertising debases our cultural standards. There are many factors which affect culture and get affected by them - schools, colleges, families, museums, churches etc. Successful advertising is consistent with the cultural values of a given society. Yes, it can transfer some cultural values of one society to another society at a given point of time. Its cross-cultural impact will depend upon the universalization of appeal.

Advertising has improved our standards of living. We realised how comfortable we could be in presence of AC, pressure pans and cookers, compact discs (CDs) and music systems, autos and two-wheelers, polyesters and pop-corns, ball-point pens and antibiotics. We used these articles after getting interested in them through advertising. We’ve accepted some new ideas like micro-wave cooking, electric shaving, bucket washing through detergents etc. through advertising. Advertising has created new markets. It has contributed to our standard of living substantially.

Advertising invests a new product with confidence - confidence about its function, quality, price and availability. Advertising promises a quality, and forces manufacturers to live upto the promised quality. So advertisement brings about consumer welfare by two-fold method:
1. By improving standard of living.

2. By improving product quality.

Advertisements for social causes like cancer prevention, anti-dowry campaign, family planning etc. make us socially responsible.

Advertising protects the consumers by educating them and by forcing the manufacturers to maintain a quality and be fair.

Advertising respects the ethics of the prevalent society.

_Psychological Functions:_ Advertising is closely linked to consumer behaviour. So it affects personality of the consumer, his concept of self, his attitudes, beliefs and opinions, his life-cycle and life-style etc. Advertising appeals to our physiological and psychological motives. Its appeals may be rational or emotional.

_Advertising is an icon of our times:_ Advertisements are not mere sellers. They reflect the contemporary society. Whatever is used in the society is reflected in advertising. Women are used not only as sexual symbols in advertisements: there are others - beds, bathroom fittings, cars and what not. Yes, the use of woman’s anatomy in a childish manner is a transitory phase which we will soon grow out.

_Role of Advertising_

Advertising is an-all pervasive facet of most growing communities. It has important consequences for the advertisers who use it and for individuals who are exposed to it. However, its continuous controversy. The following aspects illustrate the basic purpose of the advertising.

_Communication With Consumers_

There is an increasing need for information about a wide variety of products as the economy expand and grows more complex.
communication between manufacturers and other organisations providing services or trying to put across ideas and concepts, on the one hand and customers, buyers and potential acceptors, on the other. Advertising is a reminder to the existing consumers and it aims at cultivating new prospects as well. Advertising has, therefore, been described as 'effective communication' with the target audience.

**Persuasion**

Advertising attempts to persuade prospective buyers to buy a product/service. According to Clyde Miller, all success in business, industry and similar activities depends upon the process of planned persuasion. In modern markets the producer who is content with advertising that merely identifies or informs may soon find himself in a vulnerable position. The consumer should be a war of the advertiser's persuasive interest, no matter how restrained or informative the message may be.

**Contribution to Economic Growth**

Advertising contributes to economics growth by helping to expend the market, particularly for new products, and by helping to develop new segments. A company which invest in research and development in order to develop new products has to depend a great deal on advertising for establishing the market for these products. In the board social context, advertising can be a motivating factor for the less privileged as they may be induced, to some extent, to make additional efforts and seeks opportunities for the increasing their purchasing power. Advertising is also a potent vehicle for achieving acceptance of desirable and useful concepts and ideas where the profit motive is minimal or missing altogether. This may be seen in the case of non profit objectives, such as preventive aspects health, developing the small-family norm aspects of public health, developing the small-family
norm especially in over populated countries, dissuading drunken driving, and so forth.

**Catalyst for change**

Creativity inherent in advertising leads to the discovery of new relationships that can change the perception of a prospect. Two aspects are of special significance: the originality of the message communicated, and the eventual effect on consumer's standards of living. the ability to bring about changes comes from originality, ingenuity, innovation and imagination in advertising. This may be seen in promoting new products and ideas, as well as in the up-grading of products/ brands used by consumers. The contribution of advertising in bringing about a change is of special relevance to developing countries.

**Benefits of Advertising**

Given the broad perspective of the purpose of advertising, given above, it will be useful to refer to direct or perceived benefits of advertising which include the following.

**Information**

Consumers need information about various goods and services. Due to ignorance, a consumer may purchase an inferior product, pay higher prices or even not know that the product exists. Information given in an advertisement could be about the company and its products or services. The advertisements for Zenith refrigerator, introduced in India in 1980, for example, incorporated details regarding the product feature. The inclusion of a water-cooler in the refrigerator was emphasised. It was highlighted that this facility was available only in this brand of refrigerator. Having a tap outside eliminates the need for opening the door of the refrigerator frequently, considering the usage of cold water in a tropical country like India.
Brand Image Building

Very often advertising is used to build a brand image. Images are mental pictures of brands that may appeal to different segments of the target audience in varying degrees. These may have their origin in real or assumed features. The images projected are geared to match the needs and expectations of the target audience. Favourable images will help in generating brand loyalty and a disposition to buy that brand in preference to another. Certain advertisements of toilet soaps in India aim at image building through opinion leaders. A well known campaign of long standing for Lux toilet soap uses film stars. The campaign for VIP travel luggage seeks to achieve the objective of attributing a superior image through the association to the product with affluent foreign nationals in a series of 'VIP' interviews.

Innovation

Advertising is seen to perform this task most effectively for new products. In a way it reduces the risk of innovation. The cost of innovation can be more than recovered by the sales which advertising may generate and this encourages manufacturers to undertake research and development. New brand launches seem to abound in the toiletry, cosmetic, pharmaceutical, confectionery and tobacco markets which are usually characterized by heavy advertising. At the same time, it must be pointed out that advertising does not guarantee the success of all new products.

