

This presentation will...

- give an overview of the profession;
- define advertising in contemporary terms;
- examine its role in the communication process and the marketing process;
- introduce some basic terminology.

advertising is just one type of marketing
communication

At the beginning of 20th century: “salesmanship in print, driven by a reason why”

Now:

- a communication, public relations, or persuasion process;
- a marketing strategy;
- focus on its economic, societal, or ethical significance
- a nuisance!

Advertising is the **structured** and **composed** **nonpersonal** communication of information, usually **paid for** and usually **persuasive** in nature, about products (goods, services, and ideas) by identified sponsors through various media.

- A type of communication
- Directed to groups of people
- Non-personal (mass)
- Paid for
- Some ads intend to inform, others to persuade
- Sponsor is identified
- A medium

Media Types

- WOM (word-of-mouth) advertising
- Addressable media
- Interactive media
- Non-traditional media

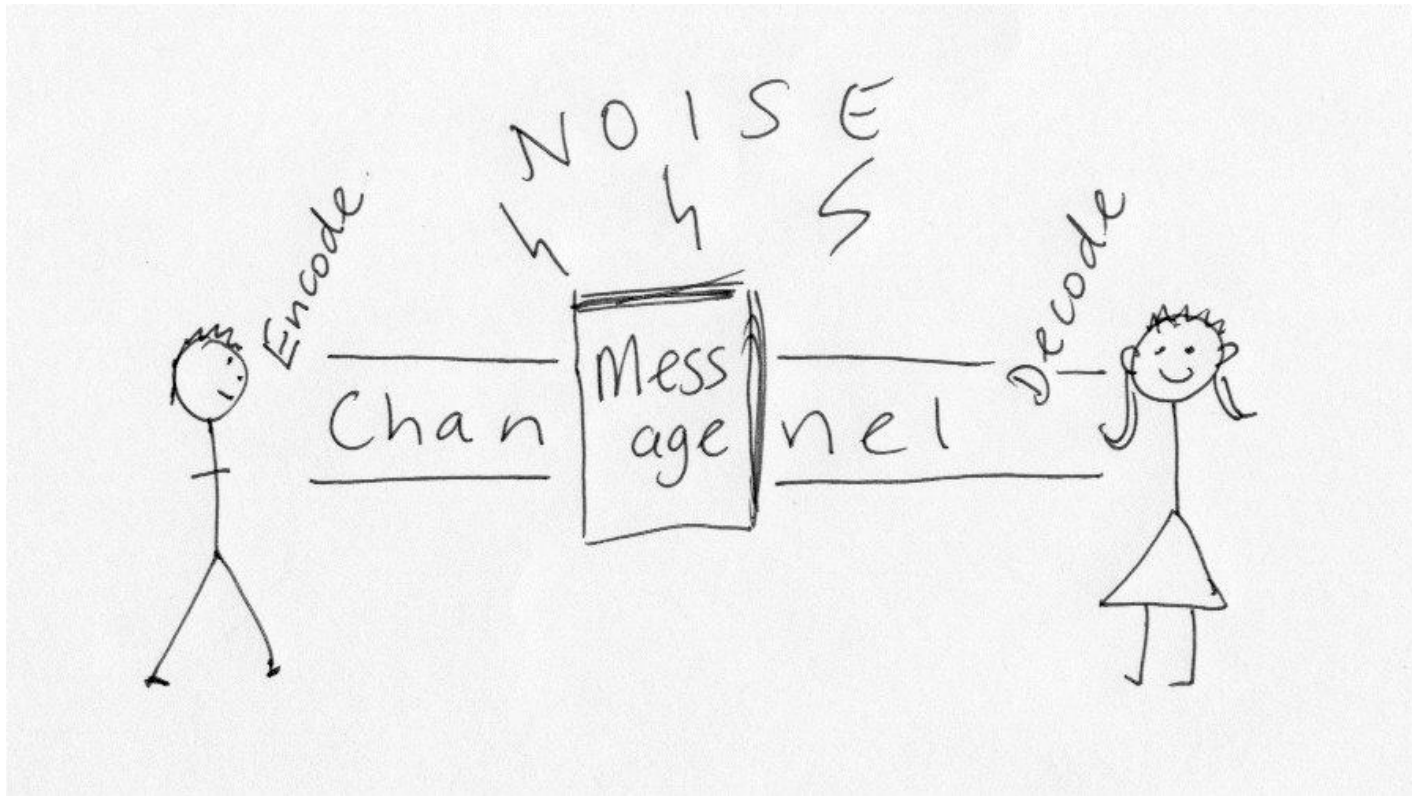
Most important dimensions...

