

## Advertising

Advertising is paid, non-personal communication via different media. A “sponsor” is identified in the ad as having paid for it.

Planning advertising begins with the strategic decision stage. This consists of setting objectives, selecting the target market(s), selecting the message and media strategy, and coordinating with the other marketing mix areas. Once the ad strategy is set, tactical issues in planning advertising include establishing the budget, establishing controls for the ads, write and producing the ads, selecting and scheduling media, and pretesting advertising options. Ad effectiveness is then measured using posttests to assess how well the ad worked (e.g., inquiry tests). Ads are then evaluated – i.e., testing the results and making necessary adjustments. The evaluation stage then provides feedback to the strategic stage.

### Advertising over the Adoption Process

#### Evaluation

##### Awareness

Teaser campaigns

Pioneer ads

Jingles, slogans

Announcements

##### Interest

Informative/

descriptive ads

Image/celebrity

ads

##### Trial

Competitive ads

Persuasive copy

Comparative ads

Testimonials

Demonstration

of benefits

##### Decision

Direct action ads

Point-of-purchase ads

Price deal offers

#### Confirmation

Reminder ads

Informative “why” ads

SOURCE: McCarthy & Perreault, 1997, p. 356.

### Advertising Objectives

Product advertising – goal is to sell a product or product line; targeted to end-users or channel members

Institutional Advertising – advertising the organization, rather than the product. Image, reputation, or other ads promoting “good will” of the company. E.g., the “good hands people at All State;” “Be all you can be in the Army,” etc. The Avis “we try harder” ads. Advocacy ads, e.g., MADD

Pioneer Advertising – ads designed to promote primary demand. These ads do not promote a particular brand. E.g., ads by the Milk Council (“Milk does a body good”), the Beef Council (“beef – it’s what’s for dinner”), etc. These ads could be supported by other brand-specific promotions (e.g., Merrell Dow’s ads promoting “non-smoking drugs” in general, were supported by word-of-mouth for the Dow brand by physicians.

Competitive Advertising – selective (brand-specific) ads. Often found in Growth or Maturity stage, once primary demand created. “Hold our own” by pointing out superior features of our brand, vis a vis competitor brands. Direct competitive ads call for immediate buying action – “buy now;” “don’t be left behind;” “don’t leave home without it,” etc. Indirect competitive ads – try to impact future buying actions by pointing out brand benefits now – “think of us when you talk to your sales representative, travel agent, etc.” “Be sure to tell Mom to \_\_\_\_\_”

Comparative Advertising – making specific (by name) brand value comparisons – e.g., MCI & AT&T ads; Advil’s ads making specific brand superiority claims. Banned for years by the FTC, these ads can be potentially dangerous (Wheeler-Lea Amendment & FTC Act, if research can’t validate claims), but good for getting attention. Considered unethical and illegal in most countries.

Reminder Advertising – keep the name of the product before the market. Used to reinforce previous promotion (that may have been competitive or comparative), often “soft-sell” ads, assuming the public already knows about the product/brand.

## Choosing the “Best” Advertising Medium

### Criteria for Media Selection:

Promotion Objectives – e.g., if objective is to increase interest, and you want to demonstrate product benefits to do this, TV may be best medium. If information content is important, and you want to “tell a story” with your product, Magazines may work better. As objectives change, you may switch media.

Target Market needs – medium should “match the market;” choose media to reach target customers only after target market is clearly specified; need to be careful about how many people outside your target market also reached by the medium – amounting to wasted resources; media may help to close in on target markets (e.g., international editions of some magazines)

Resources available to support Advertising – “must buy” media can use up funds – fast!

Reach of the Media – number of people exposed to the ad at least once during a time period (usually four weeks)

Frequency of the Media – number of times an individual is exposed to the ad during the time period.

Multiplying Reach by Frequency ( $R \times F$ ) describes the total weight of the media effort – the campaign’s gross rating point

Impact of the Media – how seriously is the medium taken – to what extent are target customers affected by the medium?

Cost of the Media – particularly, in relation to available resources

Interactive media (the Internet) constitutes currently about 1 percent of all advertising media (though expanding rapidly). This provides the ultimate in flexibility, two-way communication, self-directed entertainment, and personal choice. However, it is limited by a lack of standards for measuring effectiveness, limited scheduling opportunities, and relatively poor reproduction (compared to other media).

