Advertising 101

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What Is Marketing?

Marketing is an organizational function and a set of processes for creating, communicating and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders.
WHAT IS MARKETING?

Exchange is the core domain for marketing:

- Two or more parties with something of value to one another
- A desire and ability to give up something of value to the other party
- A way for the parties to communicate with one another

Marketing Principles

- Uncover the specific needs of a group of people (market)
- Satisfy those needs by developing appropriate products and services
- Offer products/services at appropriate prices at a convenient time and location
- Let potential customers know of their availability and how they meet needs
The Marketing Mix

- Product
- Price
- Place
- Promotion

The Promotional Mix

Promotion is the coordination of all seller-initiated efforts to set up channels of information and persuasion to sell goods and services or promote an idea. Promotion is the communication function of marketing.
Promotional Mix

- Advertising
- Direct Marketing
- Interactive/Internet Marketing
- Sales Promotion
- Publicity/Public Relations
- Personal Selling

Advertising

Any paid form of non-personal communication about an organization, product, service or idea by an identified sponsor
Advertising

*Advantages:*

- Cost-effective way for communicating, particularly with large audiences
- Ability to create images and appeals and for differentiating similar products and services
- Valuable tool for creating and maintaining brand equity
- Ability to strike responsive chord with audience through creative advertising
- Opportunity to leverage popular advertising campaigns into programs which can generate support from retailers and other trade members
- Ability to control the message

*Disadvantages:*

- The cost of producing and placing ads can be very high, particularly television
- Credibility and image problems associated with advertising
- Because of clutter, consumers no longer pay much attention to most advertising
An emphasis only on promotion, no matter how creative or how much money is spent, does not guarantee results.
Pets.com

Brilliant tactics could not overcome a flawed business strategy.
Advertising only creates an awareness. It doesn’t guarantee a purchase.

What makes great advertising great?

“It’s not great advertising unless it sells”
David Ogilvy
What makes great advertising great?

- Who are you selling to?
- What sells?
- Is it true?
- Is it memorable—in a good way?
- Be careful not to go over the edge
- Walk a mile in your customer’s shoes
- Objectively assess before launching
- Learn from your mistakes

How Communications Influences Audiences

Knowledge → What they know
Attitudes → What they think about what they know
Behavior → What they do as a result of what they think about what they know
Value of Objectives

- Objectives Focus & Coordination
  - Plans & Decisions
    - Measurement & Control

Media Plan Decisions

- Budget
- Target audience
- Marketplace in which you operate
- Product image
- How viewed vs. competition
- How you are different
- Communication objective
  - after mind (image change)
  - after market (decision to buy)
Core of Marketing is Simple:

- Communicating the value of what you offer to those who can benefit the most
- How and where do you do that?
- Use the fundamental principles as a model to guide you

Fundamental Principles

- Target market
- Problem
- Solution
- Proof
- Differentiation
Implementing

- Get attention with powerful Core Marketing Message
- Get interest once you have attention - materials and website
- Keep attention and interest by keeping message in front consistently - Keep in touch

Implementing

- When they respond, convert to commitment - make the sale
- Deliver what you promise if you want repeat business and referrals
Advertising Campaigns

consisting of multiple messages in a variety of media that center on a single theme or idea
Media Planning & Strategy

Media Planning
- A series of decisions involving the delivery of messages to audiences

Media Objectives
- Goals to be attained by the media strategy and program

Media Strategy
- Decisions on how the media objectives can be attained

Media
- The various categories of delivery systems, including broadcast and print media
Media Terminology

- **Media Vehicle**: The specific carrier within a medium category
- **Reach**: Number of different audience members exposed at least once in a given time period
- **Coverage**: The potential audience that might receive the message through the vehicle
- **Frequency**: The number of times the receiver is exposed to the media vehicle in a specific time period

Developing a Media Plan

- **Part 1**: Meet with client to discuss objectives and budget
- **Part 2**: Develop a strategy
- **Part 3**: Select media class and vehicle
- **Part 4**: Evaluation of plan and follow-up
### Criteria Considered in Development

#### Major Criteria

- Budget
- Target Market Coverage
- Geographic Target Market
- Reach vs. Frequency
- Timing
- Creative Constraints

### Consumer vs. B2B

#### Consumer Account

- Directed at Public
- Not Directed at Businesses
- i.e. Rowan University

#### B2B Account

- Directed at Businesses
- Not Directed at Public
- i.e. Honeywell
Factors for Using Consumer Media

- The nature of the audience
- The nature of the message—broader media vs. trade media
- The medium itself—How much waste coverage?
- Cost factors

Classifications of Advertising

*consumer market*
- national
- retail/local
- direct-response

*business and professional market*
- industrial
- professional
- trade advertising.
Promotional Strategies: Push or Pull?

