CHAPTER – III
RESEARCH METHODS

3.1. Introduction

Advertising management has become a prominent organizational activity in public and private corporate houses in India and abroad. Advertising is practiced with a view to establish and maintain corporate reputation in modern times. Corporate advertising has become more research-oriented in recent years all over the world. The primary objective of the present study, as has been made clear in the previous chapter, requires investigating the role of advertising in corporate image building with respect to select public and private corporate houses of Bangalore city. This chapter enumerates the contemporary advertising research, hypotheses of the study, study variables, study area and selection of sample, research design, development of tools, primary data collection techniques, secondary data collection techniques, computation of data, statistical analysis, reliability and validity of data, limitations of the study and definitions of the terms used in the study.

3.2. Contemporary Advertising Research

Basic research in corporate advertising creates knowledge that cuts across organizational communication situations in modern society. It is required to examine the underlying processes and construct theories that explain the corporate advertising process. Introspective research also examines the field of corporate advertising systematically in very many ways. Applied research examines specific practical issues and that it is done to solve a specific problem. Strategic research tells modern organizations as to where they should be in the future and how to get there. Evaluation research is done to assess the effectiveness of corporate advertising practices in modern organizations.

Corporate advertising is a promotional strategy that is designed to not only interest consumers in products and services offered by the company, but also to cultivate a positive reputation among consumers and other stakeholders within the business world. The focus of corporate advertising is on the company itself, with the attention to the products produced by the corporation being a byproduct of the advertising effort. This type of corporate marketing is often employed along with advertising campaigns that are directly focused on the goods and services produced by
the company. Corporate advertising has become an important tool of customer relationship management in the new millennium.

The trend toward corporate advertising research is continuing. Researchers have commonly agreed that scientific evaluation is an integral part of corporate advertising management. Systematic evaluation of the status, problems and prospects of corporate advertising enables the practitioners to adopt the tested and tried practices which benefit the organizations and consumers in this age of competitive business. Several studies have revealed that corporate advertising theory and practice should be perfected on the basis of meaningful basic and applied research techniques. Today, several methods such as historical study, survey research, observation, content analysis, experimental research, case study etc., are widely employed in the field of corporate advertising.

In the modern society different research methods such as surveys, personal interviews, participant observation, content analysis and focus groups are prominently used for the purpose of corporate advertising research. Scientific evaluations are primarily made to improve the customer relationship management in a corporate set-up. Formal and informal research methods are used to study the effectiveness of corporate advertising in modern organizations. The more formal methods of research provide objective and systematic information from representative samples. These methods include the familiar survey, tracking study, content analysis, secondary analysis of existing data and panel studies. Some more common informal methods used in corporate advertising research are personal contacts, expert opinion, focus groups, community forums, call-in telephone lines, mail analysis and examination of media contents. The major problem associated with these informal techniques lies in the selection of the respondents. The representativeness of the samples is often questionable.

The corporate advertising audit is a comprehensive study of the strengths, weaknesses, opportunities and threats of corporate advertising practices of an organization. Such studies are used to measure a company's standing in the business environment concerned. The consumers constitute the important segment of corporate advertising research. The communication audits evaluate the internal and external means of communication used by an organization rather than the organization's entire corporate advertising programme by making use of readership surveys, content analysis and readability studies. The social audit is a small scale environmental
monitoring programme designed to measure an organization’s social performance - i.e., how well it is living up to its public expectations, obligations and responsibilities. Evaluation research refers to the process of judging the effectiveness of programme planning, implementation and impact. Corporate advertising professionals are relying more on the techniques of social science in their evaluation efforts.

In this age of competitiveness, modern organizations cannot achieve their goals without effective corporate advertising intervention for image building, reputation management, customer relationship management and business management purposes. Hence, these organizations are relying upon corporate communication professionals to reach out to constituent publics, to enter into the good books of constituent publics, to enlist active participation of constituent publics in the process of organizational development and sustain organizational development by obtaining the patronage of constituent publics. The effectiveness of corporate advertising is measured by the researchers. Systematic research is the foundation of effective corporate advertising. Hence, corporate advertising research assumes great significance in the present times since it provides scientific insight and inputs which would ultimately enrich the corporate image and reputation of modern corporate houses.

3.3. Hypotheses of the Study

The present evaluation was carried out by the researcher on the basis of the following set of null hypotheses:

H1. The management does not have a positive attitude towards corporate advertising.

H2. The management does not have a healthy perception about corporate image building.