Media Scheduling (handout of a “sample” media schedule)

## Planning the Advertisement

Copy thrust – what will be communicated by words and illustrations? Advertising specialists carry out the thrust, but it is management’s responsibility to be sure the copy thrust is appropriate (e.g., issues like “clutter” in ad copy)

Getting attention – “attention grabbers,” or “grabber headlines” are critical in most ads. Readers or viewers are disinterested until given a “reason” to notice your ad. “Zapping” is the most deadly enemy of most TV ads.

Retaining interest – this is harder than gaining interest. Research shows that viewers/readers get “fatigued” by too much exposure to some ads, or by ads that try to say/do too much. This causes them to lose interest or no longer notice the ad, and thus ad recall deteriorates rapidly.

Arousing desire – how can the ad actually get a person to “want” to buy the product? This is probably the hardest job for an ad. Testimonials, product comparisons, and other types of persuasion help, but most important is the “USP” – unique selling proposition. The ad sets the brand apart by targeting an unsatisfied need in a way missed by competitors.

Obtaining action – customers must be led beyond merely considering or wanting the product to actually trying it – this will not happen “automatically.” In selling, “foot-in-the-door” techniques get a customer to commit on a small level; this commitment is then used to induce a call to action (this technique was developed from efforts to get people to donate blood – it works!). Similarly, if the ad can get the customer to do something that is less risky or involving, this may induce them to further action. Direct-response ads are best for this (e.g., calling a toll free phone number, e-mail for more information, the most important words in Internet Marketing – “click here”). A distinct call for action must be delivered by the ad.

### Measuring Advertising Effectiveness

How can we tell how effective an ad is? Measuring effectiveness is not easy and can cost plenty! But it is a necessary evil – “the unexamined ad is not worth placing” (to paraphrase Sophocles).

Message research – consumer reactions to the creative content of an ad are tested, often using a pretest-posttest approach. The ad’s projected effectiveness is pre-tested before it appears in the medium. Ads can thus be evaluated, while still being developed, to assess their likely effectiveness. Pretests may be done with focus groups (using “mockups” of ads – with different themes, headlines, illustrations) to determine which version of the ad seems to get the best response. The more pretests we do, the better the odds that the ad will be effective when finally presented in our chosen medium. One ad agency (McCann-Erickson) employs a sales conviction test – “Interviewers ask heavy users of a particular item to pick one of two alternative advertisements that would convince them to purchase it” (Boone & Kurtz 1999, p. 634). “Screening” tests ask recruited consumers to indicate ad preferences by pressing “positive” or “negative” buttons. Posttests test the ad’s effectiveness after it has already appeared in the chosen medium. Inconsistency between pretest and posttest results can help target areas to improve for future ad campaigns. Posttest confirmation of pretest results increase confidence in the effectiveness of the ad.

Media research tests how effectively a chosen medium delivers the ad message, where and when to place the ad, and the size of the audience. Certainly, firms that purchase broadcast time do this, often basing their purchases on projected Nielsen rating points. Firms that purchase print ads pay fees based on the print medium’s circulation. Independent and specialized research firms are often called to “independently certify” circulation or audience reach claims by different media.

“Starch Scores” – a type of readership/recognition posttest often used with magazine ads. Several kinds of labels are embedded in the print ad: “Ad-as-a-whole” label shows the percentage of readers interested in the ad who “noted” the ad in the issue. “Seen %” indicates percentage of readers interviewed who saw the illustration in the ad, “Read %” the percentage who read the headline, and “signature %” the percentage who saw the logo, or company’s “signature.”

Unaided recall tests – another posttest showing how well respondents recall the ad from memory (after their initial reading of the magazine). Gallup and Robinson are two research firms who often conduct unaided recall tests of ads. In these tests, readers have to recall one of the articles in the magazine (to prove they read it) and then receive cards with the names of products advertised in the issue. They then list the ads they can recall, and explain what it is that they recall. They then answer questions about potential purchases of the products advertised.

Inquiry and Split Runs – in inquiry tests, ads offer gifts to those who respond (e.g., “those who respond within the next 10 days will receive \_\_\_\_\_”). The number of inquiries (responses) is then compared to the ad’s cost to determine how effective it is. Split runs occur when firms test two or more ads simultaneously. Popular in newspaper, magazine, cable TV, and Internet advertising, different versions of the ad may be placed in a medium. They then divide the audience for each medium in half: one half receiving “Version A,” the other half getting “Version B.” Inquiries, recall, or recognition tests then show how effective the different versions were.

While increasing the odds of placing an effective ad, these measurement techniques are expensive and can be time and resource-consuming. The marketer must plan very carefully – in terms of the target market, the nature of the medium, and exactly what the ad is intended to communicate, before any testing is undertaken.