

## Advertising and Campaign Planning

The main activities of advertising management are planning and decision making. In most cases, the advertising managers are involved in the development, implementation & overall management of an advertising plan. The development of an advertising plan requires the generation and specification of alternatives.

The alternatives might relate to advertising expenditure budget, advertising objectives, possible strategies, options associated with copy creation and media choices. The essence of planning is thus- to find out what the feasible possibilities are and reduce them to set of possible options and take decisions based on them.

- \* Decision making involves choosing from among the alternatives.
- \* A complete advertising plan reflects the result of the planning and decision making process and the decisions that have been made in a particular product- market situation.
- \* “An advertising campaign includes a series of advertisements placed in various media that are designed to meet objectives and are based on the analysis of situations.”

### Marketing Strategy:

A marketing strategy is a written plan. It includes product development, promotion, distribution, pricing, etc.

According to David Aaker- marketing strategy is defined “as a process that allows an organization to concentrate its resources on the optimal opportunities with the goals of increasing sales and achieving a sustainable competitive advantage.”

### Steps in Marketing Strategy:

- Identify target audience.
- Determine present scenario.
- Check out the competition.
- Develop USP (unique selling proposition).
- Consider potential marketing methods.
- Implementation.

### Types of Marketing Strategy:

1. CRM (to retain loyal customer)
2. Word of mouth of strategy.
3. Mass marketing (FMCG)
4. Seasonal marketing strategy.
5. Online marketing strategy.
6. Event marketing strategy.

- a. Direct marketing strategy.
7. Multi level marketing (Amway)
8. B2B.
9. Tele marketing (home shop TV-18).
10. Promotional strategy (discount coupons).
11. Trade show (auto expo, infrastructure tools expo).

#### Situation Analysis:

1. PEST (Political, Economic, Social & Technical)
2. 3C (Company, Competitor & Customer).
3. SWOT (Strengths, Weakness, Opportunities & Threats).
4. GAP (comparison of actual performance with potential performance).
5. Porter's 5 force model-
  - Bargaining power of suppliers.
  - Bargaining power of buyers.
  - Competitive rivalry.
  - Threat of substitution.
  - Threat of new entry.

Situation analysis, the development of marketing strategy should begin with situation analysis and a detailed examination and analysis of all important internal & external factors operating in a particular situation. The situation analysis can be done through “SWOT” analysis.

The analysis can be done through past data, experience and the result of new research studies to analyze the situation. Various situation the advertiser faces may be- Nature and extent of demand for the product; nature of competition; environment (social, political, economic, technological & cultural trends), stages of product life cycle (PLC), cost structure of industry, skills and experience of the advertising firm compared to competitors, financial resources of firm, etc. The development of the strategy in terms of long run objective of the company.

- \* Situation Analysis is a foundation for any well-developed marketing program and is considered as a corner stone of advertising plan.
- \* It provides answers to many questions about the history of the product distribution channels, printing, packaging, consumer analysis, competitor analysis, etc.
- \* Nature of consumer demand: the analysis of situation related to characteristics of product, service, idea or cause being advertised and also the trends in all these characteristics. Attitude behavior, perception of all the customer or group also affects the decision making process.
- \* This analysis helps in setting more operational goals and objectives of advertising and develops right strategy to achieve such goals.

### Competition Analysis:

Analysis of brand value of competitors product, market share, trends in market, reasons for the trends, SWOT of the competitor companies, history of product and its performance, product attributes, etc.

List of typical questions covered in situation analysis are:-

- \* Nature of demand analysis.
- \* Nature of competition.
- \* Stages of PLC.
- \* External & internal environment.
- \* Cost of production.
- \* Skills of the firm.
- \* Financial resources of the firm.