H3. The corporate houses have not utilized appropriate tools of advertising for corporate image building.

H4. The corporate houses have not utilized suitable channels of advertising for corporate image building.

H5. The advertising services of the corporate houses have not served the purpose of corporate image building.
3.4 Study Variables

Keeping the above hypotheses in view, the following variables were selected for the present study on the basis of review of literature and discussion with subject experts.

3.4.1 Independent Variables

1. Gender
2. Age
3. Education
4. Occupation
5. Income
6. Public/Private Undertakings

3.4.2 Dependent Variables

a. Attitude of the management towards corporate advertising
b. Perception of the management towards corporate image building
c. Appropriateness of corporate advertising tools
d. Suitability of corporate advertising channels
e. Impact of corporate advertising on customers

3.5. Locale of the Study and Sample

Table 3.1: Distribution of the Sample

<table>
<thead>
<tr>
<th>Sl. No</th>
<th>Organizations</th>
<th>Top Management</th>
<th>Middle Management</th>
<th>Lower Management</th>
<th>Customers</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Bharat Earth Movers Limited (BEML)</td>
<td>25</td>
<td>30</td>
<td>45</td>
<td>80</td>
<td>180</td>
</tr>
<tr>
<td>2.</td>
<td>Bharat Heavy Electricals Limited (BHEL)</td>
<td>25</td>
<td>30</td>
<td>45</td>
<td>80</td>
<td>180</td>
</tr>
<tr>
<td>3.</td>
<td>Karnataka Power Corporation Ltd (KPCL)</td>
<td>25</td>
<td>30</td>
<td>45</td>
<td>80</td>
<td>180</td>
</tr>
<tr>
<td>4.</td>
<td>Grandi Mallikarjuna Rao Group (GMR)</td>
<td>25</td>
<td>30</td>
<td>45</td>
<td>80</td>
<td>180</td>
</tr>
<tr>
<td>5.</td>
<td>Royal Philips Electronics (Philips)</td>
<td>25</td>
<td>30</td>
<td>45</td>
<td>80</td>
<td>180</td>
</tr>
<tr>
<td>6.</td>
<td>Biocon</td>
<td>25</td>
<td>25</td>
<td>50</td>
<td>80</td>
<td>180</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>150</td>
<td>175</td>
<td>275</td>
<td>480</td>
<td>1080</td>
</tr>
</tbody>
</table>

The respondents primarily comprised of top management (150), middle management (175), lower management (275) and corporate customers (480). Prominent public and private corporate houses of Bangalore city such as - Bharat Earth Movers Limited (BEML), Bharat Heavy Electricals Limited (BHEL), Karnataka Power Corporation Ltd (KPCL), Grandi Mallikarjuna Rao Group (GMR),
Royal Philips Electronics (Philips) and Biocon were selected for the purpose of understanding the role of advertising in corporate image building. The representatives of personnel (600) and customers (480) were selected on the basis of stratified sampling technique by the researcher. The representatives of the management were drawn from among the top management, middle management and lower management. The representatives of the customers were drawn from among the public employees, private employees, businessmen and housewives in the study area. All these respondents were competent enough to share their first hand experience on the role of advertising in corporate image building in the present times. Primary data were collected from 1080 respondents on the basis of structured questionnaire, interview and observation methods. An exhaustive and intensive study was not possible because of large numbers, time and resource constraints.

3.6. Research Design

The major objective of the present study was to understand the role of advertising in corporate image building in select public and private corporate houses of Bangalore city. With this objective, the present study was planned and conducted in three stages. In the first stage, a pilot study was conducted in order to examine the feasibility and appropriateness of the tools and procedures of the study. In the second stage, interview schedules were developed and perfected in order to collect authentic primary data from the representatives of personnel and customers of select corporate houses. In the third stage, appropriate scientific statistical analysis procedures were followed to ensure systematic data analysis and interpretation. Overall, the present study approached the problem through a systematic survey method which is tested and tried in the field of mass communication and journalism.

3.6.1 Method of Study

Primary data were collected through structured, organized and standardized interview schedules which were administered to the representatives of personnel (600) and customers (480) in 6 leading public and private corporate houses of Bangalore city. In addition to interview, informal discussions were also held with the authorities who directly dealt with corporate advertising management and corporate image building exercises.
3.6.2 Pre-Test

Before administering the interview schedule to the final respondents of the study, a pre-test was conducted in the Bharath Earth Movers Ltd, Mysore City, a non-sample area. Some corporate personnel and customers were invited for the purpose of conducting interview and filling the interview schedules. The contents of the interview schedules were subjected to suitable changes and modifications in order to avoid ambiguity and inconvenience in the light of pre-test.

