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## Advertising and Other Promotional Tools

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“Advertising is the most important tool of marketing”.

*This chapter gives an insight into the elements of marketing mix and the communication process. It enables the students to understand the fundamentals of promotion.*

## Advertising and Other Promotional Tools

### ■ 2.1 Meaning

**Marketing mix** is a blend of 4 Ps of marketing which are juggled in such a manner that it influences the demand of the product or services. In services we can have a blend or a mixture of 7 Ps. The Ps stand for the

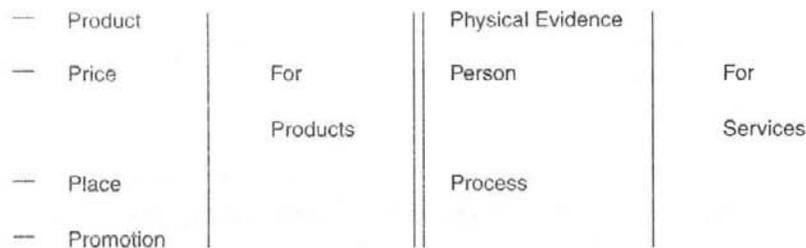


Fig. 2.1

In short, a product is anything that can be offered to a market for use or consumption that has a value and can satisfy a need. The product has a wide meaning. It can be a physical product like soap etc., which is tangible and has a size and a shape. It can also be a service, it can be a person, a place, an organisation or even an idea.

- Price is the value that is paid in exchange for a product.
- Place refers to distribution of goods and services which makes the product available to the consumer at a convenient place or location.
- Promotion includes marketing activities to spread the information and persuade the customer to buy the goods.

### The Communications Process

Today, there is a new view of communications as an interactive dialogue between the company and its customers that takes place during the preselling, selling, consuming and post-consuming stages. Companies must ask not only "How can we reach our customers?" but also, "How can our customers reach us?"

Table 19.1 lists numerous communication platforms. Thanks to the technological breakthroughs, people can now communicate through traditional media (newspapers, magazines, radio, telephone, television, billboards), as well as through newer media (computers, fax machines, cellular phones, pagers, and wireless appliances). By decreasing communications costs, the new technologies have encouraged more companies to move from mass communication to more targeted communication and one-to-one dialogue.

Common Communication Platforms

Advertising	Sales Promotion	Public Relations	Personal Selling	Direct Marketing
Print and broadcast ads	Contests, games, sweepstakes, lotteries	Press kits	Sales presentations	Catalogs
Packaging-outer		Speeches	Sales meetings	Mailings
Packaging-inserts	Premiums and gifts	Seminars	Incentive programs	Tele-marketing
Motion pictures	Sampling	Annual reports	Samples	Electronic shopping
Brochures and booklets	Fairs and trade shows	Charitable donations	Fairs and trade shows	TV shopping
Posters and leaflets	Exhibits	Sponsorships		Fax mail
Directories	Demonstrations	Publications		E-mail
Reprints of ads	Coupons	Community relations		Voice mail
Billboards	Rebates	Lobbying		
Display signs	Low-interest financing	Identity media		
Point-of-purchase displays	Entertainment	Company magazine		
Audio-visual material	Trade-in allowances	Events		
Symbols and logos	Continuity programs			
Videotapes	Tie-ins			

Taken from Philip Kotler

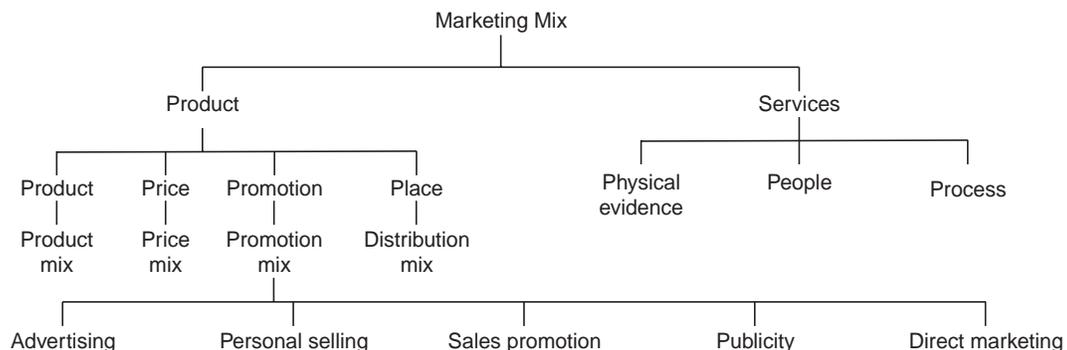


Fig. 2.2

The promotion Mix consists of advertising, personal selling, sales promotion and publicity. We shall deal here mainly with the place of advertising in promotion Mix.

### **Advertising and other Promotional Tools**

Along with Advertising the other promotion tools are (i) Personal selling (ii) Sales promotion and publicity.

Advertising has already been defined as a paid and non-personal form of presentation and promotion of ideas, goods or services by an identified sponsorer.

