

**Institute of Distance and Open Learning  
Gauhati University**

**Master of  
Communication & Journalism**

**Paper - III  
Advertising**

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**Unit-I**  
**Concept of Advertising**

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**1.1 Introduction :**

We believe that you are already familiar with the broad concept of mass communication and its various related aspects. Though the fields of Advertising and Public Relations are just two important types of mass communication, yet each of them is equally vast in its field of operations, spanning a very wide scope of activities.

So there is an express need to study them separately from within the general parameters of the entire concept. Besides, both these subjects are so integrally connected with each other that it will be quite difficult to study as well as understand one without knowing about the other. And that is why many experts and scholars like to term

both of them as the two sides of the same coin and the two are normally studied together. Here, in the MCJ course, we are going to discuss advertising in this paper followed by public relations in the next.

### **1.2 Objectives :**

We devote this paper entirely to Advertising and its various aspects. We expect that all the four units will help you to develop a comprehensive idea about the exotic world of advertising. After reading this unit you will be able to-

- define the term Advertising
- discuss the Classification of Advertising
- explain Publicity and Propaganda
- enumerate Media of Advertising
- discuss the functions of Advertising

### **1.3 Concept of Advertising :**

The word advertising has its origins in Latin and it means "to turn attention of people to a specific thing." Advertising is a tool of mass communication. It is essentially paid for by a firm or an individual with the ultimate purpose being to present information, develop attitudes & induce action, which are useful to the advertiser.

Advertisement, in other words, is a paid publicity. It has become a major part of today's marketing scenario. In early times, advertisement was not given much emphasis as it is being given today. The Institute of Practitioners in Advertising definition says: "advertising presents the most persuasive possible selling message to the right prospects for the product or service at the lowest possible cost." Here we have a combination of creativity, marketing research & buying media space at a cost as less as possible. Advertising may cost a lot of money but that cost is justified if it works effectively and economically. According to Oxford Dictionary, the word 'to advertise' means to make generally

or publicly known, describe publicly with a view to increase sales.

Advertising presents and upholds the ideas, commodities and services of a recognized advertiser which provides a communication link between the producer and the potential buyers. It gives the information to the prospective buyers about the product and its manufacturer. Advertising may be taken as the most efficient means of reaching people with product information.

It presents a mass persuasion apart from disseminating the information to the prospective buyers about the product and the producer. While creating awareness and popularity, it seeks to persuade. It is a more effective, extensive and less expensive way of creating contacts. Clyde R. Miller points out that all success in business, industrial production, invention, religious conversion, education and politics depending upon the process of persuasion is the essence of a democratic society. Every advertiser in modern times intends that all creative advertising must serve more than merely inform or entertain. It must change or reinforce an attitude or behavior.

And the consumer - the average man -- should recognize the advertisers.

The advertising procedure consists of three basic elements - source (sender: the advertiser), product message (matter: the advertisement) and destination (receiver: target consumers). There are other elements that link the chain of source and target such as channel/media, noise and feedback which help to complete the advertising process.

1. Source
2. Message
3. Channel
4. Noise
5. Destination
6. Feedback.

In advertising, there are different types of communications to deal with. Some of them are as

**follows :**

1. Awareness creation (product, event, etc.)
2. Building up Interest
3. Announcing the Unique Selling Proposition (USP) of the product
4. Reminding / Reinforcing the message
5. Answering apprehensions of the audience / filling information gaps
6. Putting together the emotional empathy with the product, subject matter, etc.

Advertising plays a very important role in developing the economy. It may be admitted without any doubt that squandering of wealth is undesirable from the national point of view because it reduces savings. But judicious use of earnings and savings should be promoted by all means. One must always be wary of providing or implanting a hope and an expectation of a better home, food or clothing if incentives to earn by hard work is to be retained.

This incentive is crucial to successful implementation of any plan for economic development. It is here that advertising has a crucial role to play. Advertising may be used as a tool for judicious investment of earnings and savings. It should, therefore, aim at promoting savings, awareness to produce more, to export and family planning. It should be a tool to achieve national goals. The advertising done by nationalized banks and the Life Insurance Corporation and many other public and private organizations carry out propaganda to further national interests and policies. Sir Winston Churchill had once pointed out: "Advertising nourishes the consuming power of men. It creates wants for a better standard of living... It spurs individual exertion and greater production".

The second point in support of advertising in a developing economy is that it promotes exports as well. A well-known slogan, generally heard in such an economy is 'Export or Perish'. But, success on export front requires two things - first, the prices must be competitive in foreign markets and secondly, the commodities must be of good quality. Some argue that advertising raises the cost of production, distribution and the prices of the articles and hence hamper its sales and exports. But this notion is not well-founded.

We have just analyzed that advertising helps in improving the quality of the product if the consumers recognize these aspects in the goods. Moreover, it has been the experience of all advanced nations like U.K., U.S.A., Germany, Japan, etc. that increased internal sales are necessary to lower the average cost or prices of the commodities intended to export. It is also confirmed by our own experience in the field of bicycles and sewing machines, which we have been able to export, only because of lower costs made possible by wider a domestic market. It reduces the prices in two ways. First, it reduces the average manufacturing cost by virtue of its mass production for internal as well as foreign markets; and secondly, a reasonable market may be borne by domestic consumers to make the average cost of exportable goods slightly lower to make the prices competitive in the international market. Moreover, it also sharpens the competitive selling.

#### **1.4 Classification of Advertising :**

Advertising is a paid, non-personal communication about products or ideas by an identified sponsor through the mass media in an effort to influence behavior. It is non-personal because it is a fantasy developed by creative minds with the help of modern multimedia technologies and based on a selection of the viewer/reader as the target audience.

Advertising communicates information about products or ideas, whether it is about the features of a new video

cassette recorder (VCR) or the benefits of voting for a particular candidate. An identified sponsor such as a company selling a product or a non-profit group seeking donations pays for the ad-message to be placed in the mass communication channels or mass media which reach many people at once. The information is intended to persuade or influence people to buy a particular product, vote for the exact contestant or donate more for a worthy cause.

Sometimes the information is intended to peruse people against acting in a certain way, such as an advertisement that emphasizes the dangers of drinking or drug abuse. Most of the television advertisements, newspapers, billboards, and other media are the group efforts representing the work of three distinct players in the advertising process- advertisers, advertising agencies and the media.

Advertisers are the people who look forward towards selling products or persuade customers to do something through advertising. Advertisers generally hire advertising agencies which are independent organizations specializing in developing and executing an advertising campaign on behalf of the former. Advertising agencies in turn choose the media, the channels through which the advertisers' information are carried to their intended audiences. In some cases, advertisers may use only one medium - a single channel.

The two largest categories of advertising media are print and electronic but wide ranges of other media also carry advertising information including local yellow pages, directories and direct mail, handbills, bill-boards and hoardings or banners in public places. And in the process of creating and executing persuasive messages, advertisers and advertising agencies also use the services of various dealers, individuals or companies.

Ads differ depending upon who the message is intended

for, where it is shown, which media are used and also the motto or in simple words what the advertiser wants to project. So it is helpful to classify advertising based on such parameters as the target audience, geographical area, media used and purpose.

Another approach to classify advertising is according to the group or the target audience. Every advertisement is intended to an exact or specific group of people, known as its 'target audience' (TA). Advertisers always try to match the information and the media to the TA. We are generally conscious only of advertisements directed to us as members of a particular audience. Ads normally deal with the customers or the companies. Most of the advertisements around us are aimed at the customer.

This type of advertising can be targeted to the purchaser of a product or the user. Most business advertising appears in trade and professional publications or in direct mails sent to buyers or users in organizations. However, business advertising sometimes also appears in buyer-oriented media such as television or newspapers. Industrial advertising targets people who pay money for the use of the material and services needed to conduct business or to produce other products.

One other way to classify advertising is according to the media used and geographic areas. Popular outlines of media advertising include newspapers, magazines, radio, television, outdoor and transit because of its aptitude to reach huge audiences across large geographical regions. Television is one of the most powerful advertising media and so often national advertisers use this primary medium. And expert television advertising has become more attractive as interactive one. Cable television and satellite television has drawn larger audiences. Many organizations also advertise through direct mail or in the yellow pages and other directories.

One more way to classify advertising is by its purpose.

Just as advertisers are a varied lot, so too are the causes for which they use advertising. A corporate house may advertise to put up its status to a retailer, to attract regular client support, etc. Every advertiser has his own aim, but the purpose behind each message can be classified according to four dimensions; product versus non product, commercial versus non commercial; primary demand versus selective demand; and direct action versus indirect action.

• **Product versus non product advertising :**

A product is a goods or service for which customers will exchange something of value. The purpose of product advertising is to sell the advertiser's goods or services. Goods are physical products such as pencils, candy bars, etc. Services are intangible products that offer financial, legal, medical, recreational or other customer benefits. Hence, product advertising may try to sell either a tangible goods (such as Rough & Tough jeans) or an intangible service (such as tax preparation, banking services, etc.).

The institutional or corporate advertising in which the advertiser tries to polish organization image or attempts to influence public opinion can be consider as non product advertising. The aim of non product advertising is to make the audience to think about who is sponsoring the ad or the issue discussed, not about buying the advertiser's products.

• **Commercial versus non-commercial advertising :**

Much of the advertising around us is commercial advertising, placed by a business enterprise that expects to make a profit. In contrast, non-profit and political organizations use non-commercial advertising to promote causes or candidates rather than to sell goods or services. Even though non-commercial ad, the sponsoring organizations (as donations) are looking to cover the costs

of offering charitable services or producing cultural events. But the aim may not be only making profit.

- **Primary-demand versus selective-demand advertising :**

The purpose of primary demand advertising is to stimulate demand for a particular category of a product. This type of advertising is generally placed by associations which represent many manufacturers or service firms. The individual producers can go ahead to build demand for their own brands and then they use selective-demand advertising. However, when a company introduces an innovative product that creates its own category, it may start with primary-demand advertising to build overall demand.

- **Direct-action versus indirect-action advertising :**

When advertising is geared towards getting the audience to respond immediately, it is called direct-action advertising. Messages that include a toll-free phone number, a coupon, or a limited-time offer are forms of direct-action advertising. The advertiser can quickly see whether the ad is working by counting the responses. On the other hand, when advertising is used simply to build the audience's awareness about a product, it is indirect-action advertising. This type of advertising runs long to boost a product's image, explain product benefits or inform where the product may be purchased.

### **1.5 Media of Advertising :**

In recent years, with the spread of satellite Television, TV advertising has become a popular form of advertising. In the cities where the FM Radio operates, it also provides a channel for commercial as well as non-commercial advertising. The internet media too is a space for advertising. These, in addition to the print media have

now widened the scope for advertising in both the physical and literal sense of the term.

• **Print media :**

The print media have always been a popular advertising medium. Advertising products via newspapers or magazines is a common practice. In addition to this, the print media also offers options like promotional brochures and fliers for advertising purposes. Often, the newspapers and the magazines sell the advertising space according to the area occupied by the advertisement, the position of the advertisement (front page/middle page), as well as the readership of the publications. For instance an advertisement in a relatively new and less popular newspaper would cost far less than placing an advertisement in a popular newspaper with a high readership. The price of print ads also depend on the supplement in which they appear; for example an advertisement in the glossy supplement costs way higher than that in the newspaper supplement which uses a ordinary newsprint paper.