New product Launch

Various strategies, including advertising, are employed to make potential buyers aware of new products. The term 'new product' may include modifications of existing products, imitations of competitive products and product-line acquisitions. Advertising can be used to
promote new products and to call attention to changes in old products. Advertising for the soft drink concentrate under the brand name Rasna was aimed at enhancing the awareness of the product and creating a favourable disposition towards it.

**Growth of Media**

The acceptance of advertising enhances the potential for raising advertising revenues. This in turn helps the launching of new publications and expanding the media. This development its characteristic of the Indian media scene in recent years. A number of periodicals and news-papers have been launched during the seventies and this trend continued through the early eighties.

**Long-term and Indirect Benefits**

Advertising is a feature of free competitive enterprise and can be a contributory factor towards greater availability of goods. It increases distribution not only of the advertised products, but of other products as well. Advertising helps to reduce the cost of goods sold to the consumer. The coast of production and selling are lower when goods are produced and sold in larger quantities. It is also an important factor in product improvement. Advertising helps to make the commonplace emotionally more satisfying. This may apply for instance to consumers of Lijjat papad who may derive satisfaction out of buying an advertised product, or for that matter, users of perfumes and lipsticks where association with advertising may be instrumental in reducing dissonance.

**Role of Advertising in the Marketing Mix**

Advertising effort must essentially be integrated with the rest of the marketing plan. It is a part of the total marketing mix and has a supportive relationship with its various components. The need to co-
ordinate advertising activities with other parts of the programme may be seen in the following features of the interaction of advertising with other components of the marketing mix.

**Personal Selling.** A salesman can point out to customers how his company's products fit their needs. It is also necessary to undertake selling to channels of distribution by pointing out that dealing in the company's products can contribute to their net profits. The salesman treats each customer as an individual and tunes the message to increase its receptiveness to an existing or potential customer.

Personal selling and advertising have to work together. Advertisements in magazines and news-papers may provide leads and enquiries which salesmen can follow. Similarly, a salesman may bring to the attention of his company's dealers the help they receive in their marketing efforts from advertising. Advertising is designed to appeal to large audiences and its advantage over personal selling lies in the cost. An advertising exposure coast much less than personal selling.

**Product Planning.** Product planning has an important place in the marketing mix. Recent strategies in the product-planning area have been directed towards manufacturing better products and bringing about improvement in existing ones. Consistent efforts are being made to improve the quality of products, increasing their variety and also for devising new uses for them. Rapid changes in technology and myriads of innovations have made product planning a complicated task. Advertising highlights the superiority of a firm's brands or products over other brands or products and also seeks to enhance awareness and knowledge of new uses.

**Brand Policy.** The brand provides to the customer a certain guarantee and assurance that the quality of the products is satisfactory as the brand name connotes accountability. To the manufacturer it represents
a means of gaining customer loyalty by building a consumer franchise around his particular brand. Advertising decisions are affected by a company's brand policy. For example, a company or a group of affiliated companies may produce several products, all under a family or company name. The Modi group of companies manufacture a number of products including tyres, textiles, paints and carpets and 'Modi' is the common brand name used for all products. In other cases, advertising may cover an entire product range with special attention given as and when required. The 'VIP' luggage manufactured by Blow Plast Limited has several varieties which are marketed under its sub-brand names, Travelite, Classic, Solitaire and Jetstar. Bajaj products are marketed under the corporate brand name 'Bajaj' which has come to acquire a certain standing in the market and the company considered it important to continue this policy. This may be seen in the introduction for bicycles under the Bajaj brand name in 1982.

Advertisements for Surf in a highly competitive detergent powder market illustrate brand reinforcement policy by highlighting perspectives of a housewife and a mother. The emphasis is on self-washing, apart from the quality of the wash.

**Price.** One of the major considerations in determining price should be its role in achieving the targeted sales of the product. Sometimes price may not make much difference to sales as in the case of essential commodities where the demand is inelastic in relation to price. In the case of some products, it may even be possible to achieve higher sales at a higher price. For example, in the case of premium varieties of cosmetics, quality-conscious consumers may not be convinced of the quality of a brand or product if it is priced low. When a firm develops a prestige product at a high price, advertising emphasizes its high quality, image and prestige.
Packaging. Packaging is also an important part of the marketing mix, although its importance varies with the type of product. For many products, packaging is one of the most powerful aids to selling as there is constant competition for the customer's attention. In the case of products such as toiletries, cosmetics and confectionery, it is of prime importance that packaging should be attractive. It is one of the factors which can influence sales considerably. In such cases, packaging serves as an advertisement for the product by emphasizing not only the contents but the containers as well. A typical Nescafe jar with its yellow top is prominently featured in the Nescafe advertisement.

Distribution. The role of advertising includes provision of support to distribution channels in a large measure. It is through advertising that the 'pull' effect may be created amongst potential buyers. This, in turn, will motivate the channels to stock the product in anticipation of a smooth and speedy offtake.

Promotion and displays. Sales promotions can be used to increases sales to wholesalers, retailers and, through salesmen, to consumers by offering premiums, concessions, coupons and prizes and by window displays and special deals. Premiums and 'point of sale' displays are also widely used in consumer-oriented promotions. In cases where coupons, premiums and the like are used, announcements of these schemes made to consumers through the mass media generate a great deal of interest and have a high attention-getting value.