

# Module 1: Advertising

## Definition

Advertising is a process by which we create a desire for a product. When a desire is created we tend to buy that particular product. Advertising serves to bring opinions, services or causes to the public. This enables the public to respond in a particular way. Advertising informs people about a particular product, its specialities and unique selling propositions.

According to Hall, *Advertising is salesmanship in writing, print or pictures or spreading information by means of the written or printed words and pictures.*

American Marketing Association defines advertisement as *any paid form of non-personal presentation and promotion of ideas, goods or services by an identified sponsor.*

Albert Lasker considered to be the father of modern advertising, describes advertising as *salesmanship in print, driven by a reason why.*

Stephen Leacock describes advertising as *the science of arresting human intelligence long enough to get money from it*

During the very early days, most of advertisements were in the form of announcements and word of mouth. By the 18<sup>th</sup> century, advertising became a business. The Industrial Revolution brought a change in relationship between the manufacturer and the buyer. Towards the beginning of the 19<sup>th</sup> century, advertising agencies were established to broker for space in newspapers. The development of transport and communication systems reflected growth of print media. Education became a vital factor in the development of advertising and by the 20<sup>th</sup> century, agencies were producing the advertising message itself, including copy and artwork.

The rise of new-age electronic media like radio, television, email and e-commerce has also contributed to a rise in advertising. Advertisements can be found in airports, railway stations, bus stands, newspapers, magazines, radio, TV and on the Internet. Advertisements can also be found on the bogies of trains, cricket pitch, calendars and even on roads and bridges.

Advertising is the main source of income for newspapers and they are able to keep the price low because of this. Whatever the reader wants, advertisers attempt to satisfy

their desire. Sale of goods, public service messages to promote charity, direct mail, billboards and posters are certain advertising avenues.

## **Importance of Advertisements**

An advertisement is basically a message designed by the manufacturer, in order to persuade the end consumer to go for his products or services. There are several types of advertising that can be channelized through different means of mass media. At the end of the day, these messages are meant to give suggestions to the consumer, and therefore they need to be appealing. In order to make them appealing, the manufacturers are ready to spend millions of dollars on the advertising agencies which promotes their products and services.

Today, the advertising industry has become a multi-billion dollar industry, and going by the trends, its growth is not going to cease anywhere in the near future. Advertising is one of the most important tools of marketing when it comes to buying and selling of goods and services.

### **Why is Advertising important for the consumer:**

Advertising is important for the consumer as it makes him aware of the various choices that are available. Even though we get irritated every time a commercial break starts, or every time pop ups appear while surfing, we do go through them religiously when we intend to buy products. To some extent advertisements do tend to influence the decision of the consumer, but that is alright as long as the consumer gets the best options possible.

## **Economic impact of advertising**

According to advertisers, people are capable enough to set their mind and no one can force them to buy anything which they dislike or which they think is not a necessity. Advertisers also think that there are positive impacts of advertising on our society and culture. For example, it can be used to generate awareness among the public that which product is OK or to which they should say NO. In other words, advertising also acts as an educator in the sense that it educates people what is good and what is bad for them and puts a ceiling on the harmful products like smoking and drinking etc.

There are economic advantages as well. Without advertising, the media, including newspapers, television and radio would never be so strong. Advertising provides revenue for commercial mediums which would otherwise need to be funded by the actual consumer of these mediums. So, we can see a major economic infrastructure based around

advertising, in which the big companies fund and subsidize the commercial media by the way of advertisements.

Advertising has positive as well as negative, social and economic impacts on our society. Advertisements about Global warming, conserving water or saving electricity can be considered as having positive social impact.

Various techniques are used to persuade consumers to buy the product that is being advertised. For instance, an automobile advertisement will highlight the mechanical attributes of a vehicle. It will most likely concentrate on the exhilaration, reputation and social progression it may bring to the buyer.

The major economic negative aspect of advertising is that it boosts the price of goods and services. The source of this contention is that, when organizations subsidize the mass media with advertising, we, the purchaser, subsidize advertising by compensating a grossly increased price for heavily advertised goods and services.

An easy example of this - a box of Surf washing powder that generally retails around Rs.30-40, in reality would only cost Rs.7 - 10. The fact behind this is that the remaining proportion goes in heavy advertising in television and print media.

Our society and the marketing of products depend very heavily upon advertising. Companies have become so much dependent on advertising that even its negative impacts can never outweigh the many positive social and economic effects.

## **New Trends In Advertising**

Advertising is always dynamic. The competition is getting tough day by day and marketers are try to find out more effective ways to reach the target audience and to spur continuous growth. While some old trends have been modified new trends keep evolving.

The old advertising trends indicate a very simple equation i.e. more people = more sale. In the previous years the marketers were concerned about reaching more target audience. Nowadays, instead of attracting more customers companies are interested in retaining their existing customers. The marketers are working hard to offer better customer satisfaction. Marketers are no more concentrating on a single medium. They are exploring various avenues to reach their target market. Online marketing is gaining more popularity day by day. Social networks as well as social media promotion are also getting more prominent.

### Green marketing

More and more companies are investing in green marketing because this is no more a fancy trend. People have started believing in it. So the companies are trying to produce environment friendly products or offer environment friendly services. The business owners have realized the necessity of taking action to save the earth and performing their social responsibility. Therefore most of the companies are running Go Green campaign. This has affected all the areas of the market, specially food, skin care products, cars, baby products etc.

### QR-codes

A QR codes (short for *Quick Response*) is a specific matrix barcode (or two-dimensional code), readable by dedicated QR barcode readers and camera phones. The code consists of black modules arranged in a square pattern on a white background. The information encoded can be text, URL or other data.

### The QR-Ad, a new way of banner advertising

QR-Ads reaches out to the internet and web users at the same time. A visiting card printed with a QR code can detail the bio-data of the person.

### The QR-Ad uses the banner format in two ways

- a) as a normal banner to click, to go to a web destination page
- b) as a support for a QR Code which can be scanned with a mobile phone equipped with a QR Code reader.