Newspapers, magazines and direct mail are the most significant media. In continuation with news, cinema, entertainment, editorial materials, newspapers and magazines deliver the message visually, while the main focus of readers is on the articles, features stories and editorial content which provide an atmosphere of acceptance for an ad.

Newspapers are dailies and magazines may be weeklies or fortnightlies or monthlies. It may be in one language, bilingual or multi-lingual. It is regarded as a local advertising medium. Through the local media, the advertiser can reach a fixed percentage of houses in a target area. Newspapers are geographically very much selective. News, features, editorial subject come to a newspaper according to the people within a particular community.

### **Classification of newspapers :**

Newspapers can be classified as below...

**(a) Size :** Standard (22 inches deep 8 columns wide ) and tabloid are the two types of newspapers according to the size. The Statesman, The Assam Tribune, 'The Hindu' etc. belong to the standard category.

**(b) Frequency :** In general newspapers are brought out daily. There are a few that are brought out as weeklies.

**(c) Audience:** Newspaper distribution may also be according to the target audience. It can be said that newspapers always care for the interest of the readers.

**(d) Language:** We can also classify newspapers according to different kinds of languages as English and other regional language.

Following are a few types of newspaper advertising ---

- 1) Display advertising,
- 2) Classified advertising,
- 3) Special advertising.

Classified advertising is placed in a special page of the newspaper. Classified display has more flexibility or arrangement than regular ads in that borders, large types, white space and photos may be used. Generally, public notices, political, government reports, etc. belong to this category of advertisements.

The rate structure differs for display ads and classified ads from paper to paper and it is determined by the circulation of the respective paper. The basic unit of space is column centimeters. The page, colour and position decide the rate of the specific advertisement in each category of a newspaper.

### **Classification of magazine :**

A magazine is the other form of print media. The

advertisers derive some advantages from the newspapers; say for instance, all people in a certain community are the target audiences of a newspaper whereas a particular kind of people in all communities are the target audiences for the magazines. Magazine ads live for more days than a newspaper. Newspapers have a limitation in the quality of production while most of the magazines come with high printing quality paper.

Besides, flexibility in a newspaper is almost impossible, because the deadline of insertions in this medium is usually two to three days in advance of publication, which in case of magazines, is rare.

**Magazines can be classified as follows :**

**(a) Size :** There are different kinds of magazines and they are brought out in different sizes. As for instance, 'Bismoy' (Assamese) and some other magazines of Assam are totally different in size from 'The Outlook', 'The Week' or Assamese magazine 'Prantik' or 'Gariyasi'.

**(b) Frequency :** There are so many magazines with different periodicity like weekly, fortnightly, monthly, bimonthly, quarterly or bi-annual and so on.

**(c) Audience :** The category of audiences also classifies the magazines. As women's magazines - 'Femina, Nandini or Priya Sakhi, teenagers' magazine 'Reflexon' fashion lovers' magazine 'Fashion' etc.

The rate structure of advertisement in a particular magazine is decided on the basis of the size of advertisement as well as its circulation. There are different rates for advertisements on the outer cover of a magazine; this is always considered a preferred or premium position and commands a high rate than the inside pages.

**Direct mail advertising :**

When a company enters into a market its first brief for

advertising is 'person to person', from 'door to door'. After some days it gets grouped into different categories. It posts letters and cards to the target consumers. When it starts prospering, that very company uses the mass media for its selected target audiences. At that stage, the firm does not continue to use direct mail. It is not a mass medium. It is only a medium and one of the effective ways to send the sales message to prospective customers through an efficient postal system. Advertisement by way of pamphlets distribution is also a form of direct advertising but sending the message by post which is called direct mail is different from that.

**There are different kinds of direct mails. Say for instance :**

**(a) Sales letters :** When a firm starts its business, it generally uses this kind of direct mail which are individually typed, multi-graphed, or reproduced by some other process.

**(b) Postcards :** Business firms also use reply paid cards to encourage a direct answer from the receiver of the main piece.

**(c) Leaflets :** It is a small, single-printed sheet to explain an offer or idea about the product / service fully.

**(d) Folders :** Folders are larger than leaflets and are usually printed on heavier material. As much as it is larger, it can carry more sales information.

**(e) Booklets :** A leaflet consisting of several pages is called a booklet. Complicated sales story is needed for the booklet.

**(f) Catalogues :** Catalogue is one kind of booklet to serve as a reference book. There should be buying guides with proper illustration and price.

**(g) Gift novelties :** To impress the consumers and create a positive image of the firm, gifts are often offered in the form of calendars, diaries, cigarette case, coffee

mugs, calendars, thermometers, memo pages, pen, glasses, key rings, etc. All these gift novelties have either the name of the product or the firm displayed prominently. These gifts are generally used to remind the customers for deciding to buy the product.

### **House Journals :**

It is the periodical publication by a firm or an organization. There are some internal house journals for employees or organizations' members and some external house journals, which go to dealers, customers and others who are remotely related to the

]firm/company. The advertisers derive some advantages from using these journals. Direct mail is a personal communication than other types of communication. It reflects its ability to dispatch messages to selected prospects that are not so much reachable economically by other modern media. On the other hand advertiser can use their own choice for mailing the direct mails. If he is financially unable to do so, he can shorten the mailing list. Through direct mail a businessperson can keep contact with his dealers and customers once every few days. Direct mail involves no physical limitations except the budget.

According to the product and situational demand, it can furnish a great deal of information. Illustrated copies with diagrams and other visual art images can increase the sales.

In spite of all the positive factors regarding direct mail, there are some disadvantages also. Such advertisements incur a high cost per reader today. The direct mailing programme depends upon the quality of the mailing list. The cheap quality text portion without proper editorial or entertainment material may create a negative impact on the consumers' mind. Direct mail also needs a regular investment in stationery, printing and posting. Medium or small- sized companies can hardly afford it.

### **Broadcast/Telecast advertising :**

Broadcast/Telecast advertising is a very popular advertising medium that consists of several branches like television, radio. Television advertisements have been very popular ever since they have been introduced. The cost of television advertising often depends on the duration of the advertisement, the time of telecast (prime time/peak time), and of course the popularity of the television channel on which the advertisement is going to be telecast. The radio had begun to lose its charm owing to the new age media; however the arrival of FM broadcasts has revived the scope of radio particularly as the choice of small-scale advertisers. The radio jingles have been very popular advertising media and have a large impact on the audience, which is evident in the fact that many people still remember and enjoy the popular radio jingles.

#### **• Television Ad :**

TV has already caught the market and holds large number of audiences in many different demographic groups. Motion and emotion have made the deal for the product demonstration capable. Advertisers always prefer TV as an important medium for advertising a product.

Advertisements in TV offer some advantages for the advertisers. Television has wide impact on the target audiences and can send across the product message effectively. One visual footage is equal to thousands of words. So the visual footages with product information influence the people's mind easily. The combination of sound and action with colour helps the advertiser to show the product quality. If it is a packed spicy food, the package should be recognized so that buyers can identify the product easily. Receiving the information at the house and that too in an entertainment atmosphere, commercial breaks are well accepted. It generally never lends itself to urgent advertisements as it takes time to produce a commercial

message.

TV as a medium of advertisement also involves some disadvantages as well. It is a very expensive medium and can reach only a wide audience. In case of requiring a special audience, television has a limitation.

• **Radio Ad :**

Radio is unique in that sound alone must accomplish the communication job. There are some commercials which appear only on radio. Say for instance, singing or jingle-based or catchy, attractive tune and lyrics is the oldest form of advertising. Sometimes it may be original; sometimes it may be a parody of a hit song. On the other hand, it can be said that the narrative commercial is widely used but there are the problems of telling a story in 60 seconds or lesser time. A straight commercial delivered by a person is similar to the straight-line copy of print media.

The radio ad rates structure depends upon the day, date and time of a particular programme broadcast. Rates change according to the prime times, holidays, programme to programme. Advertising in slots (a group of ads appearing together) carries less tariffs than the ads coming in sponsored programmes.

Radio is a major, healthy and most popular medium of advertising. Its coverage area is near about 99 % of the country's population. To broadcast advertisements in radio, one has to buy the time not the space. It is a time-oriented medium.

This primarily audio medium offers some advantages to the advertisers. It can instantly disseminate the ad messages to its particular target audiences. The advertisers pay less cost than that of other media. Radio provides a practical, low-cost vehicle for reaching a specialized audience. Radio as a medium has human appeal and sales messages are alive, animated, and

dramatic. It needs less effort and concentration of the listeners who are in other work. On the other hand, to understand the ad messages it does not require literacy and a radio receiver set costs very little. Radio, unlike television is portable thanks to the transistors and can be listened to even while the listener is engaged in some other work. Radio is a very successful medium for an advertiser to reach the poor, illiterate and needy community at the grass roots level of the society.

But there has been certain amount of reluctance by the advertisers to use radio largely because it cannot be watched and physically evaluated like other media as there are no pictorials attached with the programmes which is an important drawback. The message is not available for reference or recapping. If a product needs demonstration to deliver the ad messages to its target audience, it is not the perfect medium for that product because product quality cannot be exhibited. They can only be heard.

• **Film Advertising :**

Advertising in cinema houses is carried on both by the use of cinema and slides and the use of short commercial films, which are displayed before the main feature film. The silver screen is also used as a medium of advertisement. A large screen and wide production makes a powerful impact on the viewers' mind. It provides the advertiser a captive audience. But it is most impossible for a small firm to get films produced for a specific purpose of advertising because it will be a very expensive one. The filmgoers think that they are coming only for the cinema, not for the sales messages. Under these circumstances, no product message can be disseminated popularly and efficiently to the viewers.

Film publicity has a wide appeal and can transcend barriers of language. It is an audio-visual technique which can exert maximum impact on the audiences. Both the senses of sight and hearing are used to impact the advertising

message. Repetitive advertising and coverage of selected geographical areas are also possible by this medium.

The cost of preparing slides and commercial films is very high and their distribution over large geographical areas also needs heavy expenditure. Though selective advertising is possible, its effectiveness cannot be measured. There are also complaints that film advertising interferes with the entertainment and very often the artistic level of commercial films is very poor. There can be considerable waste in film publicity.

• **Covert Advertising :**

On the other hand covert advertising is a unique kind of advertising in which a product or a particular brand is incorporated in some entertainment and media channels like movies, television shows or even sports. There is no commercial in the entertainment but the brand or the product is subtly (or sometimes evidently) showcased in the entertainment show. As in the film 'Krish', we are getting reference of different popular brand like Coca-Cola etc. On the other hand, Zee Tv 'Sa Re Ga Ma' programme, the winner prize was 'Spark' car.

• **Outdoor advertising :**

Outdoor advertising is also a very popular form of advertising, which makes use of several tools and techniques to attract the customers. The most common example of outdoor advertising are billboards, kiosks, and also several events and tradeshows organized by the company. The billboard advertising is very popular. The message in these, however, has to be really terse and catchy in order to grab the attention of the passers by. The kiosks not only provide an easy outlet for the company products but also make for an effective advertising tool to promote the company's products. Organizing events or sponsoring them makes for an excellent advertising opportunity. The company can organize trade fairs, or even

exhibitions for advertising their products. If not this, the company can organize several events that are closely associated with their field. For instance, a company that manufactures sports utilities can sponsor a sports tournament to advertise its products.