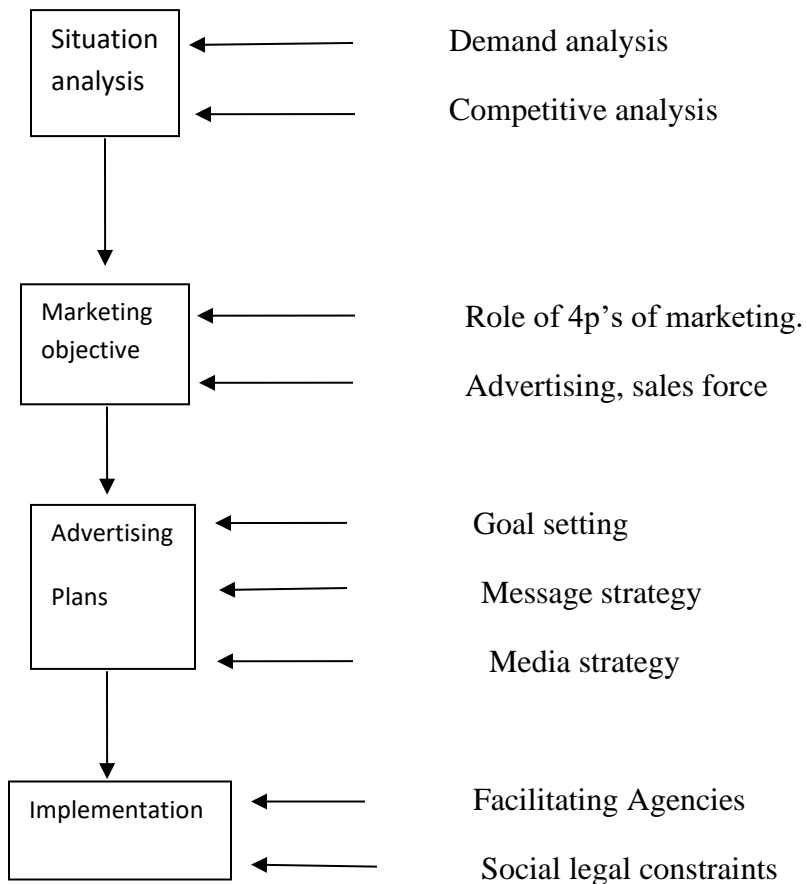
Based on the information collected, strategy promotion can be made. The strategies will help the organization to gain the long term benefits.

### Advertising plan:

#### Principles or pre-requisites of advertising planning:

- \* It is critical to define the target audience as exactly as possible. Defining target audience allows the media buyers in the advertising agency to plan for economical coverage.
- \* Timing of the campaign or advertising also very important.
- \* The message that agency's creative team will developed has to be right message for the product and the audience. What medium to be selected also plays a major role in advertising plan process?
- \* Quantification & performance of advertising to be measured after the campaign.
- \* The advertising plan helps in planned attitude shift.
- \* Before designing advertising plan, above all questions like who and where, when, what & to whom it should reach all to be answered.
- \* Analysis of situation plays very important role. Various extent & internal factors to be considered.

### Frame Work for Advertising Planning and Decision-making:



### Steps involved in advertising planning process:

- \* In depth study of 'macro' and 'micro' environmental factors like social, economical, ethical, political, technological, etc., and internal factors like corporate history, philosophy, culture, opportunities & threats.
- \* Setting up of organizational goals including long term goals and short term objectives & strategies.
- \* Identifying and defining the target market to concentrate for selling product.
- \* Conducting market research to gather data about consumers demand for the product and degree of competition prevailing in the market.
- \* Specifying marketing objectives within the broad framework of organizational goals.
- \* Designing the marketing plan to achieve marketing goals. To achieve the goals how the marketing management will use the marketing tools like product mix, promotion, price & place, etc.

- \* Determining advertising goals. While developing advertising goals, it should be remembered that such goals are operational and flow from overall marketing objectives.
- \* Preparation of advertising budget precedes media selection.
- \* Testing the advertising plan. Managers should not jump into implementation of plans once budget allocation happened. The plan must be tested in various stages.
- \* Implementation or execution of advertising plan.
- \* Evaluation of advertising plan.
  - The role of managers will not come to an end after implementation of advertising program.
  - Evaluation of performance of advertising program can be seen and it should incline with organization goals and objectives.

### Advertising Objectives:

Specific and measurable objectives are instrumental to sound advertising because ultimate result must be evaluated against the predetermined objectives. It is necessary to develop the specific objectives before the development of the campaign.

The process of setting objective is to:-

- Objectives give management a goal against which to measure accomplishment.
- Specific objective give a path for the determination of strategies that follow.

Setting of sound objectives is extremely difficult task but it must be done well.