3.6.3 Other Methods

Besides survey method, non-participant observation, informal discussions and secondary data analysis were also followed by the researcher. The entire study was exploratory in nature. Several ideas which emerged during the course of discussion and consultation with the experts, educators, practitioners, policy makers, implementers, activist and others interested in the corporate advertising management were suitably incorporated into the research designed. Therefore, research methods were designed on the basis of flexibility, appropriateness, feasibility, adaptability, empirical evidences and professional considerations.

3.6.4 Duration of the Study

The study was carried out during 2006-2012 on the basis of survey research and case study methods. The study is basically empirical by nature and there was no need to undertake any kind of qualitative analysis since the topic does not demand it.

3.7 Data Collection

Primary data was gathered by administering the interview schedules to the representatives of corporate personnel and corporate customers of select corporate houses of Bangalore city. Stratified sampling technique was used to select the subjects. Further, the study was conducted in two phases. In the first phase, general information regarding the profile and performance of public and private undertakings understudy were collected from the subjects of the study. In the second phase of the study, the standardized interview schedules were administered to the respondents in order to understand the role of advertising in corporate image building in these select corporate houses.

The present study was also systematically carried out on the basis of relevant secondary data such as, annual reports of select public and private undertakings, articles of professional journals, proceedings of national and inter-national seminars.
and conferences, media reports and other publications related to the research topic. These sources also contained authoritative comments and criticisms on various aspects of advertising management and corporate image building with special reference to the subject concerned. The writings which were found from all these sources were also systematically analyzed for the purpose of gathering additional authentic information on the role of advertising in corporate image building in the study area.

3.8. Computation of Data

The primary data gathered from the survey on the role of advertising in corporate image building with reference to select corporate houses of Bangalore city were consolidated and computed by using descriptive analysis which consisted of frequency counts and percentage distribution which revealed the relationship between the independent and dependent variables considered in the study.

3.9. Statistical Analysis

The study being descriptive in nature, no parametric statistical tests were involved to draw inferences based on the sample results. The interpretation of the chi-square and contingency table analysis justify the assumption of independence which was primarily carried out at the 0.05% level of significance. A brief description of the statistical tests applied given below

- **Frequencies and Percentages**

  The Frequencies procedure provides statistics which are useful for describing many types of variables. A perusal of the primary data collected on role of advertising in corporate image building at public and private sector undertakings of Bangalore city clearly suggests the application of the frequencies procedure which is an appropriate statistical test.

- **Chi-square test**

  The Chi-Square Test procedure tabulates a variable into categories and computes a chi-square statistic. This goodness-of-fit test compares the observed and expected frequencies in each category to test either that all categories contain the same proportion of values or that each category contains a user-specified proportion of values. In the present study chi-square test was applied to find out the significance of difference between frequencies of various responses under each statement, tool or channels of communication.
• Contingency Table analysis

The Cross tabs procedure forms two-way and multi-way tables and provides a variety of tests and measures of association for two-way tables. The structure of the table and whether categories are ordered determine what test or measure to use. In the present study contingency table analysis was applied to find out the association between independent variables like age, gender, educational qualification, professional status, income and so on with the responses obtained (5 point scale) under each statement, tool or channels of communication. All the statistical calculations were done through SPSS for Windows software (Version 11.0). (SPSS, 2000, SPSS for Windows (Ver.11.0). New York: SPSS Inc.)

3.10. Operational Definitions

• Communication

Communication is a basic human need. It is the lifeblood of all modern organizations. It is a critical factor in the processes of personality development, organizational development, community development, national development and so on. It is also a key to the door of information, education, entertainment, participation and progress. Thus, communication essentially means transmission of information, education and entertainment. The process of communication includes - source, message, channel, receiver and effect.

