

Advertising
PRINCIPLES AND PRACTICE

**Introduction to Advertising/
IMC**



Litwin 1
Wells/Moriarty/Burnett

Taken from...




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Defining Modern Advertising

- Paid persuasive communication
- Uses **non**personal mass media to reach broad audiences
- Connects an identified sponsor with a target audience



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Six Basic Components

1. Paid
2. Non-personal communication
3. Sponsor is identified
4. Using mass media
5. Tries to persuade or influence
6. Reaches large audience

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Advertising Defined

Paid, non-personal communication from an identified sponsor, using mass media to persuade or influence an audience.

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Public Relations...

(Not paid – Uncontrolled)

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Public Relations...

A tool of leadership!
[more later...]

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Public Relations 101

- Management and *counseling* function
- Enables organizations to build and maintain *relationships*
- Through an understanding of audience attitudes, opinions and values
- *Planned, deliberate* and *two-way*
- *Conscience* of organization
- Overseer of brand/*reputation*
- *Relationship* management

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Advertising 101

- Paid
- Non-personal communication
- From identified sponsor
- Using mass media
- To persuade or influence
- Audience


(Paid – Controlled)

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Marketing 101

Determine what people need (and want) and give it to them.



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Marketing

- The exchange of goods and services from manufacturer to consumer.
- Strategies that employ the various elements of the marketing mix to achieve marketing objectives.



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Marketing Mix

- A plan that identifies the most effective combination of promotional activities (IMC).
- The goal is to achieve synergy.




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Reaching the Desired Outcome

- Attitude
- Opinion

Education > Knowledge >
Attitude > Behavioral Change
> Output = Desired Outcome






Synergy's Parts


- Advertising
- (Sales) Promotion*
- Public Relations*
- Direct Marketing
- Cause Marketing
- Sponsorship (Partnering) Marketing
- Positioning (Place)*
- Personal Selling*
- Price*
- Product itself*
- Packaging*
- Policy*
- Politics*
- Mind Share (Brainstorming – Intellectual Property)
- Brand Identity
- Interactive

* Litwin's 9 Ps of Marketing






MAC Triad





M=Message A=Audience C=Channel
P=Purpose T=Timing



MAC Triad Plus cont.

- Informization
 - Disseminating information (*message*) to target *audience* through the proper *channel* at the best possible *time*.

Key Concepts of Advertising

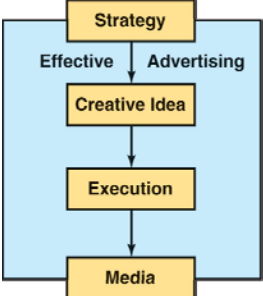




Figure 1.1

Strategy

The logic and planning behind the ad that give it direction and focus

- Advertisers develop ads to meet objectives
- Advertisers direct ads to identified audiences
- Advertisers create messages that speak to the audience's concerns
- Advertisers run ads in the most effective media to reach the audience






Creative Idea

- The central idea that grabs the consumer's attention
- Creativity drives the entire field of advertising





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Execution




- Effective ads adhere to the highest production values in the industry
- Clients demand the best production the budget allows



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The Functions of Advertising

- Builds awareness of products and brands
- Creates a brand image
- Provides product and brand information
- Persuades people
- Provides incentives to take action
- Provides brand reminders
- Reinforces past purchases and brand experiences



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Types of Advertising

- Brand
- Retail or Local
- Directory
- Direct-Response
- Business-to-Business
- Corporate
- Institutional (Product)
- Recruitment
- Political
- Issue (Advocacy)
- Public Service (Charity/Non-profit)




Advertising Mechanisms or Techniques

- Co-op
- Per Inquiry
- Tie-in
- Piggyback
- Competitor
- Product Placement
- Silent Publicity
- Advertorial
- Infomercial
- Endorsement
- Testimonial
- Informational




Advertising Mechanisms or Techniques (more)

- Partnering
- Co-authoring
- Co-branding
- Cause-Related Marketing
- Interactive
- Scent/Aroma Marketing
- Virtual
- Specialty
- Street Marketing
- Viral Marketing (Word of Mouth)
- Promotainment
- House (Promo)




What Makes an Ad Effective?