- Communication
- Marketing
- Economic
- Social and ethical

COMMUNICATION

the elements of the advertising communication process is derived from the basic human communication process

SOURCE – MESSAGE – RECEIVER



Applying this model to advertising, we could say that the source is the sponsor, the message is the ad, the channel is the medium, the receiver is the consumer or prospect, and the noise is the din of competing ads and commercials

the source, the message, and the receiver all have multiple dimensions

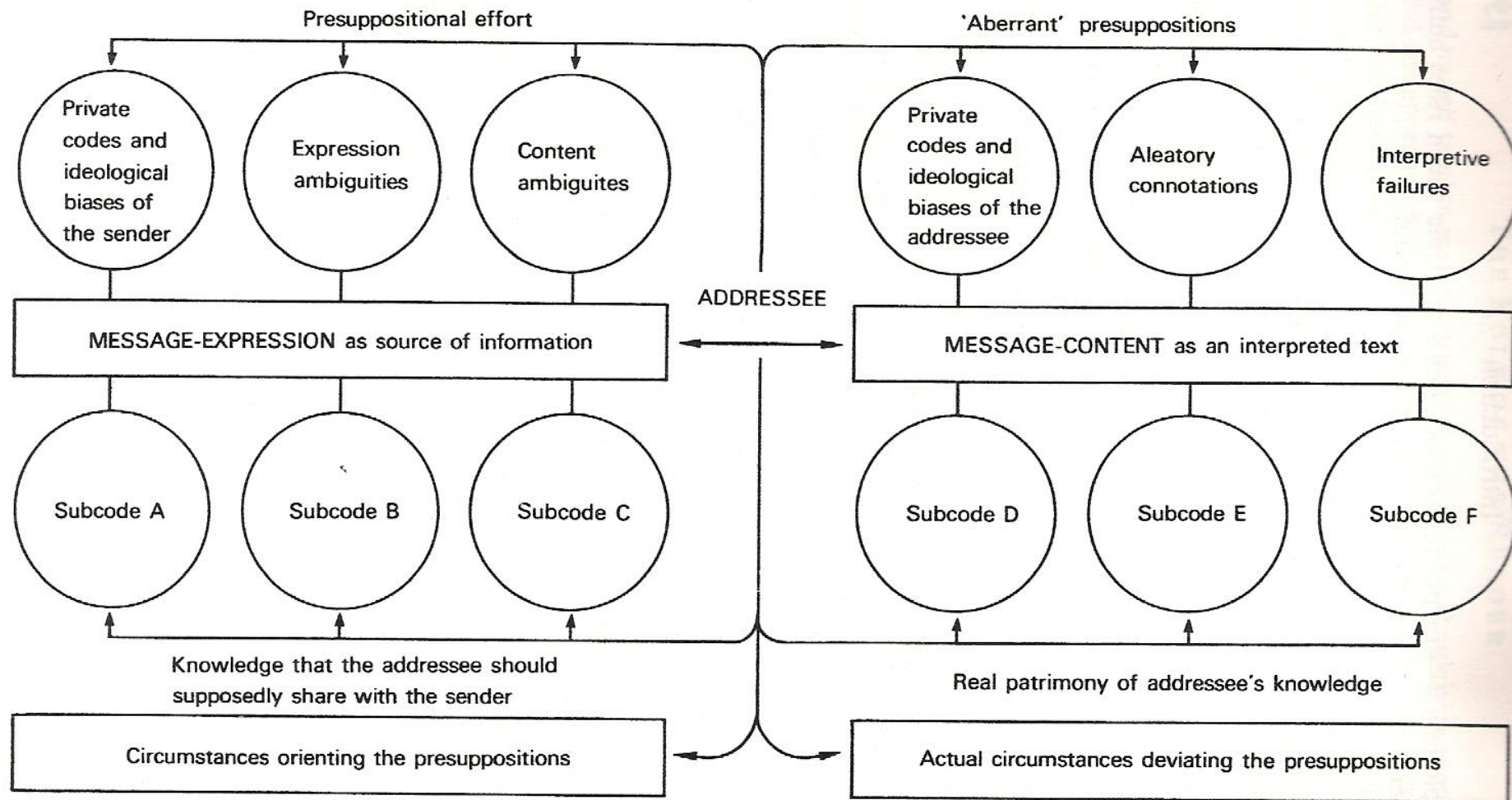


Figure 0.2
 Reprinted from *A Theory of Semiotics*, p.142.