### Reasons for Setting Objectives: (planning, organizing, coordinating & controlling)

- ❖ Objectives guide management for the development of IMC.
- ❖ Helps in evaluation of alternatives and guide in decision making.
- ❖ Helps in coordination of various groups working on the campaign.
- ❖ The objectives provide a benchmark against which the success or failure of the promotional campaign can be measured.
- ❖ The objective setting helps in controlling activity.

### Advertising agency for a manufacture's product:

- To increase sales directly by-
  - Encouraging potential purchasers to visit buyers.
  - Announcing special sales or others promotions (Ex: 10% discount)
  - Securing new distributors and dealers (Ex: Automobiles)
  - Induce opinion leaders to promote product (Ex: Industrial product)
  - To communicate about offers given to customers.

➤ To create awareness and interest:

- Informing potential buyers about product features (3M)
- Announcing availability of new products (Ex: Mobile models)
- Demonstrating the benefits from product use (Fair & Lovely)
- Campaign a product with competing product (Ariel v/s X brand)
- Production skills, services, etc.  
Ex: Tricore Indus TMT (German company)  
Sansui (Born in Japan, entertaining the whole world)  
Pulsar (Definitely male)  
Accenture (High performance delivered)
- Inform potential buyers about the places where the products may be obtained.
- Announcing change in prices, package, label, etc.
- Publicity of a new brand name or symbol

Objectives of a Company's Institutional Advertising:

- ❖ To depict the company as a good employees and citizen.
- ❖ To inform people about the company's industry and its role in the economy. (Ex: TATA group corporate ads)
- ❖ To describe its research and development activities and achievements. (Ex: L&T constructions)
- ❖ To identify the company with its overall goals. (Ex: GE corporate ads)
- ❖ To depict company's concern about society. (Ex: ITC corporate social responsibility)

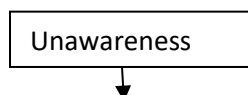
DAGMAR approach (Defining Advertising Goals for Measured Advertising Results):-

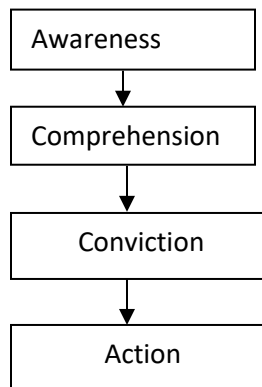
DAGMAR is developed by 'Russell Colley' (1961). "Advertising is job, purely & simply, is to communicate to defined audience information & a frame of mind that stimulates action. Advertising succeeds or fails, depending on how well it communicates the desired information & attitudes to the right people at the right time and at the right cost."

Colley defined an advertising objective as a-

It is a specific communication task to be accomplished among a defined audience to given degree in a given period of time.

Communication Process in DAGMAR Approach:-





- \* Unawareness:
  - At this level the suspects or potential customer are unaware of the brand or product or service.
  - This mode suggest that there is a series of mental steps through which a brand or object must climb to gain acceptance.
  - The initial step of brand is to gain awareness.
- \* Awareness: the consumer must be aware of a brand or company.
  - People must become aware of the existence of the product or brand in the market.
  - The knowledge of brand attributes to be increased among potential buyers.
  - Slogans classified ads can be used to create awareness
- \* Comprehension: the consumer must have knowledge of key brand attributes. Such as utilities of product, quality, price, special features, etc.
  - Brand comprehension involves the audience member learning something about the brand.
  - Specific characteristics and appeals.
  - In what way it differs from competitors? When is it supposed to benefit? Etc., question to be answered through communication.
  - Comprehension involves linking (association with brand) and preference (competitive analysis).
- \* Conviction: the consumer needs to arrive at the confidence to buy the product.
  - It shows the attitude or response of potential customer.
  - Audience may be convinced about product and develops desire to buy.
- \* Action: the consumers purchase the product.

DAGMAR approach can be summarized as below:

- The advertising goal should be written down and it should be specific and clear.