The earliest form of advertising is outdoor advertisement which is amply proved by the findings of the Greek and Romans Eras. In those days inn signs were used to advertise a product. This is still in vogue today. Its main purpose is to attract the attention of the public to the product advertised.

Outdoor ads comprise different-sized posters, illustrated metal, painted displayed on outdoor sites. This kind of advertisements usually provide support to TV, Radio and Print media and remain in position for weeks, months or even years.

There are different kinds of posters starting from small double crown bills to the large ones on hoardings or bulletin boards. Posters of varying sizes with full colour and realistic scenes and pictures of products may look different. The ad copy should have a slogan with the name of the product printed in large letters. Posters can create awareness regarding the product through boldness and color combination.

#### **Outdoor advertising can be classified as -**

(a) Hoarding which is also called billboard, is made of metal board in large sizes, fixed frame and is placed along the streets where opportunity to see and read will be enough. But it costs high and sometime people get bored to see the same thing at the same place.

(b) Wall painting is bigger than a hoarding and its shape and sizes give all points of immensity and clarity.

(c) Posters are nothing but placards displayed in public places like walls, building tops or street corners, railway

stations, market place etc. It is made on a cardboard or any metal sheet supported a wooden or metal frame. The advertisers can change the posters according to the matching time and seasons.

(d) Banners are small in size and made of cloth or rexin or plastic. It may be painted. But streamers are big in size. These kinds of advertisements are low cost ones and very temporary in nature and can be spoilt by rain or wind.

(e) Balloons filled with hydrogen gas are made to stay at a certain level in the air. Viewers get the opportunity to see the brand name on them though balloon it is also a very costly medium.

There are other kinds outdoor advertising also like --- electricity and telephone polls, electric signs, neon and glow signs, sign boards, traveling displays, aerial advertising or sky writing etc.

**Outdoor ads also offer some advantages to the advertiser such as :-**

- (1) The product name can be easily identified.
- (2) Short and catchy copy makes it simple to comprehend the delivered message and create a feeling regarding the brand image.
- (3) Repetition is another positive factor for the advertiser of a firm.

Now let us also look at a few negative features or drawbacks of this style of advertising. Such as ---

Brevity is one of the main factors because there is no scope to browse leisurely as they generally do with a newspaper or to watch the demonstration of the product like they do on TV.

Public apathy towards despoiling of the landscape and scenery is another important disadvantage of outdoor advertising.

## 1.6 Functions of Advertising :

Advertising is the promotion of a company's products and services carried out primarily to drive sales of the products and services but also to build a brand identity and communicate changes or new product /services to the customers. Advertising has become an essential element of the corporate world and hence the companies allot a considerable amount of revenues as their advertising budget. There are several reasons for advertising some of which are as follows :

- Increasing the sales of the product/service
- Creating and maintaining a brand identity or brand image.
- Communicating a change in the existing product line.
- Introduction of a new product or service.
- Increasing the buzz-value of the brand or the company.

Thus, there are several reasons for advertising and similarly there exist various media which can be effectively used for advertising. Based on these criteria there can be several branches of advertising. Mentioned below are the various categories or types of advertising: The purpose of advertising is only to sell a product, a service or an idea. The real objective of advertising is effective communication between goods and clients and increasing awareness. Mathews, Buzzell, Levitt and Frank have listed some specific objectives of advertising ---

1. To make an immediate sale.
2. To build primary demand.
3. To introduce a price deal.
4. To build brand recognition or brand insistence or brand loyalty.
5. To help salesmen by building an awareness of a product among retailers.

6. To create a reputation for service, reliability or research strength.
7. To increase market share.
8. To modify existing product appeals and buying motives.
9. To inform about new product's availability and their features or price.
10. To increase the frequency of use of a product.
11. To increase the number or quality of retail outlets.
12. To build overall company image.
13. To effect immediate buying action.
14. To reach new areas or new segments of population within existing areas.
15. To develop overseas market.

#### **Characteristics of Advertising :**

**1.** A normal characteristic of advertising is to create primary demands for a product category rather than for a specific brand. It is based on the belief that product advertising must stress on brand name.

This is based on the feeling that a good image often enhances the effectiveness of product advertising. Naturally, the stress is put on the brand. However, in practice, most companies were successful in enhancing the product image by using the brand names (e.g. Dalda, Dettol, Horlicks). In short, when the company tries to sell its product or services through advertising it may be referred to as product advertising.

**2.** To project the image of a company or its services is the important goal of advertisement. It is product-oriented and is designed to boost up the image of the company as well. These advertisements are not always directed at customers but also some times aimed at various types of public (shareholders, creditors etc.).

3. It is deliberately done to arouse primary demand for a newly-manufactured goods. It is heavily utilized during the introduction state of the product life cycle.

4. At the product growth stage when the competition begins, advertising becomes competitive or selective. The purpose of advertising is to persuade demand for a specific product or service.

Often, promotion becomes less informative and more touching during this stage. Advertising may begin to stress subtle differences in brands, with heavy emphasis on bringing brand name to mind, while pricing also will be used as a key promotional bat as products become very similar.

5. This is a highly-contentious trend in competitive markets. Such types of advertising stress on comparative features of two or more exact brands in terms of product / service attributes. This method is adopted in the middle age stage when similar products appearing in the market for the first time constitute a stiff competition. Comparative advertising "delivers information not previously available to consumers". When this form of advertising appears it reveals the intensity of competition in the market.

6. At times of shortage in the supply of products, advertising often disappears into the background. A solid example is the case of petroleum products during the oil crisis in 1974. But the intelligent marketers have found that advertising is still a possible marketing tool during times of shortage. This is what is termed as shortage advertising. In such kinds of advertising, new promotional objectives may be incorporated such as:

- i. Educating the user of more efficient means of utilizing the products thereby reducing the demand.
- ii. To reduce customer pressure on the sales force.
- iii. Improving goodwill.
- iv. Appealing to save resources.

v. Co-operative Advertising .

When producers, wholesalers and retailers of a product jointly sponsor and share the expenditure on advertising, it takes the form of co-operative advertising. Such advertising would carry the names of all the parties concerned. From the point of view of the customers this is beneficial as they could get the articles directly from the approved outlets.

**1.7 Advertising, Publicity and Propaganda :**

The publicity is to reflect the performance and get public acknowledgement and appreciation. Many organizations of the new era use publicity to promote their ideas, concepts or products. Publicity has become an essential function of PR. PR executives to the media provide the contents of news. The media decision makers may or may not use these sets of information.

PR expert Cutlip defined publicity as "the information from an outside source that is used by the media because the information has news value. It is an uncontrolled method of placing messages in the media because the source does not pay the media for placement". Good public relations start with good performance as viewed by the public. The function of publicity is to reflect the performance and get public acknowledgement and appreciation for it. It is a communication tool, which is concerned with dissemination of information about an organization to attract attention, to gain recognition, to build image and to win the approval of the target public.

Good relationships with editors, editorial writers, publishers, columnists and news broadcasters are vitally important to secure publicity. Personal contacts, Press conferences, mainly of news readers, media previews, media management launchers and media kits are the most effective weapons of publicity.

An important influence on public opinion is propaganda. It

is a deliberately evolved and guided campaign to influence people to accept a given view, sentiment or value (W. Schramm, 'Process and effect of Mass Communication'). In the propaganda process, opposing views are dumped in a dustbin. It is a thrust upon the masses to create positive attitudes towards it without caring for its rational or moral insinuations.

Generally it can be said that propaganda is a communication process intended for audience through enlightenment, persuasion, or dedicated religions, charitable, political and social service institutions to influence the thoughts and actions of others for their best interests. Propaganda alters or modifies the uses of people by influencing their emotional attitudes and feelings. Its objective is to implant an attitude in the minds of people that is deemed natural and logical. Propaganda leads to collective actions. It is different from advertising in the sense that advertising tries to influence the actions and thought process of individuals. Propaganda influences the thought process of groups. Hence, Schramm opines that propaganda operates to put an end to discussion and reflection. During the elections, the political parties resort to propaganda campaigns to malign the images of their opponents.

Encarta Encyclopedia describes Propaganda as the tool of dissemination of ideas and information for the purpose of inducing or intensifying specific attitudes and actions.

Propaganda may be disseminated by or for individuals, businesses, ethnic associations, religious organizations, political organizations, and governments at every level. No matter what its objective, propaganda attempts to persuade through rational or emotional appeal, or through the organization of personal opinion. Efficient use of the communication media is central to these efforts.

### **1.8 Summary :**

Advertising is a tool of mass communication tool that is

essentially paid for by a firm or an individual and whose ultimate purpose is to present information, develop attitudes and induce action, which are useful to the advertiser. Advertisement is paid publicity. It has become a major part of today's marketing scenario.

Newspapers, magazines and direct mail are the most significant media of advertising. In continuation with news, cinema, entertainment, editorial materials, newspapers and magazines deliver the message visually, while the main focus of readers is on the articles, features stories and editorial content which provide an atmosphere of acceptance for an ad.

### **1.9 Check Your Progress :**

1. What do you mean by advertising?
2. "Advertising is non personal and paid publicity" - discuss.
3. Enumerate the various types of advertising.
4. What is advertising media? Discuss with examples.

### **1.10 References and Suggested Readings :**

1. Advertising by Franc Jefkins.
2. Handbook of Journalism and Mass Communication by V.B Aggarwal & V.S Gupta
3. Advertising Basics by J V Vilanilam & A K Varghese
4. SLMs of IDOL,GU; IGNOU, New Delhi, KKHSOU, Guwahati
5. Janasamparka by Dr. Ankuran Dutta & Anamika Ray (in Assamese)

**Unit-II**  
**Advertising Agency and Services**

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## **2.1 Introduction :**

In the earlier unit we have discussed about the various aspects of advertising, especially the concepts, functions, various media of advertising, etc. In this unit, we will discuss advertising agency. An advertising agency is a company that helps advertisers to create advertisements and place them in the appropriate media. An agency is purely a service business, manufacturing nothing. Its products are ideas for what will make good advertising, its assets are creativity and expertise. This unit will deal with the activities of advertising agency and some important classification of advertising such as corporate ad, film ad, outdoor ad, etc. We will also consider some important concepts like media buying, space selling, etc. in this unit.

## **2.2 Objectives :**

After reading this unit you will be able to -

- discuss the meaning of advertising agency
- explain the activities of an advertising agency
- enumerate the various types of advertising, such as outdoor ad, corporate ad., etc.
- define the concept of media buying and space selling, etc.

## **2.3 Advertising Agency :**

Apart from the above information, to understand the advertising process, a careful study of an ad agency's performance is also necessary to comprehend the system.

**Talent :** Providing talent is one of the basic functions of an ad agency. The creativity, detailed research analysis, keen political understanding, etc. are offered by the ad agency personnel when the person enters into a contract for the services with an advertising agency to help market a product.