Let us discuss the advantages and disadvantages of these promotional tools.

#### **Advantages of Advertising**

- (i) It has low price per contact.
- (ii) It has the ability to reach the customers where and when sales person can not reach.
- (iii) It has great scope for creative versatality and dramatization of messages.
- (iv) Ability to create images which the sales person cannot. Creative persons are associated with the product.
- (v) It has non-threatening nature of non-personal presentation. In personal selling or when you enter a shop. "*May I help you ?*" by the salesman forces you to respond or give an answer, this may sometimes embarrass the customer as he has just entered the shop to see what is being offered. This factor or element is avoided in advertising.
- (vi) Advertising has the potential to repeat the messages several times.
- (vii) There is prestige and impressiveness in Mass Media Advertising.

#### **Disadvantages**

- (i) It does not have the ability to close the sales.
- (ii) There is advertising clutter *i.e.*, too many advertisement at the same time.
- (iii) Customers often ignore the advertising messages.
- (iv) There is difficulty in getting immediate response or action.
- (v) Inability to get feedback and to adjust messages as desired.
- (vi) There is difficulty in measuring advertising effectiveness.
- (vii) It has relatively high waste factor.

### **Personal Selling**

It is an oral presentation in a conversation with one or more prospective purchasers of the purpose of making sales.

#### **Advantages**

- (i) It has the ability to close the sales.
- (ii) It has the ability to hold the customer's attention.
- (iii) There is immediate feedback as it is a two-way communication.
- (iv) Presentation can be tailored to customer's needs.
- (v) It has the ability to target customers precisely.

- (vi) Personal selling can cultivate relationships.
- (vii) There is ability to get immediate action.

**Disadvantages**

- (i) There is high cost per contact.
- (ii) Inability to reach some customers as effectively.
- (iii) It is difficult in scattered market where extensive distribution is required.

**Sales Promotion**

**Definition:** It is an immediate inducement that adds extra value to the product so that it prompts the dealers and the consumers to buy the product.

*e.g., “Buy Three take one free” and so on.*

It supplements both advertising and personal selling. Various tools of sales promotion include catalogues, point of purchase displays (P.O.P), demonstration, trade fairs, coupons, premiums, free offers, price offs, instalment offers etc.

**Advantages**

- (i) It is a combination of some advertising and personal selling.
- (ii) It has the ability to provide quick feedback.
- (iii) It can give excitement to a service or a product.
- (iv) There are additional ways to communicate with customers.
- (v) It is flexible for customers.
- (vi) It has efficiency and also clears sales and clears stock to bring money into circulation.

**Disadvantages**

- (i) Sales promotion is carried out for short intervals hence has short-term benefits.
- (ii) It is ineffective in building long-term loyalty to the company or to the brands.
- (iii) It has the inability to be used on its own in the long term without other promotional mix elements.
- (iv) Sales promotion is often misused. Materials or gifts do not go to the proper customers (key chains, purses, watches, pens) do not reach the real user.

## ■ 2.2 Publicity

Is a non-paid form of promotion. Unlike advertising which involves payment to the media publicity refers to non-personal communication regarding an organisation, an individual, product, service or an idea not directly paid or under identified sponsorship. It usually comes in the form of news, story, editorial or announcement about an organisation product or service. Publicity may include photographs and videotapes. Publicity may be positive or negative.

**Public Relations**

It is a management function which helps the public to understand the policies and procedures of an organisation with the public interest. It builds a positive images in favour of the individual

organisation. Public relation is positive in nature whereas publicity can also be negative. Both publicity and public relations communicate and are a part of the promotion mix.

### Examples of ADS

**Lux is the Secret of my Beauty:** Parveen Babi and Rekha favourable images and statements project brand Loyalty. Lux is associated with the beauty of film stars—associative advertising.

**V.I.P. Luggage:** Suitcases projects a better function of the products, Attribute or functional advertising.

**The Times of India group:** Consists of Times of India Newspapers, Dharmayug, Dinaman, Evening News of India, Economic Times, Femina, Filmfare, Illustrated Weekly of India, Indrajal Comics, The Maharashtra Times, Maharashtra Times Annual, Madhuri, Nav Bharat Times, Parag, Sarika, Sandhya Times, Science Today. The Times of India Directory and year book youth Times. The message given by these papers and magazines communicates all sorts of information and images to a variety of people all over the country. It not only gives information about products and service but solves a whole lot of problems of people and brings smiles in their lives. It joins people through matrimonial publication. An employer's problem of finding recruits. A young graduates problem of finding a job. A little pup a new home. Somebody also finds a second-hand car or a domestic help. The objective of advertising are also many and varied. It introduces you to a new product. Microwave oven for easier cooking, Sanitary napkins instead of Traditional method. Introducing the housewife to detergent instead of soap thus saving her washing time.

Reducing the Drudgery of the housewife by introducing her to washing machines, gas stoves, mixers and grinders, fridges, vacuum cleaners and hundred of other things for making the work interesting.

## Questions

1. Describe the advantages and disadvantages of advertising and other promotional tools.