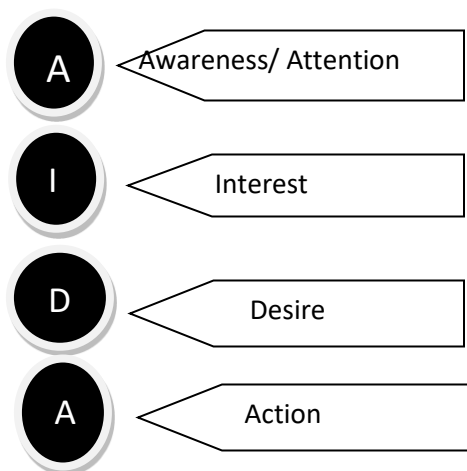
- Advertising should be measured in terms of impacts or effects. Ex: when new brand is introduced, advertiser must know what to be communicated.
- Follow of hierarchical model (A → C → C → A).
- Benchmark measurements should be developed before the campaign is implemented (measure communication effect)
- Target audience should be well defined. Benchmark can be developed accordingly.
- Specific time period must be selected.

#### Criticism of DAGMAR Approach or Challenges to DAGMAR Approach:

- \* Some critics opinion is that, sales are the only appropriate measure of advertising. Advertisements may lead to awareness but awareness does not affect sales. Because of this reason there is no benefit in measuring advertisement goals.
- \* Problem with response hierarchy- it is difficult to select hierarchy level on which ad objectives are based.
- \* Practicability and cost involved in implementation. (Smaller companies cannot invest on research)
- \* Inhibition of creativity can be noticed (Ex: unplanned publicity)
- \* Implementation difficulties.

#### AIDA Model:

AIDA Model was developed by Elmo Lewis. It outlines the processes for achieving promotional goals. It describes stages of consumer involvement with the advertising.



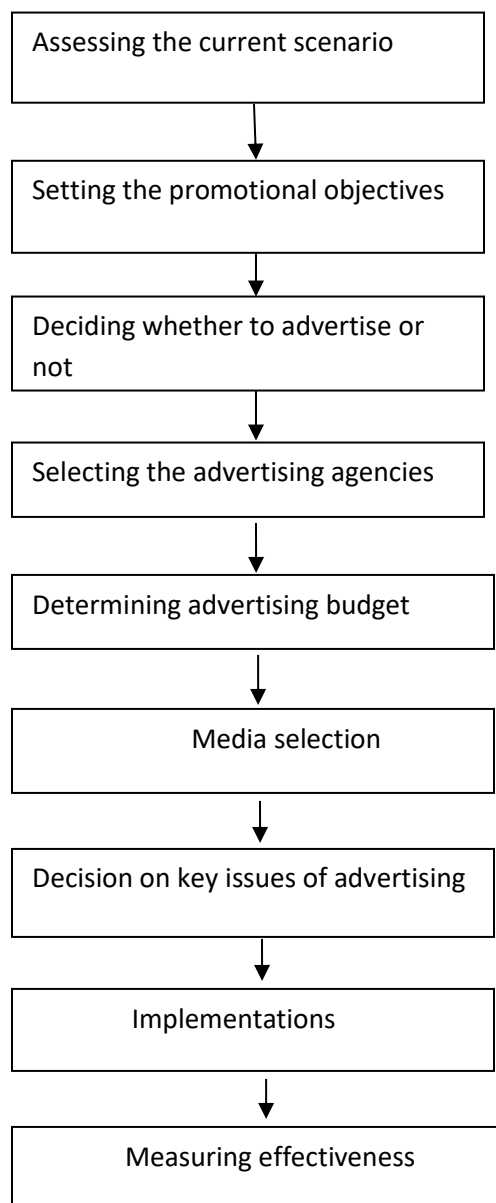


- \* Attention or Awareness: attract the attention of the customer.
- \* Interest: enhance customer interest by demonstrating advantages and benefits.
- \* Desire: convince customers that the product will satisfy their needs.
- \* Action: the customers purchase the product.

#### Advertising strategies:

The business needs to conduct promotion activities to reach the potential customers. The advertising is the cost effective way of communicating large number of target clients.

#### Steps Involved in Framing Advertising Strategies:



- \* Assessing the current scenario: assessing some of the information related to the market conditions, current situation, history of the market, trends in market, competition activities, consumer attitudes, etc.
- \* Setting the promotional objectives: smart approach to be adopted.
  - Specific objectives (consideration of 4 P's)
  - Measurable (value should be given)
  - Agreed (agreed by all in the organization)
  - Realistic (can be achieved)
  - Time limit.

The objectives are based on the past decision about the target market, positioning, etc.

Ex: X-box, play station 4.

The main objective of every advertisement is to persuade the customer to buy the goods.