**Research :** The agency has to carry out a detailed research

and collect all the necessary information about the product and the company concerned. Market research is another part of the process. It aims at finding out the capacity and scope of the market for the product that is sought to be advertised. This must be studied carefully and also such aspects as to whether there is a similar product in the market or as to whether one such is going to be launched shortly. The characteristics of the potential customer's too must be examined at this stage.

**Distribution :** An ad agency has to decide or select the suitable media for the particular product. This is very much essential and important for the success of the product.

### **2.3.1 Meaning of Advertising Agency :**

An advertising agency is defined as "an organization whose business comprises acquisition as a principal of right to use space or time in advertising media and the administration on behalf of the advertisers, of advertising appropriation made by them".

Manufacturers of a certain product or providers of a specific service, though responsible for selling, find it difficult to look after all the promotional activities, especially under the principles of specialization. Organizations with adequate financial resources may set up a separate department for this purpose. But such an arrangement would be beyond the reach of medium or small-scale product producers. The only solution then is to hire some specialized producers or organization for carrying out the job effectively.

Advertising is one such field where manufacturers have two options; to conduct their advertising for themselves or to hand over the job to specialized service providers for advertising for and on behalf. Such an agency is called an advertising agency. These agencies have specialized skills and experience that a manufacturer does not have or will involve considerable expense on his part if it has to be acquired. Of late, even large firms have started depending

on advertising agencies simply because they are 'in the market'. Advertising today is a complicated affair and its success primarily depends upon constant research, e.g., advertisement research, media research, etc.

An advertising agency is a company that creates advertisements based on their creativity and expertise. It places them at the appropriate media. Aside from its office furniture, an ad agency owns practically nothing tangible. In this business, your inventory goes down the elevator at 5 o'clock. For marketing managers, advertising agencies are an important, sometimes indispensable, aid in devising and implementing advertising strategy.

In no other corporate functional area is outside help so much prevalent or even indispensable as in advertising. The national consumer goods manufacturers depend heavily on agencies during the advertising decision-making process. This is perhaps because of the acknowledged difficulty of developing advertising that will communicate with target audiences and this factor cannot be ignored by the manufacturer. These agencies have specialized in the service of creating and preparing advertising events. The term agency implies both creative and advertising production personnel (e.g. artists, TV producers, print production manager, etc.) who do this kind of work for clients, firms and can spread their cost among all the clients. Clearly, individual advertisers cannot justify the very high costs of having such a wide range of talent on their pay rolls.

Apart from the creative tasks, agencies also provide a variety of other services. An important one is media planning. Agencies employ media specialists to help clients in determining media mixes and schedules. Much of the significant advancements in the development of models for media planning is the result of hard work and financial support by agencies. Moreover, media specialists perform the routine task of obtaining space in all media categories, like print, TV, radio, billboards, etc. Additional services

may include helping clients take decisions on product pricing, package design, distribution, marketing research, presentation of advertising strategy to client personnel and performance of public relations tasks.

Advertising agencies may be characterized as either full service firms or boutiques. Full-service agencies are capable of performing all the above services for clients. These are large agencies employing personnel with a wide range of talents.

People knowledgeable about media, copy and art staff are employed by an ad agency. They study the products, markets, competitors and the promotional needs of their clients, whom they usually call as their 'accounts'. They draft and recommend ads and ad campaigns, evaluate and select appropriate media contracts and pay for space and time in their own names. Above all, through advertising, they attempt to build attractive, favorable images for their account's brands. The agency's account executive or account representative is the liaison person who manages an account.

### **Functions of an ad agency :**

#### ***(i) Choosing clients :***

A planned and organized programme for obtaining new clients is an absolute necessity for every agency. They want clients with able management, efficient operations and products or services, which have sound values. They want clients with whom they can see eye-to-eye on basic policies, standards, advertising, and marketing as well as on agency client relations and responsibilities.

The advertiser's financial picture is the most important matter because the agency's credit relationship with a client is that of creditor to debtor. In addition to these characteristics, advertising agencies want growing companies as clients and want them to be located nearby. If an advertiser's sales have been falling or if his advertising

has been getting low ratings, he might be more receptive to the idea of changing agencies.

An advertiser may mail an exploratory screening questionnaire to a number of agencies. Or an agency may be recommended to an advertiser who changes from one agency to another, for a variety of reasons. Tips may come from media or from media representatives and trade publications. Finally, an account executive may approach an agency about a job, promising to bring some clients along with him.

Another technique to get new clients for the advertising agency is to advertise. Direct mail is the most suitable medium because it is selective, confidential and economical, yet it gives the agency the opportunity to demonstrate its advertising capabilities. Trade papers, although less used, is another appropriate media. Some agencies seem to be too busy with their clients' advertising to find time for advertising themselves. Some probably feel that they are professionals and that, consequently, they should not advertise. The major technique used by agencies in getting new business is that of personal contact and solicitation.

***(ii) Approximate Presentation :***

As part of its attempt to get an account, an agency may make a speculative presentation. This consists of submitting a rough copy, art work, illustrations, complete advertisements, detailed schedules or their findings of market survey - all for free. There are strong reasons why an agency should be hostile to the idea of making a speculative presentation. These are:

The agency cannot do a real good job because it acts without much information about the advertiser's business, his product or service, his personnel and his problems. In Approximate Presentations it gives away what it does and should get paid for. The brains, money and time employed in preparing an Approximate Presentation evidently cannot

be used in serving present clients. Once a new client has been signed up, the question arises as to who will actually serve the account and be responsible for it. This assignment goes to an individual known by such designation as the account executive or account representative or contact man. The account executive studies his client's circumstances and problems, discusses them with the client, plans an advertising programme which he thinks is appropriate and submits this programme and its individual advertisements for the client's approval. His major and continuous duty is to plan advertising which will keep the client happy; or at least retain the client for the agency. An account executive tries to grasp the client's attitudes and preferences and does the thinking for them. He represents his agency to the client, interpreting its attitude and reasoning. He stands ready to help the advertising manager of the client company and sell the proposed advertising programme to its management. He anticipates problems and prepares himself to tide over.

In smaller agencies, the proprietor partner may function as an account executive. Such an account executive writes the copy as well. He may have only one client or several at a time and he may or may not have an assistant account executive.

***iii) Agency Reimbursement :***

The revenues of advertising agencies are derived from commissions and fees. It has been customary for full-service agencies to charge a commission of 15 percent on total billing for their services, plus reimbursement for advertising production costs. The 15 per cent commission comes from the media in which a client firm's advertising is placed rather than from the firm. An advertiser is billed by its agency for the full cost of the advertising space used in the media. Then, the media bills the agency for the full cost of space less a commission of 15 per cent (any early payment discount is passed back to the client). The agency's revenue, then, is primarily the difference between what

it bills its clients and what it pays to the media. In effect, the media are paying the agency a 15 per cent commission through a reduction in its billing to the agency. Moreover, this commission has to necessarily cover most of the expenses of operating the agency, so that a client is actually paying for the full-service offered.

Boutiques, on other hand, charge a fee, rather than a commission, for services rendered. The movement toward a fee system will change the agency-client relationship to the advantage of the client, for advertisers will be better able to buy only those services that they need from the agencies.

So, there are two major methods of compensating advertising agencies: The commission method and the fee method. Under the typical commission system, an agency receives an amount equal to 15 percent of the cost of the media time or space. The commission is paid by the media, which bill the agencies for the stated rate, less 15 percent; the advertiser pays the full rate to the agency. Thus, if an agency prepares and places an advertisement in a magazine worth Rs. 40,000, the media will bill the agency for 34,000 (Rs. 40,000 less 15 percent). The agency, in turn, bills the client for the full Rs 40,000. It is with this income of Rs. 6,000 that the agency carries out its business. Most retailers deal directly with the local media and pay lower rates. No agency commission is paid on these rates. If a local advertiser uses an agency, he usually pays a fee.

The factors which need to be kept in mind while choosing an ad agency include - financial soundness, general reputation, facilities and abilities available, size and adequacy of the staff, system of remuneration, relationship they maintain with advertisers, products advertised, availability, relationship with the media owners, etc.

Whatever is the basis of selection, once an agency is selected the relationship between the advertiser and the agency should be cordial. In fact, the success of an

advertising programme depends much on the mutual trust, confidence and understanding that exist between the two. The advertising agency should not be a mere 'yes-man' of the advertiser, but should be capable of giving him objective advice.

The advertiser should appoint a special person for liaison work between his company and the agency and not expect the agency to contact the junior staff. The advertiser should try his best to entrust the agency to do only that work which brings appropriate results. It should allow the agency, where necessary, to break away from convention in its presentations. The agency should be paid extra, if it does any extra work. The advertiser should examine the work his agency does for other parties to get new ideas. It is about time that the top management looked towards advertising as a basic capital investment - a long term investment - which does not necessarily bring in immediate returns. The management should realize that advertising has two functions to perform; it has to sell a product today and sell the name of the company, so that tomorrow's products from the same company, too, will sell.

### **2.3.2 Client Servicing :**

Client servicing represents the agency to the client. It always tries to maintain the goodwill in the client's mind. It receives the detailed information of the client's requirement. It always looks after the client's needs to his satisfaction. The executives chalk out the strategy based on the brand's positioning, product's USP and its communication objective. They try to coordinate between the company and the client. Basically the department performs the role of Public Relations on behalf of the Ad agency.

### **2.3.3 Media Planning :**

Media Planning department helps ad agencies to choose the best outlet or medium to reach or appeal to the desired

customers. They plan, schedule, book and purchase space in the print media (newspapers, magazines) or outdoors (billboards, kiosks and bus panels) and purchase time in electronic and new media (TV & radio, internet). The media planners may also be involved in conducting client's need-specific research to design the particular ad campaign of the company (the advertiser).

#### **2.3.4 Creative Department :**

The creative department's main task is to prepare the copy for the advertisements. It picks the right words for the slogans and the text. The most appropriate and eye-catching visuals can grab the attention of the customers and promote sale. The creative team in an agency can be further divided into two sections: Copy and Art.

##### **a. Copy Department :**

The Copywriter gets down to the task of putting across the message in words. The headline, followed by the body (copy) in the case of a print advertisement, a dialogue or jingle for a radio spot, or a detailed story board in the case of a TV commercial advertisement have to be done by the copy department.

A good copywriter must be able to think imaginatively and originally each time, to create an ad story for different products. He should have to co-relate masses and market research findings to present the conclusions in a language that is lucid and convincing. And above all, creativity as well as adaptability is needed to be a successful copywriter. However, unlike poetry or short story writing, copywriting is not creativity for the sake of it. The famous ad expert, David Ogilvy, puts it very concisely: "If it doesn't sell, it isn't creative."

##### **b. The Art Department :**

This department under the creative team looks for the layout and the make-up tasks. It accommodates the various

components i.e. slogan, headline, picture, text, logo, etc. in a balanced format within the given space. Selecting the size and type of the font (lettering) for the print advertisements and the photographic treatment as well as the overall treatment of the TV commercials are some very important tasks for an art department.