1. Gets *your* attention
2. Delivers the message
3. Creates an impression for a product or brand
4. Influences people to respond
5. Separates the product or brand from the competition



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The Current Advertising Scene: Integrated Marketing Communication



- Unifying all marketing communication tools so they send a consistent, persuasive message



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The Current Advertising Scene: Globalization


- Advertisers are moving into global markets
- Agencies are forming huge multinational operations



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Key Players


- Advertiser
- Agency
- Media
- Supplier/Vendor
- Target Audiences



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Key Players: Advertiser

- Uses advertising to send out a message about its products
- Initiates effort by identifying a problem that advertising can solve
- Approves audience, plan and budget
- Hires the agency



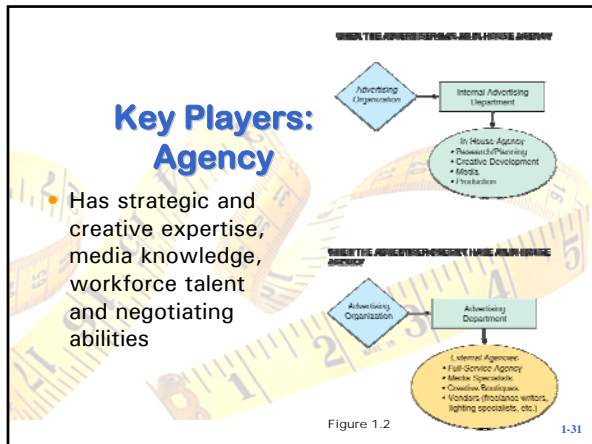
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Key Players: Advertiser

Biggest U.S. Advertisers in Terms of Categories

<ol style="list-style-type: none"> 1. Automotive 2. Retail 3. Movies, media, and advertising 4. Food, beverages, and confectionery 5. Medicines and proprietary remedies 6. Financial services 7. Telecommunications 8. Toiletries, cosmetics, and personal care 9. Airline travel, hotels, and resorts 10. Restaurants 	<ol style="list-style-type: none"> 11. Direct-response companies 12. Home-furnishings, appliances, supplies 13. Insurance and real estate 14. Computers, software, Internet 15. Government, politics, and organizations 16. Apparel 17. Beer, wine, and liquor 18. Audio and video equipment and supplies 19. Sporting goods, toys, and games 20. Entertainment and events
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Table 1.2 1-30



Why Hire an Agency?

Hiring an agency can result in several benefits:

- Offer objective advice
- Draw on the collective experience and training of its staff
- Provide people and management skills to accomplish advertising objectives
- Provide supportive environment for professional advice

Media

- Communication channels that reach a broad audience.
- How to deliver the message is just as important as coming up with the creative idea of the message.

Key Players: Media

- Channels of communication that carry the message to the audience
- Are also companies or huge conglomerates
- Cost effective because the costs are spread over a large number of people



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Key Players: Supplier/Vendor

- Assist advertisers, agencies and the media in creating and placing the ads
- Vendor services are often cheaper than those in-house



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Key Players: Target Audience

- The desired audience for the advertising message
- Data-gathering technology improves accuracy of information about customers
- Advertisers must recognize the various target audiences they are talking to and know as much about them as possible

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Roles in Advertising

- Communication Role
- Economic Role
- Societal Role
- Marketing Role



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The Communication Role

Strengths of Advertising as a Marketing Technique

Strengths	Examples
Can reach a mass audience	A commercial on the Super Bowl reaches 150 million consumers
Introduces products	Windows 98 was simultaneously introduced in multiple world markets
Explains important changes	MTN Cellular's ads explain changes in its technology
Reminds and reinforces	Pepsi-Cola has been advertising continuously over the last 50 years
Persuades	Nike campaigns have helped increase sales by 300% during the last decade

Table 1.1



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The Economic Role

Advertising decreases the likelihood that a consumer will switch to an alternate product regardless of price

Advertising is a means to objectively provide price-value information, creating a more rational economy



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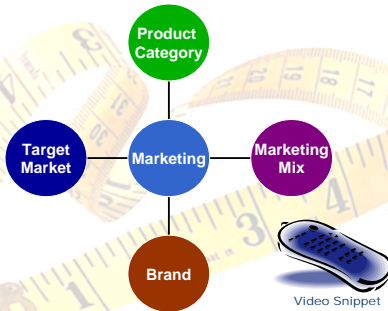
The Societal Role

- Informs consumers about innovations and issues
- Mirrors fashion and design trends
- Teaches consumers about new products
- Helps shape consumer self-image
- Perpetuates self-expression



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The Marketing Role



Video Snippet
Dunkin' Donuts explains
its marketing philosophy 1-41

You are the Brand

- Brand
- Brand Equity
- Brand Extension
- Brand Expansion
- Brand Familiarity
- Brand Favorability
- Brand Identity
- Brand Image
- Brand Insistence
- Brand Loyalty
- Brand Power (Brand Champions)



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Questions ???

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