- \* Deciding whether to advertise or not:
  - There are various promotional activities a business can perform to earn more profits (Ex: personal selling, publicity, public relation)
  - Company needs to do “cost benefit analysis” of various promotional activities.
  - Based on situation company can decide which promotional activity is best suitable for the product.
- \* Selecting the advertising agencies: various criteria's to be considered while selecting advertising agencies:
  - Agencies experience in advertising field.
  - Pricing policy.
  - Relationship with various types of media.
  - Size of the agency.
  - Types of project undertaken.
  - Technology using (animation, 3D, etc)

The agencies should be able to guide or suggest about- location of advertising, spending about ads, evaluation of success of ads, discounts, message strategy, etc.

- \* Determining the promotional budget: the company needs to decide how much they need to spend on advertising. The budget should be realistic.  
Factors to be considered are:
  - Competitor advertising strategies
  - Type of product

- PLC of product
- Sales target to be achieved
- Market share
- Advertising frequency
- Product differentiation
- Image building
- \* Media selection:
  - First, company define the customer or market segment
  - Selection of proper media to reach target audience.
  - The company needs to observe where the competitors advertise.
  - Selection of media should match their requirements  
Ex: Magazines to advertise industrial products.
- \* Deciding on key-issues of advertising:  
It includes:-
  - Strategy of advertising or goals and objectives.
  - What should be highlighted about the product?
  - The attributes to be communicated to target audience.
  - Timing of the campaign.
  - Motivational factors of target audience.
  - Ability of handling response.
- \* Implementation: the company needs to implement their plans into action. They need to minimize the gap between the set targets and the actual performance.
- \* Measuring effectiveness:
  - Company needs to measure the effectiveness of the advertising interns of their objectives.
  - Market research should be carried out to know the effectiveness.
  - Collection of feedback can be seen.

#### Types of Advertising Strategies:

- ❖ Generic strategy: (Common information- ex: Tooth Brush)
  - \* The basic approaches to strategic planning that can be adopted by any firm to improve its competitive performance.
  - \* Helps in providing the information of the advertised products or services attributes.
  - \* Helps in informing audience about common information.
  - \* It doesn't involve any innovative knowledge to educate people.
- ❖ Pre-emptive strategy: (Taken measure against some others)
  - \* This makes generic claims stronger.

- \* This helps in catching the functional differences among competitors.
- \* Strategy provides the best opportunity to gain advantage over competitors  
Ex: Toyota v/s Ford advertisement.
- ❖ Unique selling proposition strategy (USP): (specific benefits)
  - \* Company offers a specific benefit to customers compared to competitors.
  - \* The advertised product or service is truly unique.
  - \* It provides about the unique features of the product.  
Ex: Godrej lock, FedEx- “Relax- its FedEx”
- ❖ Brand image strategy:
  - \* The brand is the name, design, symbol, logo or any other feature to give a product a unique identity in the market place.  
Ex: CAT, L&T, TOYOTA, SAMSUNG.  
Categories under brand image are:
    - Manufacturer branding strategy: brand characteristics are clearly associated with the manufacturer of the product. Ex: United colors of Benetton.
    - Private branding strategy: if the products are not well differentiated in the market place, it is called private branding. Ex: Shivaling dal, Shashi detergent.
    - Individual branding strategy: company creates a separate identity for each product offering is called individual branding. Ex: Tata steel, Tata salt, Tata Docomo, Tata sky, Tata automobile, etc.  
This strategy is useful when a company sells items in very different categories.
    - Family branding strategy: multiple offerings in same category. Ex: MTR, Airtel
    - Positioning strategy: helps in better positioning of product against a competing product. Ex: Yamaha midship v/s KTM Duke, Sony Bravia v/s Samsung TV, MRF Logo v/s Sachin Tendulkar bat.