### **c. The Creative Services Department :**

The creative services department has many contacts with the suppliers of various creative media. For example, they will be able to advise upon and negotiate with the printers if an agency is producing brochures for a client. However, when dealing with the major media including press and electronic media, this work is usually outsourced to a media agency which can advise on media planning and is normally large enough to negotiate prices down further than a single agency or client can. Modern agencies might also have a media planning department integrated, which does all the planning and placements

### **2.3.5 The Research Department :**

The Research department tries to measure the effectiveness of the ad campaign. Research provides the strategy to the media planner, who is the person related to ad making, for the clients. These professionals are from a variety of disciplines, but they share a common comfort level with mathematical or statistical modeling, sampling techniques and psychographics.

### **2.4 Different Types of Advertising Agency :**

The advertising industry is composed of three important principal groups:

- (a) Sponsors;
- (b) Media; and
- (c) Advertising agencies or advertising departments.

## **Agencies are of two basic types:**

### **(1) Independent Agency :**

Advertisers hire independent agencies for a variety of reasons. Not every organization can afford to have, on its staff, all the specialists it needs for dealing with the technical aspects of creating, producing and placing ads. Hiring an independent agency can be a cost-effective way to gain access to a group of trained professionals, much like hiring a law firm. Most such agencies offer expertise in every aspect of advertising - from advertising research and planning to evaluation. By going outside for these services, the advertiser can enhance or complement the knowledge and experience of its own product specialists.

Because independent agencies are continually exposed to a variety of products and advertising problems, they're often more objective about an advertiser's products than in-house agencies. In time, an in-house agency may become too inwardly-focused, whereas an independent agency gets a better view of the market and can therefore put the advertiser's products and concerns into perspective while developing an advertising campaign. Some observers also think that independent agencies offer more talent and creativity than in-house agencies because, they believe, skilled professionals gravitate to the lively, sometimes unconventional atmosphere of outside agencies and crave for the variety of products such agencies handle. By comparison, an in-house agency might seem leisurely, conventional and corporate in nature as they do not have competition. Some advertising specialists might even find the in-house environment stagnant or limiting because the agency deals with only one advertiser's problems and resources.

### **(2) In-House Agency :**

Although many advertisers opt for hiring independent agencies, there are those that prefer the control,

responsiveness and cost structure of an in-house agency. If you are an advertiser with an in-house agency, you gain complete control over all agency functions. Your agency focuses only on your organization's needs and goals, so its staff develops a more thorough understanding of your products or processes. The in-house agency is not looking to profit from handling the business, so the cost may be lower. In other words, the in-house agency need not bother about the working costs to run itself.

Whether an advertiser uses an independent or an in-house agency, it still needs an advertising department. To better understand how the advertiser's advertising department operates look at how the tasks are organized, what advertising managers do, and how they are accountable for their results.

#### **Arranging the Advertising Department :**

The head of the Advertising Department is the advertising manager who reports to the advertiser's marketing manager. Position titles vary from organization to organization. Similarly the structure of the department can also vary. In a centralized advertising department, one group plans, controls and coordinates all advertising efforts. Such a department may also be part of a centralized Marketing Services Department that handles a range of marketing functions.

In small businesses enterprises or in organizations where the top management actively supervises the advertising functions, a centralized approach can provide a single, sharp focus and in many cases, can result in cost savings. For example, in a local shop, the owner may also handle the advertising function. Centralization allows the organization to tightly control the advertising budget and to operate with only one group of specialists. Because all advertising is developed by one person or group, the advertiser may save money through economies of scale while ensuring that the various messages and materials

complement rather than conflict with each other.

On the other hand, when large organizations such as multinational corporations expand or diversify their products, markets, or customer base, they may find a centralized approach unwieldy. To manage this diversity more efficiently, top managers may set up a decentralized advertising department for each division or business. This is the approach used by Nestle and other consumer product giants that sell hundreds of products in one country or a variety of products all over the world.

Under decentralization, each division has its own advertising department, own manufacturing department and all the other functional departments needed to serve its customers. Many organizations assign one or a set of products or brand to a brand manager, who is responsible for sales and profits and for supervision of advertising as well as other functions. In some corporations, such as Procter & Gamble, the brand manager reports to a category manager, who coordinates the efforts of all the brand managers handling a related group of products. In turn, the category manager reports to the division manager, who has the ultimate responsibility for that division's sales and profits. Divisional managers can make decisions without waiting for approvals from the higher level, so that advertising programmes can be quickly planned and implemented. This is of advantage when competitors make an unexpected move or when the market conditions change quickly and hence call for quick decisions.

### **Functions of an Advertising Agency's Departments :**

#### **1. Contact Department :**

Creation, sustaining and extension are the three basic functions of the department. It gets to review business and tries to continue the existing business. Accounts executives of the department is the key man who acts as a liaison between the agency on the one hand and the clients on the other.

## **2. Media Department :**

After making the advertisement plan, the agency selects the best possible medium. It chooses the channels of communication through which to distribute the advertising messages. The media analyst and estimators decide the approximate kind and number of potential customer and then to choose the media that carries the messages to the Target Audience.

## **3. Copy Department :**

The copy director coordinates the work of writing the copy with the assistance of copy chief and copywriters. The advertisement copy is the heart of advertising programme as it contains the message. Copywriting requires imagination, flair and fluency in the language and art of presentation. The theme of the copy is the outcome of his interest, mood and ability.

## **4. Art and Visualization Department :**

The art director heads this department assisted by artists, layout men and visualizers. Art director gets the visuals and layouts prepared for press advertisements, posters, and calendars, painted bulletins and other outdoor pieces. Some agencies hire outside artists. There should be close cooperation between the departments of art and copy as they supplement the work of each other.

## **5. Production Department**

When a copy is ready the agency proceeds to its mechanical production. Agencies generally use outside units for these production services. The production manager has to move the typographers or typesetters to have the copy set in type and thereafter to the photo-engraver for the illustrations. Finally, he moves it to the electro-typer for electro-type mats or other duplicate material in such quantities as needed.

## **6. Finance Department :**

The accountants are responsible for main-taining accounts and collecting the dues from the customers. The checking section verifies the production and duplicity of each individual case, may be for the print medium or outdoor or radio or television or cinema, etc. The aim is to see to it that such publicity is really helping the advertiser. It is intended to realize the goals of publishing; whether the advertisement is scheduled to be aired or released the same day or after a couple of days or a week or a month.

## **7. Research Department :**

This section of the advertising agency is engaged in the study of the effects of sales activities at the end of the point of distribution of a particular product. Sometimes, outside research organizations are employed to carry out such research as they are more economical and reliable.

The Research Director takes the assis-tance of analysts, investigators, marketing assistants, statistical assistants and librarians. All these persons are trained in research work and are in a position to evaluate the information relating to the product.

## **8. Public Relations Department :**

The birth, growth and survival of an advertising agency depend very much on the public opinions, support and feelings. It is the public opinion that decides the destiny of the enterprise. The department establishes and maintains mutual understanding between the organization and the public. Proper PR approach is the product of publicists and advertising men. The PR Director has to struggle hard to ensure a high opinion about the firm that he heads. Once the image is lost the whole business comes to a standstill.

## **2.5 Advertising Agency Services :**

Advertising agency can easily handle advertiser's advertising needs. They sometimes may need to design an ad for business, looking for placing a matrimonial advertisement or perhaps they want to publish an advertisement in a newspaper for job recruitment. It may also be to create a catalogue to showcase the products, or make a flyer to announce a special event. As ad agency is the advertising related concern, it provides all marketing services according to the advertisers' requirement.

### **2.5.1 Outdoor Advertising**

Billboards and messages painted on the side of buildings are common forms of outdoor advertising. This is often used when quick, simple ideas are being promoted. Since repetition is the key to successful promotion, outdoor advertising is most effective when located along city streets that are frequented by the target audience and when the product being promoted can be purchased locally. Only about 1 percent of advertising is conducted in this manner. Outdoor advertising, however, is the earliest form of advertising. This is amply proved from the findings of the Greek and Romans Eras. In those days, inn signs were used to advertise a product. This is still in vogue. Its main purpose is to attract the attention of the public to the product advertised.

Outdoor ads comprise different-sized posters, illustrated metal and other such objects displayed on outdoor sites. This kind of advertisement usually provide support to TV, Radio and Print media and remain in place for weeks, months or even years.

There are different kinds of posters starting from small double crown bills to the large ones on hoardings or bulletin boards. Posters of varying sizes with full colour and realistic scenes and pictures of products may look different. The

ad copy should have a slogan with the name of the product printed in large letters. Posters can create awareness regarding the product through boldness of the copy and the colours used.

**Outdoor advertising can be classified as -**

- (a) Hoarding which is also called billboard; they are made of metal boards in large sizes, fixed frame and is placed along the streets where opportunity to see and read will be enough. But its costs are high and sometime people get bored to see the same thing for long time at the same place.
- (b) Wall paintings are bigger than hoardings and their shape and sizes help in rendering to be of better clarity.
- (c) Posters are nothing but placards displayed in public places like walls, building tops or street corners, railway stations, market place, etc. Posters are made on thick paper, cardboard or any metal sheet supported a wooden or metal frame. The advertisers can change the posters according to the matching time and seasons. These days, advertisers use synthetic sheets to print posters.
- (d) Banners are small in size and made of cloth or rexin or plastic. It may be painted. But streamers are big in size. These kinds of advertisements are low cost ones and very temporary in nature and can be spoilt by rain or wind.
- (e) Balloons filled with hydrogen gas are made to stay at a certain level in the air. Viewers get the opportunity to see the brand name on them. This, however, is an expensive medium.

There are other kinds of outdoor advertising like electricity and telephone polls, electric signs, neon and glow signs, sign boards, traveling displays, aerial advertising or sky writing, etc.

Outdoor ads also offer some advantages to the advertiser. For example,

- (1) The product name can be easily identified.
- (2) Short and catchy copy makes it simple to comprehend the delivered message and create a feeling regarding the brand image.
- (3) Repetition is another positive factor for the advertiser of a firm.

Now let us also look at a few negative features or drawbacks of this style of advertising.

Brevity is one of the main factors because there is no scope to browse leisurely as it is possible

with a newspaper or to watch the demonstration of the product on TV.

Public anger against spoiling the landscape and scenery is another important disadvantage of outdoor advertising.

When people think of Outdoor Advertising, they usually think of the colourful billboards along our streets and highways. There are such other forms of outdoor advertising too as benches, posters, signs and transit advertising (the advertising on buses, subways, taxicabs and trains). They all share similar advertising rules and methods.

Outdoor advertising reaches its audience as an element of the environment. Unlike newspaper, radio or TV, it does not have to be delivered into the home. And it does not combine with entertainment to sustain its audience.

#### **Some Outdoor Advantages :**

- Since it is in the public domain, Outdoor Advertising assuredly reaches its audience. People cannot "switch it off" or "throw it out." People are exposed to it whether they like it or not. In this sense, outdoor advertising truly has a "captive audience."

- It's messages work on the advertising principle of "frequency." Since most messages stay in the same place for a period of time people who drive by or walk past see the same message a number of times.

- Particular locations can be acquired for certain purposes. A billboard located close to your business establishment can direct people to your showroom. Or you can reach rural areas efficiently by placing a billboard in each small town.

- Outdoor advertising is an excellent adjunct to other types of advertising you are doing. In fact, it is most effective when coupled with other media. Some Outdoor Disadvantages.

- Outdoor advertising is a glance medium. At best, it only draws 2-3 seconds of a reader's time.