WHO IS THE SOURCE?

- The sponsor?
- The agency?
- The copywriter?
- The spokesperson?

WHAT FORM HAS THE MESSAGE?

- Autobiography
- Narrative
- Drama

WHO IS THE RECEIVER?

- “implied” receiver
- Ideal consumer
- Decision makers at the sponsor's company
- Actual consumer

NOISE

the sender doesn't know how the message is received, or even if it's received

Management

- * Operations (production/manufacturing)
- * Finance/administration
- * Marketing

Marketing is the process of planning and executing the conception, pricing, distribution, and promotion of ideas, goods, and services to create exchanges that satisfy the perceived needs, wants, and objectives of individuals and organizations.

The marketing strategy will determine who the targets of advertising should be, where the advertising should appear, what media should be used, what language must be used, and what purposes the advertising should accomplish

A firm's marketing activities are always aimed at a particular segment of the population

> the **target audience**:

- consumer market (consumer behavior)
- business market (trade, professional, agricultural)

Marketing strategy is a mix of:

- **Product** (consumer packaged-goods advertising / service advertising)
- **Price** (sale advertising, clearance advertising, or loss-leader advertising)
- **Place** (international, national, regional advertising)
- **Promotion** (advertising, personal selling, sales promotion, public relations activities)

For creating brand awareness, familiarity, and image, as well as for reinforcing prior purchase decisions, advertising is usually the *marcom* (marketing+communication) tool of choice.

- Profit
- non-profit
- Spur to action
- **create awareness** (nonproduct, corporate, or institutional advertising) >PR

New ways to get more from marketing communication

The result has been a growing understanding on the part of corporate management that:

- the efficiencies of mass media advertising are not what they used to be;
- consumers are more sophisticated, cynical, and distrusting than ever before;
- tremendous gaps exist between what companies say in their advertising and what they actually do;
- in the long run, nourishing good customer relationships is far more important than making simple exchanges.

**Result: integrated marketing communications
(IMC)**

Classifications

- **By target audience:**

Consumer advertising: Aimed at people who buy the product for their own or someone else's use.

Business advertising: Aimed at people who buy or specify products and services for use in business.

Trade: Aimed at middlemen (wholesalers and retailers) of products and services who buy for resale to their customers.

Professional: Aimed at people licensed under a code of ethics or set of professional standards.

Agricultural: Aimed at people in farming or agribusiness.

More ways of classifying...

Product advertising: Promotes the sale of products and services.

Nonproduct (corporate or institutional) advertising: Promotes the organization's mission or philosophy rather than a specific product.

Commercial advertising: Promotes products, services, or ideas with the expectation of making a profit.

Noncommercial advertising: Sponsored by or for a charitable or nonprofit institution, civic group, or religious or political organization.

Action advertising: Attempts to stimulate immediate action by the reader.

Awareness advertising: Attempts to build the image of a product or familiarity with the product's name and package.

- **By geographic area:**

Local (retail) advertising: Advertising by businesses whose customers come from only one city or local trading area.

Regional advertising: Advertising for products sold in one area or region but not the entire country.

National advertising: Advertising aimed at customers in several regions of the country.

International advertising: Advertising directed at foreign markets.

- By medium:

Print advertising: Newspapers, magazines.

Broadcast (electronic) advertising: Radio, TV.

Out-of-home advertising: Outdoor, transit.

Direct-mail advertising: Advertising sent through the Postal Service and by e-mail.

Interactive advertising: Internet, kiosks, etc.

What do people do in adv. agencies?

Account director: deals with customer relations and manages their budgets

Strategic planner: group strategist, studies the product's positioning

Research executive: takes into consideration all consumer research

Information officer: marketing expert who collects info that could be useful to the agency

Media planner: chooses the medium and prepares a media-plan

Copywriter + Art director: ideas people

Managers, administrators, etc.