

MODEL QUESTION PAPER

BBA - III year

Subject Name: 310M-Advertising and Sales Promotion

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Q1. Define advertising?

Ans. Advertising is a paid form of non-personal presentation or promotion of ideas, goods or services by an identified sponsor with a view to disseminate information concerning an idea, product or service. The message which is presented or disseminated is called advertisement. In the present day marketing activities hardly is there any business in the modern world which does not advertise. However, the form of advertisement differs from business to business.

Q2. What is the significance of advertising?

Ans. The following are the main significance of advertising:

- 1. Preparing Ground for New Product:** New product needs introduction because potential customers have never used such product earlier and the advertisement prepare a ground for that new product.
- 2. Creation of Demand:** The main objective of the advertisement is to create a favorable climate for maintaining of improving sales. Customers are to be reminded about the product and the brand. It may induce new customers to buy the product by informing them its qualities since it is possible that some of the customers may change their brands.
- 3. Facing the Competition:** Another important objective of the advertisement is to face to competition. Under competitive conditions, advertisement helps to build up brand image and brand loyalty and when customers have developed brand loyalty, becomes difficult for the middlemen to change it.
- 4. Creating or Enhancing Goodwill:** Large scale advertising is often undertaken with the objective of creating or enhancing the goodwill of the advertising company. This, in turn, increases the market receptiveness of the company's product and helps the salesmen to win customers easily.
- 5. Informing the Changes to the Customers:** Whenever changes are made in the prices, channels of distribution or in the product by way of any improvement in quality, size, weight, brand, packing, etc., they must be informed to the public by the producer through advertisement.

6. Neutralizing Competitor's advertising: Advertising is unavoidable to complete with or neutralize competitor's advertising. When competitors are adopting intensive advertising as their promotional strategy, it is reasonable to follow similar practices to neutralize their effects. In such cases, it is essential for the manufacturer to create a different image of his product.

7. Barring New Entrants: From the advertiser's point of view, a strongly built image through long advertising helps to keep new entrants away. The advertisement builds up a certain monopoly for the product in which new entrants find it difficult to enter.

Q3. What are the different kinds of advertising?

Ans. Different Types of Advertising

1. Broadcast Media: Television and radio are two traditional broadcast media long used in advertising. Television offers creative opportunities, a dynamic message and wide audience reach. It is typically the most expensive medium to advertise through, though. Because local affiliated stations normally serve a wide local audience, you also have to deal with waste when trying to target a small town marketplace. TV watchers normally have a negative attitude toward commercials and many have DVRs at their fingertips. Radio and TV both have fleeting messages, meaning they disappear once the commercial spot ends. Radio is relatively affordable for small businesses and allows for repetition and frequency. You don't have the visual element of TV and you have to deal with a distracted audience, since most listeners are driving.

2. Print Media: Magazines and newspapers are the two traditional print media. Magazines offer a highly selective audience who is generally interested in ads closely related to the topic of the magazine. Visual imagery is also stronger in magazines than newspapers. You have little waste since magazines are very niche and you can target a narrow customer segment. On the downside, magazines are costly and require long lead times, which limits timely promotions. They also have limited audience reach. Newspapers are very affordable for local businesses and allow you to target a geographic segment if you have a universal product or service. Newspapers are also viewed as a credible medium, which enhances ad acceptance. You can usually get an ad placed within a day or two of purchase. Declining circulation, a short shelf life and limited visual creativity are drawbacks.

3. Support Media: Support media include several options for message delivery than normally add to or expand campaigns delivered through more traditional media. Billboards, transits, bus benches, aerial, directories and trade publications are common support media. Each has pros and cons, but collectively, they offer ways to reach a wider audience in a local or regional market or to increase frequency of message exposure to targeted market segments.

4. Direct Marketing: Direct marketing is an interactive approach to advertising that has picked up in usage in the early 21st century. It includes direct mail, email and telemarketing. These are direct response efforts to create an ongoing dialogue or interaction with customers. Weekly or

monthly email newsletters, for instance, allow you to keep your brand, products and other messages in front of prospects and customers. Telemarketing is a way to survey customers and offer new products, upgrades or renewals. Direct mail is the most common format of direct marketing where you send mailers or postcards to targeted customers promoting products, deals or promotions. Direct marketing has become more prominent because it allows for ease in tracking customer response rates and helps advertisers better measure return on investment.

5. Product Placement: Another newer advertising technique is product placement. This is where you offer compensation to a TV show, movie, video game or theme park to use your product while entertaining audiences. You could pay a TV show, for instance, to depict your product being used and discussed positive in a particular scene. This ad method is a way for companies to integrate ads with entertainment since customers have found ways to avoid messages delivered through more conventional media.

6. Internet: The Internet is used by online and offline companies to promote products or services. Banner ads, pop up ads, text ads and paid search placements are common forms. Banner, pop up and text ads are ways to present an image or message on a publisher's website or on a number of websites through a third-party platform like Google's Adwords program. Paid search placements, also known as cost-per-click advertising, is where you bid a certain amount to present your link and text message to users of search engines like Google and Yahoo!

Q4. Explain the process of advertising?

Ans. Steps in Advertising Process

- 1. Briefing:** the advertiser needs to brief about the product or the service which has to be advertised and doing the SWOT analysis of the company and the product.
- 2. Knowing the Objective:** one should first know the objective or the purpose of advertising. i.e. what message is to be delivered to the audience?
- 3. Research:** this step involves finding out the market behavior, knowing the competitors, what type of advertising they are using, what is the response of the consumers, availability of the resources needed in the process, etc.
- 4. Target Audience:** the next step is to identify the target consumers most likely to buy the product. The target should be appropriately identified without any confusion. For e.g. if the product is a health drink for growing kids, then the target customers will be the parents who are going to buy it and not the kids who are going to drink it.
- 5. Media Selection:** now that the target audience is identified, one should select an appropriate media for advertising so that the customers who are to be informed about the product and are willing to buy are successfully reached.

6. **Setting the Budget:** then the advertising budget has to be planned so that there is no short of funds or excess of funds during the process of advertising and also there are no losses to the company.

7. **Designing and Creating the Ad:** first the design that is the outline of ad on papers is made by the copywriters of the agency, then the actual creation of ad is done with help of the art directors and the creative personnel of the agency.

8. **Perfection:** then the created ad is re-examined and the ad is redefined to make it perfect to enter the market.

9. **Place and Time of Ad:** the next step is to decide where and when the ad will be shown. The place will be decided according to the target customers where the ad is most visible clearly to them. The finalization of time on which the ad will be telecasted or shown on the selected media will be done by the traffic department of the agency.

10. **Execution:** finally the advertise is released with perfect creation, perfect placement and perfect timing in the market.

11. **Performance:** the last step is to judge the performance of the ad in terms of the response from the customers, whether they are satisfied with the ad and the product, did the ad reached all the targeted people, was the advertise capable enough to compete with the other players, etc. Every point is studied properly and changes are made, if any.