- Messages must be brief to fit in that 2-3 second time frame. Ninety-five percent of the time, either the message or the audience is in motion.

- The nature of the way you have to buy outdoor advertising (usually a three month commitment) is not conducive to a very short, week-long campaign.

When you buy outdoor advertising, remember that location is most important. Areas with a heavy traffic are ideal. A billboard in an undesirable area will do you little good. Keep your message concise (use only five to seven words) and make it creatively appealing to attract readership. Few words, large illustrations (or photos), bold colors and simple backgrounds will create the most effective outdoor advertising messages.

### **2.5.2 Film Advertising :**

The short commercial films, slide shows etc are some advertising which are carried in cinema houses before displaying the main feature film.

The silver screen is also considered a potential medium of advertisement. A large screen and wide production present a powerful impact on the viewers' mind. It provides the advertiser a captive audience. But it is most impossible for a small firm to get films produced for a specific purpose of advertising because it is very expensive one. But we have to consider the fact that the filmgoers' attitude because they are coming only for the cinema, not for getting the sales messages. Under these circumstances no product message can be disseminated properly and efficiently to the viewers.

Film publicity has a wide appeal and can transcend barriers of language. It is an audio-visual technique which can exert maximum impact on the audiences. Both the senses of sight and hearing are used to impact the advertising message. Repetitive advertising and coverage of selected geographical areas are also possible by this medium.

The cost of preparing slides and commercial films is very high and their distribution over large geographical areas also needs heavy expenditure. Though selective advertising is possible effectiveness can't be measured. There are also complaints that film advertising interferes with the entertainment and very often the artistic level of commercial films is very poor. There can be considerable waste in film publicity.

#### **Film advertising material :**

1. **Billing (filmmaking) :** Billing is a film term denoting the amount and order in which film credits information is presented in advertising materials and within the film itself. Information given in billing usually consists of the actors appearing in the movie, the directors, producers, the companies producing and distributing the movie (by name and/or logo), and artistic and technical crew. The title of the movie is also considered to be part of the billing.

2. **Film poster :** A film poster is a poster used to

advertise a film. There may be several versions for one film. It usually contains an image with text. The text contains the film title and often the names of the main actors. It may also include a tag line, the name of the director, names of characters, the release date, etc.

**3. Film promotion :** Film promotion is a practice undertaken by most film studios. Studios invest in expensive marketing campaigns to maximize target audience attendance of the released film early in the release cycle. Many promotional techniques, both traditional and modern, serve this end.

**4. Film trailer :** Trailers or previews are film advertisements for films that will be exhibited in the future at a cinema, on whose screen they are shown. The term "trailer" comes from their having originally been shown at the end of a film programme. That practice did not last long, because patrons tended to leave the theater after the films ended, but the name has stuck. Trailers are now shown before the film (or a movie in a double feature program) begins.

**5. Tagline :** A tagline is a variant of a branding slogan typically used in marketing materials and advertising. The idea behind the concept is to create a memorable phrase that will sum up the tone and premise of a brand or product (like a film), or to reinforce the audience's memory of a product. Some taglines are successful enough to warrant inclusion in popular culture, often becoming snow clones.

### **2.5.3 Financial Advertising :**

Banks, financial institutions, and corporate firms issue advertisements to collect funds from markets. They publish prospectus and application forms and place them at locations where the prospective investors can easily spot them. For example, we are all familiar with such advertisements by LIC (Life ke sath bhi, life ke bad bhi), SBI, Assam Grameen Bikash Bank, etc.

#### **2.5.4 Consumer Advertising :**

This is done to impress the ultimate consumer. An ultimate consumer is a person who buys the product or service for his personal use. This type of advertising is done by the manufacturer or dealer of the product or service. Examples: Advertisements of Intel, Kuttons (shirt), Lakme (cosmetics), etc.

#### **2.5.5 Corporate Advertising :**

The 'corporate advertising' refers to a special advertising to promote the business or financial interests of a company. Some particular advertisements appear in the business and financial press. Very occasionally, commercial television is also used. In the event of a crisis, such as a strike, disaster or the recall of a defective product, advertisements may be addressed to customers.

#### **2.6 Media Buying and Space Selling :**

Media buying is the function of an advertising agency in buying 'space' or 'time' in a media to place an advertisement of a product or a service. Media buying is a strategic planning, negotiation and buying of Print Media, Television, Radio, etc. It is a specialized skill, which requires knowledge of the target audience, consumer behaviour, the media, and the criteria used to measure the value of time and space. For placing an advertisement in mass media, the advertiser has to buy space or time according to the nature of media.

John Philip Jones in the book edited by him, 'The Advertising Business', states that a media buyer may be defined as the individual in an advertising agency who is responsible for reviewing, recommending, negotiating and buying the media time and space that will support the brand positioning. He is responsible for the purchase of time and space for the delivery of advertising messages in the media. A media buyer may be an employee of an

advertising agency who specializes in such purchases, but, technically, a media buyer is any advertiser, advertising manager, or individual who buys the commercial time or the advertising space.

These word 'space' does not mean here what an individual understands in the ordinary sense of land or freedom of existence. The 'space' we are discussing now is the space available and intended for advertising in different media. We should remember that while dealing with TV and radio, the term 'Space Selling' is aptly replaced by 'Time Selling'. But 'space selling' is used in a general collective sense.

A space seller for any media based organization performs the task of interacting with prospective advertisers and convincing them to use his organization's medium to place their ad. The services of every publication/channel cost much more than the price we pay for it. In other words, the newspaper, we buy and read that costs more than the price we pay. And yet it is sold at a lesser price than what it costs is made possible because of the advertisements carried in the paper.

This is more so in the case of the television channels or the radio programmes. We may remember that we do not pay any money for the programme as such. But the channels make the money by selling the time to advertisers. A space seller steps in here to sell that advertising space/time to the potential advertisers.

### **2.7 Summary :**

An advertising agency is defined as "an organization whose business comprises acquisition as a principal of right to use space or time in advertising media and the administration on behalf of the advertisers, of advertising appropriation made by them". It is a company that helps advertisers create advertisements and place them with appropriate media. An agency is purely a service business, manufacturing nothing. Its products are ideas for what

will make good advertising, its assets are creativity and expertise.

The earliest form of advertising is outdoor advertisement. In those days inn signs were used to advertise a product, still in vogue today. Its main purpose is to attract the attention of the public to the product advertised. Outdoor ads comprise different-sized posters, illustrated metal, painted boards displayed on outdoor sites. This kind of advertisements usually provide support to TV, Radio and Print media and remains in position for weeks, months or even years.

#### **2.8 Check Your Progress :**

1. What do you mean by an advertising agency ? What are the activities of an advertising agency ?
2. Name the various departments of an advertising agency.
3. Why outdoor advertising is important to promote a product ?
4. What is media buying ?

#### **4.1 References and Suggested Readings**

1. Advertising by Franc Jefkins
2. Advertising in India by Om Gupta
3. Advertysing New Concepts by SS Kaptan
4. Advertising Basics by J V Vilanilam & A K Varghese
5. SLMs of IDOL,GU; IGNOU, New Delhi, KKHSOU, Guwahati

**Unit-III**  
**Advertising for Media**

**Contents :**

- 3.1 Introduction**
- 3.2 Objectives**
- 3.3 Advertising for different media**
- 3.4 Impact of Advertising**
- 3.5 Government and PSUs Advertising**
- 3.6 Concept of Social Marketing**
- 3.7 Codes and Guidelines for Advertising**
- 3.8 Summary**
- 3.9 Check Your Progress**
- 3.10 References and Suggested Readings**

**3.1 Introduction :**

Advertising has now become an industry with enormous impact on the social, economic, cultural and political system. By increasing the demand of the products and services, advertising affects the economic growth in a society.

By now you must be familiar with the various aspects of advertising. In this unit we are going to consider some other important aspects of advertising. Among them, we will discuss advertising for different media and differences among them. We will also discuss about government

advertising, social marketing, codes and guidelines for advertising, etc.

### **3.2 Objectives :**

After reading this unit you will be able to -

- discuss the advertising for different media
- explain the impact of Advertising
- enumerate various Government and PSUs Advertising
- define the Concept of Social Marketing
- discuss the Codes and Guidelines for Advertising

### **3.3 Advertising for different media :**

We have had a detailed discussion on Advertising media in the previous unit. Here we will again just take a look on that topic.

#### **• Newspaper advertising can be distinguished as follows-**

1. Display advertising: This type of advertising is placed with great importance. It has strong attention value because of the illustrations, the arrangement of headings and the body text, the white space, color or other visual images.

2. Classified advertising: As the name implies, such advertisements are placed in a special page i.e. classified page of the paper. For example 'matrimonial', 'vacancies' etc. On the other hand, some display classified advertisements are also published by the newspapers, which allow more flexibility of arrangement than the regular classified including borders, different font style and type, white space and photographs.

3. Special advertising: The government and the political parties give this type of advertising. For example, the tender notice, 'Gohari', government clarifications, etc.

### **(1) Radio ad :**

The radio ad rates structure depends upon the day, date and time. Rates change according to the prime times, holidays and from programme to programme. The radio offers some advantages to the advertisers. It can disseminate instantly the ad message to its particular target audiences. The radio is a practical and low-cost vehicle. It needs less effort and concentration of the listener. Moreover, lack of literacy is not a barrier to understand the ad message. A radio costs very little money and is hence affordable to most people. It is also a portable device and can be kept on even without electricity with the help of battery. So radio is a very successful medium for an advertiser to reach the rural people.

### **(2) Television ad :**

Television advertising is a form of advertising in which goods, services, organizations, thoughts, etc. are promoted via the medium of television. Most advertisements are produced by an outside advertising agency and the time is purchased from the TV channel or from the broadcasters. TV has already caught the market and holds a large number of viewers in many different demographic groups. Advertisers always prefer TV as the most effective medium for advertising.

### **3.4 Impact of Advertising :**

Advertising has now become an industry with enormous impact on the social, economic, cultural and political system. By increasing the demand of the products and services, advertising affects the economical growth in a society. Advertising can create a demand for a particular product. If the product is available in the market and if people buy the product, then the overall cost will decrease and the product will become cheaper for the customer, raising his willingness to buy. Here we can conclude that advertising has an enormous influence on the society. It

influences the consumers to purchase a product by creating the urge in them to go for a particular product.

Advertising can also have an impact on politics. It gives the chance to the opponents to respond to charges very quickly. In many countries, political parties give contracts for their publicity to some reputed advertising firms.

Finally, we cannot deny the impact of advertising on the culture of a society. For example, the image of women is being exploited in the advertisement for the sake of profit. We can refer here the use of female models and the way of presentation of the image in the male product advertisements like Gillette, Axe, etc. Advertising influences us in our decision to buy food, car, dress, medicine and almost everything we need. The fact is that we cannot imagine a society without advertisements.

### **3.5 Government and PSUs Advertising :**

Advertising is the means to inform as well as influence the general public to buy products or services through visual or oral messages. A product or service is advertised to create awareness in the minds of potential buyers. Some of the commonly used media for advertising are T.V., radio, websites, newspapers, magazines, bill-boards, hoardings, etc. As a result of economic liberalization and the changing social trends, advertising industry has shown rapid growth in the last decade.