• Corporate Communication

All modern organizations are required to communicate effectively with both internal and external publics. Corporate communication bridges the gap between the modern organizations and constituent publics who matter most in the age of corporatization. Practically, all modes, contents and effects of organizational communication essentially become corporate communication. It has been generally defined as a process that collects information from the business environment, develops messages from the information and transmits them to get specific results. Corporate communication consists of message sending intended to achieve specific results from those who buy goods and services as well as those who sell goods, services and resources. Corporate communication directly influences how well manufacturing agencies will survive in a market where competitiveness has become the way of life.
• **Public Relations**  
The concept of Public Relations as a two-way persuasive communication is still used by many to define Public Relations. This mutual dependence of people and organizations - government, business, political, industrial, voluntary and the like have necessitated the practice of Public Relations all over the world. Public Relations is indeed an art and craft of enabling modern organizations to adjust themselves to the changing environment in order to gain public consent, cooperation and patronage.

• **Advertising**  
Advertising is a form of communication intended to persuade its viewers, readers, listeners or users to make use of the goods and services delivered by the organizations concerned. It usually includes the name of a product or service and provides useful details which would benefit the consumers who are spread across the length and breadth of the country. It primarily provides useful information and education to the potential consumers and persuades them to consume that particular goods and services in a competitive business environment. Commercial advertising intends to generate desire and demand for the consumption of the goods and services while the social advertising intends to popularize the beneficial effects of programmes which benefit the mankind in different ways. Several media of communication are utilized by the advertisers to enhance the salability of goods and services. Advertising may be placed by an advertising agency on behalf of a company or other organizations that spend money on advertising campaigns.

• **Corporate Advertising**  
Corporate advertising is consciously undertaken by the corporate houses in order to promote favorable consumers' brand knowledge. The corporate advertising is done over the mass media to promote the company's image. The corporate advertising managers are primarily responsible for the enhancement of brand knowledge and maximization of the brand performance within a marketing environment which is practically beyond their control. In reality, corporate advertising is managed with a view to control the messages, execution, and placement of brand advertising. However, they cannot control its effects, which depend on factors such as clutter, consumers' involvement level, and competitive actions under the normal circumstances. The corporate advertising managers are also required to treat the corporate advertising environment as an exogenous factor on the basis of certain
models which are related to conceptualization and practical implementation of corporate advertising.

- **Corporate Branding**
  
  Modern corporate houses have shifted their focus from product brands to corporate branding. Corporate brands are leading to the development of a new branch of marketing which is known as corporate level marketing. Corporate brand is commonly defined as a brand that represents an organization in terms of heritage, values, culture, people, strategy and services. Corporate branding basically reflects the organizational values of modern corporate houses.

- **Image Building**
  
  Modern corporate houses have invested adequate financial resources on advertising management for corporate image building. Usually, the brand image is the understanding consumers and general publics derive from the total set of brand related activities engaged by the firm. Promotion of corporate image and reputation involve systematic use of corporate communication and advertising services.

- **Reputation management**
  
  Modern corporate houses have accorded high priority for the management of reputation which matters most from the point of view of business promotion. Advertising has a central role of to play in developing brand image and institutional reputation in the present age of competitive management. Corporate sponsorship of events and delivery of socially beneficial goods and services basically represent a key corporate reputation management strategy for major corporate houses in modern society.

- **Survey Research**
  
  Survey Research method is very popular in the field of social sciences including corporate advertising. It is very widely used research technique for the purpose of conducting empirical study. It is nothing but surveying the minds of the people who matter most from the point of view of achieving organizational development. It is a systematic and scientific research method which facilitates generation of comprehensive authentic data on various aspects of organizational management and development. The present study is based on survey research method primarily. The representatives of personnel and customers were surveyed to
understand their experience on the role of advertising in corporate image building in the present times.

- **Case Study**

  The case study is another tested and tried qualitative research technique in the field of corporate advertising. Simply put, a case study uses as many data sources as possible to systematically investigate individuals, groups, organizations or events. Case studies are performed when a researcher needs to understand or explain a phenomenon. The present study is also based on case study method which has facilitated better understanding of the role of advertising in corporate image building with reference to 6 leading public and private corporate houses of Bangalore city.

**3.11. Summary**

The modern corporate houses heavily depend on both corporate communication and corporate advertising for image building, reputation management, customer relationship management, business management and organizational development purposes. The present study was carried out in Bangalore city based public and private corporate houses to understand the role of advertising in corporate image building. The past researchers have not examined this subject comprehensively according to the review of literature. The primary data were gathered from 1080 respondents who represented the management personnel (600) and customers (480). The respondents were selected on the basis of stratified and quota sampling techniques. The present study approached the problem through a systematic survey method. Besides survey method, case study method, non-participant observation, informal discussion and secondary sources of information were also used as other methods to study the role of advertising in corporate image building in select public and private corporate houses of Bangalore city.