Push Strategy

- Stock and Promote Merchandise
- Trade Advertising
Pull Strategy

- Create Demand Among End Users
- Consumer Advertising and Sales Promotion

### Media Characteristics

<table>
<thead>
<tr>
<th>Media</th>
<th>Advantages</th>
<th>Disadvantages</th>
</tr>
</thead>
</table>
| Television | Mass coverage  
High reach  
Impact of sight, sound, & motion  
High prestige  
Low cost per exposure  
Attention getting  
Favorable image | Low selectivity  
Short message life  
High absolute cost  
High production costs  
Clutter |
| Radio   | Local coverage  
Low cost  
High frequency  
Flexible  
Low production costs  
Well-segmented audiences | Audio only  
Clutter  
Low attention getting  
Fleeting message |
| Magazines | Segmentation potential  
Quality reproduction  
High information content  
Longevity  
Multiple readers | Long lead time for ad placement  
Visual only  
Lack of flexibility |
<table>
<thead>
<tr>
<th><strong>Newspapers</strong></th>
<th><strong>Outdoor</strong></th>
<th><strong>Direct Mail</strong></th>
<th><strong>Internet and interactive media</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>High coverage</td>
<td>Location specific</td>
<td>High selectivity</td>
<td>User selects product information</td>
</tr>
<tr>
<td>Low cost</td>
<td>High repetition</td>
<td>Reader controls exposure</td>
<td>User attention and involvement</td>
</tr>
<tr>
<td>Short lead time for placing ads</td>
<td>Easily noticed</td>
<td>High information content</td>
<td>Interactive relationship</td>
</tr>
<tr>
<td>Ads can be placed in interest areas</td>
<td></td>
<td>Opportunities for repeat exposure</td>
<td>Direct selling potential</td>
</tr>
<tr>
<td>Timely (current ads)</td>
<td></td>
<td></td>
<td>Flexible message platform</td>
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<tr>
<td>Reader controls exposure</td>
<td></td>
<td></td>
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<tr>
<td>Can be used for coupons</td>
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<td></td>
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<tr>
<td><strong>Short life</strong></td>
<td><strong>Short exposure/short ad</strong></td>
<td><strong>High cost/contact</strong></td>
<td><strong>Limited creative capabilities</strong></td>
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<tr>
<td><strong>Clutter</strong></td>
<td><strong>Poor image</strong></td>
<td><strong>Poor image (junk mail)</strong></td>
<td><strong>Websnarl (crowded access)</strong></td>
</tr>
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<td><strong>Low attention-getting</strong></td>
<td><strong>Local restrictions</strong></td>
<td><strong>Clutter</strong></td>
<td><strong>Technology limitations</strong></td>
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<tr>
<td><strong>Capabilities</strong></td>
<td></td>
<td></td>
<td><strong>Few valid measurement techniques</strong></td>
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<tr>
<td><strong>Poor reproduction quality</strong></td>
<td></td>
<td></td>
<td><strong>Limited research</strong></td>
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<td><strong>Selective reader exposure</strong></td>
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<td><strong>Awareness</strong></td>
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<tr>
<td>Bringing an institution to the attention of an audience.</td>
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<tr>
<td>Mass</td>
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<tr>
<td>Publicity, Press Releases, Feature Stories, Public Addresses, Advertising, Radio, Television</td>
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<tr>
<td>40%</td>
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<tr>
<td>50%</td>
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<td>10%</td>
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Understanding Involvement

Foote, Cone & Belding Grid

<table>
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<tr>
<th>Thinking</th>
<th>Feeling</th>
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<tbody>
<tr>
<td>High Involvement</td>
<td></td>
</tr>
<tr>
<td>1 Informative</td>
<td>2 Affective</td>
</tr>
<tr>
<td>The Thinker</td>
<td>The Feeler</td>
</tr>
<tr>
<td>Low Involvement</td>
<td></td>
</tr>
<tr>
<td>3 Habit Formation</td>
<td>4 Self-Satisfaction</td>
</tr>
<tr>
<td>The Doer</td>
<td>The Reactor</td>
</tr>
</tbody>
</table>

1. **Informative**  
*The Thinker*  
Car-house-furnishings-new products  
Model: Learn-feel-do (economic?)  

**Possible implications**  
*Test:* Recall diagnostics  
*Media:* Long copy format  
Reflective vehicles  
*Creative:* Specific information  
Demonstration

2. **Affective**  
*The Feeler*  
Jewelry-cosmetics-fashion goods  
Model: Feel-learn-do  
(psychological?)

**Possible implications**  
*Test:* Attitude change  
Emotional arousal  
*Media:* Large space  
Image specials  
*Creative:* Executional  
Impact
3 Habit formation  
*The Doer*  
Food-household items  
Model: Do-learn-feel (responsive?)  