Advertising is one of the aspects of mass communication. Advertising is actually brand-building through effective communication and is essentially a service industry. It helps to create demand, promote marketing system and boost economic growth. Thus advertising forms the basis of marketing.

Advertising plays a significant role in today's highly competitive world. A career in advertisement is quite glamorous and at the same time challenging with more and more agencies opening up every day. Whether it is

brands, companies, personalities or even voluntary or religious organizations, all of them use some form of advertising in order to be able to communicate with the target audience. The salary structure in advertising is quite high and if you have the knack for it one can reach the top. It is an ideal profession for a creative individual who can handle work-pressure.

Today, new areas are emerging within advertising like event management, image management, internet marketing, etc. Event management is wherein events are marketed and Image management is wherein a particular profile of an individual or an organisation is projected. Internet marketing has also brought about a lot of changes in advertising as Internet means that one is catering to a select group of audience rather than a mass audience.

In this context we need to discuss the role of Government ad and PSUs ad.

• **Directorate of Advertising & Visual Publicity :**

The Directorate of Advertising & Visual Publicity (DAVP) is the nodal agency to undertake multi-media advertising and publicity campaigns for various ministries and departments of the Government of India. Some of the autonomous bodies also route their advertisements through DAVP. As a service agency, it's endeavour is to communicate with the grass roots level on behalf of various Central Government ministries.

The origin of DAVP can be traced to the times of World War-II. Immediately after the out-break of the Second World War in September 1939, the government of India, under the British at that time, appointed a Chief Press Advisor. Besides other things, advertising was also the responsibility of this officer under whom a post of Advertising Consultant was created in June 1941. This is where DAVP has its roots. On March 1, 1942, the Advertising Consultant Office became the Advertising

Branch of the Department of Information & Broadcasting (I & B). Following the expansion in its scope, functions and activities, this unit was declared as an attached Office of the I & B Ministry on October 1, 1955. The office also assumed the name DAVP.

DAVP has been working as a catalyst of social change and economic growth over the years. It has been instrumental in creating awareness amongst the masses on socio-economic themes, seeking their participation in developmental activities and for eradication of poverty and social evils.

**Its brief includes -**

To perform the functions of a multi-media advertising agency as well as to act as a service agency for the Central Government ministries / departments to meet their publicity needs like production of media inputs as well as dissemination of messages/information and to help Central Government departments in formulating communication strategies / media plans and implement them at the grass-root level by providing multi-media support, etc.

The channels of communication used are:

- **Advertisements** - Release of press ads
- **Exhibitions** - Putting up exhibitions
- **Outdoor Publicity** - Display of hoardings, kiosks, bus panels, wall paintings, cinema slides, banners, etc.
- **Printed Publicity** - Booklets, folders, posters, leaflets, calendars, diaries, etc.
- **Audio & Visual Publicity** - Spots / Quickies, jingles, sponsored programmes, short films, etc.
- **Mailing of publicity material** - Distribution of publicity material.

**The main set-up of DAVP at the headquarters consists of :**

1. **Campaign Wing** - for coordinating publicity campaigns
2. **Advertising Wing** - for release of press advertisements
3. **Outdoor Publicity Wing** - for display of outdoor publicity materials
4. **Printed Publicity Wing** - for printing of publicity materials
5. **Exhibition Wing** - for putting-up exhibitions
6. **Mass Mailing Wing** - for distribution of publicity material
7. **Audio-Visual Cell** - for production of audio / video programmes
8. **Studio with DTP facility** - for designing
9. **Copy Wing** - for making copy
10. **Coordination Cell** - for coordinating Parliamentary Questions, Parliamentary Committees
11. **Electronic Data Processing Centre** - for processing of bills.
12. **Accounts Wing**
13. **Administration Wing**

**DAVP has a network of offices spread all over the country.**

**DAVP has:-**

1. **Two Regional Offices at Bangalore and Guwahati** to coordinate the Directorate's activities in these regions.
2. **Two Regional Distribution Centres at Calcutta and Chennai** to look after distribution of publicity material in eastern and southern regions, respectively.

3. **35 Field Exhibition Units with mobile exhibition vans, seven family welfare units and 21 general field exhibition units.**

4. **Regional Exhibition Workshop at Chennai and**

5. **Exhibition Kit Production Centre at Guwahati to assist the Exhibition Division at headquarters in designing and fabricating exhibits.**

**Some of the important subjects publicized by DAVP include :-**

1. Health & Family Welfare
2. Drug Abuse & Prohibition
3. Women & Child Development
4. Upliftment of the Girl Child
5. Education
6. Adult Education
7. Non-Conventional Energy Sources
8. Mahila Samridhi Yojana
9. National Integration & Communal Harmony
10. Creating public opinion against dowry, female infanticide, child labour, beggary, etc.
11. Blood Donation
12. AIDS Awareness
13. Consumer Protection
14. Safe Drinking Water
15. Welfare of the Handicapped
16. Water-Borne Diseases
17. Handicrafts
18. Social Welfare Programmes
19. Agriculture
20. Food & Nutrition

21. National Social Assistance Programmes
22. Training of Rural Youth for Self-Employment (TRYSEM)
23. Integrated Rural Development Programme
24. Development of Women and Children in Rural Areas (DWCRA)
25. Employment Assurance Scheme
26. Jawahar Rozgar Yojana
27. Panchayati Raj and
28. Commemoration of 60 Years of India's Independence

### **3.6 Concept of Social Marketing :**

The traditional definition of marketing is "the performance of business activities that direct the flow of goods and services from producer to consumer or user." Marketing, however, is more than the mere physical movement of goods from the place of production to where they are consumed.

This focus on the "consumer" involves in-depth research and constant re-evaluation of every aspect of the programme. In fact, research and evaluation together form the very cornerstone of the social marketing process.

Social marketing was "born" as a discipline in the 1970s, when Philip Kotler and Gerald Zaltman realized that the same marketing principles that were being used to sell products to consumers could be used to "sell" ideas, attitudes and behaviors. Kotler and Andreasen define social marketing as "differing from other areas of marketing only with respect to the objectives of the marketer and his or her organization. Social marketing seeks to influence social behaviors not to benefit the marketer but to benefit the target audience and the general society."

Like commercial marketing, the primary focus is on the consumer on learning what people want and need rather

than trying to persuade them to buy what we happen to be producing. Marketing talks to the consumer, not only about the product but also about the planning process which takes this consumer focus into account by addressing the elements of the "marketing mix." This refers to decisions about 1) the conception of a Product, 2) Price, 3) Distribution (Place), and 4) Promotion. These are often called the "Four Ps" of marketing.

### **3.7 Codes and Guidelines for Advertising :**

Advertising is to awaken interest of the buyers in goods or services. The success of advertising depends on public confidence. No practice should be permitted which tends to impair this confidence. The minimum standards of acceptability is liable to be reviewed from time to time in relation to the prevailing norm of listeners'/viewers'/readers' susceptibilities and to develop and promote healthy advertising practices.

Responsibility for the observation of these rules rests equally upon the Advertiser and the Advertising Agency.

#### **General rules of conduct in advertising :**

1. Advertising must be so designed as to confirm to the laws of the country and it should not offend the morality, decency and religious susceptibilities of the people.
2. No advertisement shall be permitted which
  - i. derides any race, caste, color, creed and nationality;
  - ii. is against any of the directive principles, or any other provision of the Constitution of India;
  - iii. tends to incite people to crime, causes disorder or violence, or breach of law or glorifies violence or obscenity in any way;
  - iv. presents criminality as desirable;

- v. adversely affects friendly relations with foreign countries/nations;
  - vi. exploits the national emblem, or any part of the constitution or the person or personality of a national leader or State Dignitary;
  - vii. relates to or promotes cigarettes and tobacco products, liquor, wines and other intoxicants;
3. No advertisement message shall in any way be presented as News.
  4. No advertisement shall be permitted whose objects whereof are wholly or mainly of religious or political nature; advertisement must not be directed towards any religious or political end or it must not have relation to any industrial dispute.
  5. Advertisements for money lenders, chit funds, saving schemes and lotteries other than those conducted by central and state government organizations, nationalized or recognized banks and public sector undertakings, foreign goods and foreign banks, betting tips and guide books, etc. relating to horse-racing or the other games of chance shall not be accepted.
  6. The items advertised shall not suffer from any defect or deficiency as mentioned in Consumer Protection Act, 1986.

### **3.8 Summary :**

There are some differences between advertising for different media. For instance, print advertising is different from radio and television advertising. The way of expression of the advertisements of different media differs on the nature of the media.

Advertising has now become an industry with enormous impact on the social, economic, cultural and political system. By increasing the demand of the products and

services, advertising affects the economic growth in a society.

### **3.9 Check Your Progress :**

1. What are the different types of newspaper advertising? Discuss the differences between radio and television advertising.

2. Write an essay on the impact of advertising on children.

3. What are the activities of DAVP?

4. What do you mean by Social Marketing?

5. Discuss the codes and guidelines for the advertising. Have you seen any advertising that should not be broadcast or publish in the recent past according to your opinion?

### **3.10 References and Suggested Readings :**

1. Advertising Basics by J V Vilanilam & A K Varghese
2. Advertising by Franc Jefkins
3. Advertising New Concepts by SS Kaptan
4. Advertising in India by Om Gupta
5. Official websites
6. SLMs of IDOL, GU; IGNOU, New Delhi, KKHSOU, Guwahati

**Unit-IV**  
**Advertising Organizations**

**Contents :**

- 4.2 Introduction**
- 4.3 Objectives**
- 4.4 Advertising Agencies Association of India**
- 4.5 Advertising Standards Council of India**
- 4.6 Summary**
- 4.7 Check Your Progress**
- 4.8 References and Suggested Readings**

**4.1 Introduction :**

This is the last unit of the paper on advertising. Already we have discussed various issues of advertising with their conceptual framework. Also we have discussed the activities of an advertising agency as well as the codes and guidelines; by those we can regulate ourselves to promote good advertisements for the betterment of the community.

In this unit we are going to discuss two major organizations that regulate the advertising industry. These are Advertising Standards Council of India and Advertising Agencies Association of India. Let us now discuss more about these organizations.

## **4.2 Objectives :**

After reading this unit you will be able to –

- discuss the activities of Advertising Agencies Association of India
- explain the functions of Advertising Standards Council of India

## **4.3 Advertising Agencies Association of India (AAAI) :**

On September 21, 1945, 64 years ago, Advertising Agencies Association of India (AAAI) was registered as a society in Kolkata (Earlier Calcutta). Four agencies from Kolkata – D J Keymer, General Advertising Agency, J Walter Thomson Company and Press Syndicate – and three agencies from Mumbai – Adarts, Lintas and National Advertising Service – were the signatories in the registrar's office doing the honours. Initially, the registered office of the Association was located at 37, Chowringhee, Kolkata, a vibrant commercial city under the British Raj. In 1961, it was shifted to Bombay (now Mumbai).

The Government's own Press Commission in 1953 noted that the value of print advertising was Rs. 35 million. Other media spends were estimated at another Rs. 15 million. In such an era, those were some real bold men who felt the need to create a platform to promote advertising, as a professional activity!

