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## Role of Advertising in Promotion Mix

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“Nothing happens unless we make it happen in the market

*This chapter highlights the role of advertising.*

*It gives an insight into the primary and secondary demand.*

# Role of Advertising in Promotion Mix

Most firms, both large and small, use advertising in some form or the other. Advertisement seldom produces direct sales. It is backed by other promotion mix elements like personal selling and sales promotion. Advertising produces a psychological effect and it can change the mental disposition of the audience, so that they purchase the advertised product. Advertising is basically a form of communication and the basic responsibility of advertising is to deliver the information to the target audience.

The Role of advertisement can be understood as follows:

- It stimulates demand. This stimulation is because of the availability of the product, discounts offered if any and the expectation of the fulfilment of latent and aroused needs.
- It supports other promotion mix elements. It does preselling and helps the sales promotion and personal selling activities.
- It counters competitive moves. By combining with other promotion elements it acts as a competitive weapon. It differentiates the company's offer from other products and builds a brand personality and image of its own.
- It develops brand preference. When the products deliver the desired quality, service and value it creates a satisfied customer. With consistent advertising, the brand preference gets reinforced. The satisfied customers spread a favourable word of mouth and are an asset to the company.
- It cuts cost—by increasing sales, more units are produced and the cost of production comes down (economies of scale). Even the selling costs is decreased because there are a less number of wasted calls by the salesman. With lower prices offered by the company there is more penetration markets and more demand for the product.
- It builds brand images—Images are built in the minds of the consumer. There are positive images and are for different segments. A brand is a promise of a certain level of consistency, quality, service and other benefits like warranty etc. Manufacturers are proud of their brands and want to have a greater brand equity for them.
- Innovation—It encourages innovation and new product development and reduces the risk of the product becoming obsolete. With more innovation there is more sales which

offsets the cost of innovation. Innovation leads to more sales and the business expands. More employment is generated and the people become more prosperous and their standards of living improve.

- It communicates and imparts information to the consumers so that they are well informed and can make a good choice. Advertisement is a very fast and effective method of information and communication. It can reach a great number of audience in short time.
- It is an instrument of persuasion.
- It has an informative role.
- It provides knowledge about product specification, about product features and product quality and the functions that a product can perform.
- It is an important marketing tool.
- It informs about the price of a product.
- It gives information about the alternatives available to the purchaser.
- It gives information about the new offers and the discounts available to the purchaser.
- It helps in achieving the sales objectives and the communication objectives.

### Primary and Selective Demand

The demand for a class of product as a whole (*i.e.*, cosmetics) is the primary demand and the demand for an individual company's product (*i.e.*, Proctor and Gamble) is selective demand. Under Direct Marketing organisation communicate directly with target customers to make a transaction or to generate a response. We can have primary and selective advertising. Primary demand advertising is carried out to stimulate the demand for general product class or the entire industry whereas selective demand advertising is focussed on a specific brand. Generally advertising is carried out to generate a selection brand and emphasises the reasons for purchasing a specific brand of a specific company. Primary demand is designed and created when a brand dominates a market and will benefit the most from overall market growth. Primary demand advertising is to promote a new product, for it to gain market acceptance. Primary advertising helps in stimulating the demand of all the products of an organisation and to gain greater market share.

Primary advertising was done in case of family planning to make the people aware of the importance of family planning in India. Once the demand is created, a number of companies promoted their own brands for the family planning products. Same can be the case of health care products and Herbal products. Once the masses are aware of the benefits of these products, Selective Demand is done by individual firms to promote their own Products.

### Questions

1. What is Role and Benefits of advertising?
2. Elaborate upon the Primary and Selective advertising with examples.