**Possible implications**  
Test: Sales  
Media: Small space ads  
10-second ID's  
Radio; Point of Sale  
Creative: Reminder

4 Self-satisfaction  
*The Reactor*  
Cigarettes, liquor, candy  
Model: Do-feel-learn (social?)

**Possible implications**  
Test: Sales  
Media: Billboards  
Newspapers  
Point of Sale  
Creative: Attention
Subaru Outback Objective Setting

Target Market: male, 35-55, married, household income $55,000 +, active lifestyle

Positioning: Car-like qualities without sacrificing SUV qualities

Objectives: Convince SUV buyers to consider the outback rather than SUV under consideration; generate high awareness, generate high numbers of showroom visits, avoid discounts, generate high sales volume, attract at least 50% of sales from those intending to buy Ford, Chevy, or Jeep

Budget: $17 million

Media: Advertising:
- TV: Prime-Time programs, local news and sports
- Cable TV: National Geographic Explorer, Discovery, Learning Channel
- Print: Backpacker, Outside, National Geographic, Smithsonian
- Support Media: Outdoor and POP
- Public Relations: Press kits and PR campaign
- Direct Marketing: Prospective buyers; dealers

Results: Recall increased from 33 to 38% in first 60 days; 50% by completion of campaign Dealer Traffic increased by 15 to 20%
Sales were highest in 9 years – four times projections; 55% from non-Subaru owners; top three models traded in; Jeep Grand Cherokee, Ford Explorer, Chevy Blazer

CREATIVE STRATEGY

Definition: generate novel approaches in situations reflected in new and improved solutions to problems.
The Ideal Power Idea Should...

- Be Describable in a Simple Word or Phrase
- Be Likely to Attract Prospect’s Attention
- Revolve Around the Clinching Benefit
- Allow You to Brand the Advertising
- Let Prospects Vividly Experience the Goods

Building a Copy Platform Outline

1. Basic Problem Advertising Music Address
2. Advertising and Communications Objectives
3. Specify Target Audience
4. Selling Idea or Key Benefits to Communicate
5. Creative Strategy Statement
6. Supporting Information and Requirements
Approaches to the Major Selling Idea: USP

Unique Selling Proposition

- Benefit
  - Buy this produce and you’ll benefit this way or enjoy this reward
- Unique
  - Must be unique to this brand or claim; something rivals can’t or don’t offer
- Potent
  - The promise must be strong enough or attractive enough to move people

Creative execution

- Straight-sell or factual
- Scientific/technical evidence
- Demonstration
- Cost factors
- Comparison Testimonials
- Slice of life
- Slice of death
- Animation
- Personality symbol – Aflak duck
- Fantasy
- Dramatization
- Humor
- Combinations
Public Relations & Advertising

The Fall of Advertising and the Rise of PR, Ries & Ries

- PR will replace advertising in terms of importance
- Advertising will be used primarily to support existing brands
- Declining effectiveness of advertising means no longer effective for introducing and building new brands

The Opposition

- hard to control the message disseminated through PR channels
- complete message is not told or it may appear at the wrong time
- almost eight times the amount of money spent on PR is currently being spent on advertising
Conclusion

- The most effective situation is when advertising and PR work together in an integrated program

Public Relations

*Traditional Definition of PR*

- communicating and gaining acceptance of policies and programs within its various communities
Public Relations

The New Role of PR

- PR department works with marketing department to develop programs and policies

Public Relations

Marketing Public Relations (MPR) Functions

- Designed to support marketing objectives
Corporate Advertising

- Designed to promote the firm overall

Objectives of Corporate Advertising

- Create a positive image for the company
- Express the organization's views on social, business and environmental issues
- Boost employee morale and improving relations
- Provide answers to investors and reducing uncertainty
- Help diversified companies establish an identity
Types of Corporate Advertising

*Image advertising*—designed to promote the organization’s overall image through:

- General image or positioning ads
- Sponsorships
- Recruiting
- Generating financial support
- Event sponsorship

How to Measure Marketing

*What is the business issue and how can this help?*
How To Measure Marketing

- What impact did the effort have with what audience?
- Are customers taking action?
- Did this help meet the business goal?

Know your target audience
Use a pre- and post-strategy
Conduct initial survey with target audience
Implement strategy (PR, media, ads, special events)
Repeat survey with target audience
Has awareness improved or changed?
Measuring Effectiveness

Reasons for Measuring Effectiveness

- Avoid costly mistakes
- Evaluate alternative strategies
- Increase the efficiency of advertising in general

Reasons Not to Measuring Effectiveness

- The high cost of conducting research
- Problems with research measures used
- Disagreement as to what to test
- Objections from the creative department
Establishing A Program for Measuring Effectiveness

- Establish communications objectives
- Employ a consumer response model
- Utilize both pre- and post-tests
- Use multiple measures
- Understand proper research methodologies
Choosing a college? Listen to the experts.

U.S. News & World Report named Rowan University a top-tier institution for the Northern Region.

Alvin’s called Rowan University one of the “Best Bays in Public Colleges and Universities.”

The Princeton Review placed Rowan University among the “Best Northeastern Colleges.”

The academics are easy to understand. Small class sizes. Award-winning faculty. Rowan is home to the School of Communication and Media.

But small classes and small class sizes are not the only thing that makes Rowan special. We also have a wide variety of student organizations. From music to sports, from dance to debate, there’s something for everyone.

Rowan University is a university everyone can claim. It’s a university everyone can be proud of. With a variety of academic programs and student organizations, it’s easy to get involved and feel connected.

Call 1-877-ROWAN-1 to visit www.rowan.edu/visit or find out more. You’ll feel right at home with some experiences of your own.

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