After India became a Republic in 1950, successive governments promoted the policy of self-reliance and import substitution. For three decades – from 1951 to 1980 advertising in India had limited purpose to play. Till the 80's, while the government did not encourage competition, it did grudgingly acknowledge the importance of communication in social aspects like in family planning programmes, nutrition, education, modernization of agriculture and ushering in the green revolution.

AAAI members were called upon to provide support to the government's efforts in some of these critical areas.

The government also had a healthy respect for AAAI and always consulted it in matters of consequence. For example, it was at AAAI's instance that the Government permitted foreign equity holding in ad agencies in the late 80's. Whenever required, AAAI has stepped in to protect its business interests and to regulate orderliness in the industry. It has been instrumental in restoring the 15% commission / trade discount for Government business in Government-owned media, or in lobbying for removal of tax on advertising, way back in 1965 and subsequently in 1978 and 1983, or during the most recent instance when the Fringe Benefit Tax was introduced and advertising and promotion were included as fringe benefits !

AAAI's contribution in regulating the industry is no less significant. In 1987 when TV-sponsored programmes became a reality, it determined how the income should be shared between the placing agency and the creative agency. In 1988 and 1990, AAAI was actively involved in determining the procedures and policies of the electronic media i.e Doordarshan.

In 1983, AAAI was involved in a serious dialogue with Indian Newspaper Society (INS) when the credit period was proposed to be reduced from 75 to 45 days. Finally they agreed on 60 days, with the rider that "no changes would be made in the Accreditation Rules without mutual consultation and consent" of INS and AAAI. In 1991, when the proposal came to reduce this 60 days to 45 days, it was persuasively defeated. Since then, INS and AAAI meet regularly with respect to matters that concern both the bodies.

AAAI is behind the National Readership Survey (NRS) as a joint industry initiative in collaboration with INS and ABC. Having felt the need for a self-regulating body in advertising, AAAI was highly supportive to the formation of Advertising Standards Council of India (ASCI).

Similarly, AAI encouraged the formation of Indian Broadcasting Foundation so that it could address the needs of TV channels. About four years back, AAI signed a unique agreement with IBF which codified the working relationship between the members of IBF and AAI in the matter of placing and paying for the ads. This initiative has been a resounding success for both sides.

AAI enjoys a healthy relationship with Indian Society of Advertisers (ISA). Time and again, its members have called upon AAI to resolve disputes with advertisers for which formal arbitration proceedings have been conducted. The body also assists its members to collect payment from defaulting advertisers.

In summary, AAI, over the last six decades and more, has stood by its members and have protected their business interests, be it in dialogue with the government, media bodies or advertisers. It has regulated its members in the orderly conduct of their business affairs, whenever the need arose; And last but not the least, AAI provides a platform for training advertising professionals, recognition of creative work through its coveted Triple-A awards and honouring outstanding advertising men through its AAI-Premnarayan Award.

It has thus come a long way from its humble beginnings 64 years ago. But as they say, the future is always more exciting than the past. AAI is alive to the changes that the future holds out and the next decade would be a stimulating period, ushering into the advertising industry newer challenges and opportunities.

AAI is the official, national organization of advertising agencies, formed to promote their interests so that they continue to make an essential and ever-increasing contribution to the nation, by working towards the following objectives :

1. To benefit Indian consumers and to protect their interests by helping ensure that advertising is honest and in good taste.

2. To benefit Indian advertisers by promoting their sales, increasing their sales and increasing productivity, profitability, stimulate business and industrial activity etc.
3. To benefit media by establishing sound business practices between advertisers and advertising agencies and each of the various media owners.
4. To benefit the nation by harnessing advertising for the good of the country, its institutions, its citizens, cooperate with the government in promoting social objectives and the task of nation-building.
5. To question advertising practice that is wasteful and extravagant, make it possible for small entrepreneurs to grow through advertising and to compete with the biggest, encourage market and media research, serve the society by meeting its social responsibilities.
6. To encourage the interests of young individuals in the business of communication, to assist in education and training programmes and to provide information of benefit to its members. Non-members are also provided this service for a fee.
7. To establish a common platform in building and sustaining the prestige of the advertising profession and to serve as a spokesman against unwarranted attacks or restrictions on the profession.
8. To establish a forum where representatives of advertisers, advertising agencies, media owners and government can meet on mutual grounds and examine problems of mutual concern.
9. To offer effective cooperation and liaison with government officials and bodies for the purpose of broadening their understanding of the role of advertisers, advertising and advertising agencies.

10. To cooperate with government bodies in discussion of matters such as taxes, radio and TV advertising, legislation, political campaign advertising, controls on pharmaceuticals, tobacco or liquor advertising and other subjects of similar complexity and sensitivity.

AAAI today is truly representative of the profession, with a very large number of small, medium and large-sized agencies as its members, who together account for almost 80 % of the advertising business in the country. It is thus recognized at all forums -- advertisers, media owners and associations, and even government -- as the spokesperson for the advertising industry.

Its activities cover all areas of vital importance of the advertising industry. Some of these include:

**Government & Public Relations :** Improving the overall image of the advertising industry and focusing on its role in economic development and employment through campaigns, seminars, press relations and direct contact with government ministries.

**IBF / Doordarshan & AIR / Other FM Channels :** Protection of members' interests on issues related to Guidelines and Rules of Commercial Broadcast, sponsorship, rates, commission and accreditation, working towards full service operations at all TV Channels / Doordarshan Kendras and Radio Channels, setting up an independent monitoring body for commercials.

**INS :** Protection of members' interest in matters relating to INS policies, credit periods, Rules for Accreditation and streamlined operations; promotion of better production values and effective advertising purchases.

**Professional Practices :** Improving the quality of professional relationships between agencies and clients through seminars, the AAAI Handbook and the evolution of uniform guidelines, codes and norms.

**Client Disputes :** Helping settle disputes through evolution

of guidelines, procedures and uniform practices; mediating between agency-client, agency-agency and agency-media to ensure quick resolution of disputes.

**Statutes and Laws :** Constantly examining all relevant laws and statutes affecting the advertising industry including ESIS, Sales Tax, other taxes, arbitration, MRTTP guidelines; seeking professional advice and presenting a common viewpoint at relevant forums to protect members' interests; pursuing new avenues like Credit Insurance cover, etc,

**Training & Development :** Organizing seminars and workshops on effective advertising skills in creative, copy-writing, print and production, client servicing, television production, media operations, media planning, advertising as a career, etc; maintaining a fully-stocked reference library with a reprint service for members.

**Member Communications :** Constantly communicating with members through circulars and correspondence, periodic publication of an updated membership directory, regular regional meetings for members and their employees.

**Public Service :** Offering the services of the Association and members in significant projects, e.g. for Family Planning, the National Wastelands Development Board, Gujarat Earthquake relief, etc; encouraging the creation of such advertising by members. There are innumerable instances of successful AAI activities, with benefits to the entire advertising industry and all others associated with it.

This august body functions through active voluntary and honorary services of a President, Vice-President, Honorary Secretary, Honorary Treasurer and an Executive Committee assisted by a full-time Secretary-General and his staff. It maintains a permanent office located at: 35 Maker Tower 'F', 3rd Floor, Cuffe Parade, Mumbai - 400 005.

Conventionally, a very senior agency person represents each member agency in the forum. The President and other office-bearers are elected every year by the general body, which comprises all representatives of member agencies. Also an effort is made to ensure that all zones and groups of agencies (by size) are represented on this Committee.

Assisting the above groups are various Sub-committees, each looking after specific activity areas, and Regional Convenors who co-ordinate members' activities in different regions of the Country. The Executive Committee, the Regional Convenors and various Sub-Committees meet very regularly and information is constantly shared among all members.

Thus it is a true association in the sense that nearly half of all members are directly involved with one or more of the active committee groups and the remaining members are in touch through direct communication.

**The corporate identity of AAI :**

Primitive man probably beat the first drum to summon his tribesmen to a community hearing of the day gone by. Advertising has a lot in common with this paradigm of beating the drums. Its primary role is to announce products and services, new packaging and merchandising initiatives or even to bring to the attention of the consumers any information which can contribute to better value and satisfaction. Drumming up support for a common cause has over the years become an important catch phrase and is relevant to the role which advertising plays in advocacy and missionary campaigns.

The new logo created for this body draws from the initials AAI. The three 'A's are the support on which the drum base depends. The 'I' has been turned into the proverbial stick to signal professional empowerment. It is evocative of the AAI's role in modulating the industry's cadence and creating a resonant reverberation. (Source: official web page: <http://www.aaaindia.org>).

#### **4.4 Advertising Standards Council of India :**

An advertisement is defined as a paid for communication, addressed to the public and its purpose is to influence the opinions or behaviour of those to whom it is addressed. But some time some advertisers do not obey ethics in advertising, being concerned only with own profit. They want to influence their target audience by disseminating some irrelevant and misleading message through advertising. Advertising Standards Council of India works as the watch dog in the Indian advertising industry.

The ASCI & its Consumer Complaints Council (CCC) deal with complaints received from consumers and industry against advertisements, which are considered false, misleading, indecent, illegal, leading to unsafe practices, or unfair competition, and consequently in contravention of the ASCI Code for Self-Regulation in Advertising.

ASCI is a voluntary self-regulatory council, registered as a not-for-profit Company under section 25 of the Indian Cos. Act. The sponsors of the ASCI, who are its principal members, are firms of considerable repute within the industry in India, and comprise advertisers, media, ad-agencies and other professional services connected with advertising practice.

In 1985 the Advertising Standards Council of India (ASCI) adopted a Code for Self-Regulation in Advertising for maintaining honesty in advertising and fair competition in the market. It stands for the protection of the legitimate interests of the consumers and propagates its code and a sense of responsibility to all concerned with advertising - advertisers, media, advertising agencies and others who help in the creation or placement of advertisements.

ASCI encourages the public to complain against advertisements with which they may be unhappy for any reason and ensures that each complaint receives a prompt and objective consideration by an impartial committee, the Consumer Complaints Council (CCC) which takes into

account the view point of the advertiser, and communicates an appropriate decision to all concerned.

This Code applies to advertisements read, heard or viewed in India even if they originate or are published abroad so long as they are directed to consumers in India or are exposed to significant number of consumers in India.

#### **4.5 Summary :**

An advertisement is defined as a paid for communication, addressed to the public and its purpose is to influence the opinions or behaviour of those to whom it is addressed. But some time some advertisers do not obey ethics in advertising, being concerned only with own profit. They want to influence their target audience by disseminating some irrelevant and misleading message through advertising. Advertising Standards Council of India works as the watch dog in the Indian advertising industry. Advertising Agencies Association of India is the official, national organization of advertising agencies, formed to promote their interests so that they continue to make an essential and ever-increasing contribution to the nation.

#### **4.6 Check Your Progress :**

1. When the Advertising Agencies Association of India was formed? Discuss the importance of such an organization.
2. What are the main activities of Advertising Standards Council of India?

#### **4.7 References and Suggested Readings :**

1. Official websites
2. SLMs of IDOL,GU; IGNOU, New Delhi, KKHSOU, Guwahati.
3. Janasamparka by Dr. Ankuran Dutta & Anamika Ray (in Assamese)