### Advertising Campaign Planning Process:

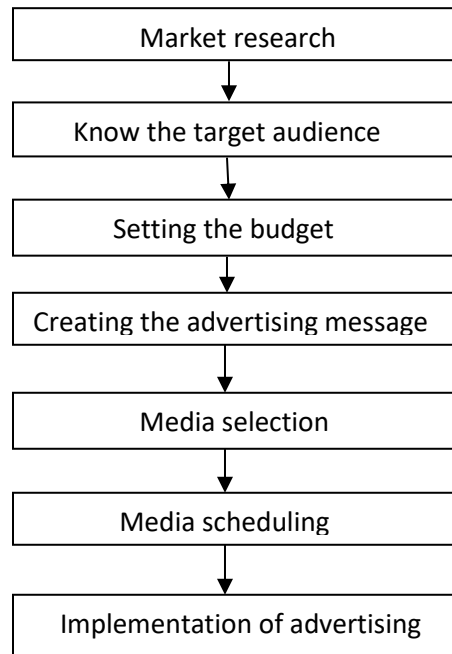
The groups of advertising messages which are similar in nature are called as advertising campaign. The advertiser share same messages & themes placed in different types of media.

### Factors Influencing the Planning of an Advertising Campaign:

- The reputation, position of the advertiser in the market.
- Type of product- FMCG, industrial, etc.
- Nature of customer.
- The competition.
- Budget
- Ad theme.
- Media type

- Regulations, etc.

The process of making an advertising campaign: (Developing an advertising campaign)



Market research:

- Advertiser needs to do a market research for the product to be advertised.
- Market research should be conducted to find out the product demand, competitors, market behavior & customer wants, etc.

Know the target audience:

- The advertiser needs to know who are the target audience or customers. Ex: Common consumer, industrial customer, wholesaler, etc.
- Market segmentation helps the advertiser to know the target audience. The segmentation may be based on demographic, economic, geographic, psychographic, behavioral, etc

Setting the advertising budget:

- Factors to be considered when setting the budget are:
  - Image building.
  - Market share
  - Product differentiation
  - Stages of PLC
  - Competition
  - Advertising frequency

- Commonly used methods of setting advertising budget are:- percentage of sales method, fixed sum per unit method, affordable funds method, competitive parity method, objective & task method.
- Company / advertiser needs to do cost benefit analysis in setting advertising budget.

#### Creating the advertising message/theme:

- The advertiser needs to decide the theme for campaign
- A large advertising budget does not guarantee a successful advertising campaign
- Advertising can succeed only if advertisements gain attention and communication well
- To develop a creative advertising strategy a firm must go through three steps:-
  - Message generation
  - Message evaluation & selection
  - Message execution (presentation)
- The advertiser needs to decide on colors to be used, graphics, music & videos to be used, designing, language, etc

#### Media selection:

Selection of the media involves:-

- Deciding on reach, frequency, impact of objective of ad.
  - Choosing among major media type.
  - Selecting specific media vehicle (channels)
  - Deciding on the media timing
- Evaluation of ad campaign can be done before broadcasting the as campaign.

#### Media scheduling:

- The advertiser needs to schedule the campaign
- The advertising needs to be visible or be read or be audible to the targeted customers at the right time.

#### Implementation of campaign:

- Finally advertiser needs to execute the campaign
- The feedback has to be noted
- In any case of discrepancy necessary action needed to be taken

#### Advertising Appeal:

The statement designed by the advertiser to motivate customers to act is called appeal. The appeals focus on buying motives of the customer.

#### Nature of Appeal:

- ❖ A positive appeal will speak about the benefits that the customer gets by using the product or service. Ex: Mc Donald- “I am loving it”
- ❖ Negative appeal is to tell the customer, what will happen if he doesn’t use the product.  
Ex: Insurance advertisement.

#### Types or Classification of Appeals:

- ◆ Rational appeal:
  - Rational appeals are generally product oriented appeals
  - Functional benefits of a product are highlighted
  - Industrial buyers will be more responsible to rational appeal.  
Ex: high quality machinery at lower cost and it should be long lasting, good performance, easy to operate and resale value, low service cost, etc.
- ◆ Emotional appeal:
  - Appeals associated with the emotions and feelings of people which prompt to make a purchase.  
Ex: Gold jewellery, etc
- ◆ Fear appeal:
 

Ex: “wear helmet be safe” by Traffic police department.
- ◆ Humor appeal:
 

Ex: old fevicol ad, 8 P.M Apple juice

#### Essentials of a Good Advertising Appeal:

- \* Message to be communicated in an appropriate language. Ex: Vodafone zoo-zoo ads fails sometimes to communicate exact message
- \* It must have a good theme
- \* It must be interesting
- \* It must be believable. Ex: ‘Happy dent white’ far from reality
- \* It must be complete.