

*it's good and
good for you*

Chapter Fifteen

Advertising and Public Relations

Copyright © 2012 Pearson Education

15 - 1

Advertising and Public Relations

Topic Outline

Advertising

- Setting Advertising Objectives
- Setting the Advertising Budget
- Developing Advertising Strategy
- Evaluating Advertising Effectiveness and Return on Advertising Investment

Public Relations

- The Role and Impact of Public Relations
- Major Public Relations Tools



Copyright © 2012 Pearson Education

15 - 2

Advertising

Advertising is any paid form of non-personal presentation and promotion of ideas, goods, or services by an identified sponsor

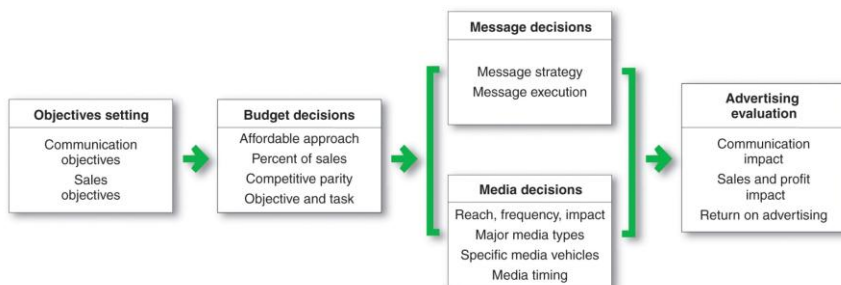


Copyright © 2012 Pearson Education

15 - 3

Advertising

Major Advertising Decisions



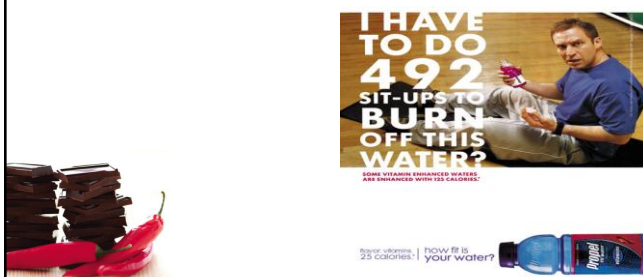
Copyright © 2012 Pearson Education

15 - 4

Advertising

Setting Advertising Objectives

An **advertising objective** is a specific communication task to be accomplished with a specific target audience during a specific time



Copyright © 2012 Pearson Education

15 - 5

Advertising

Setting Advertising Objectives

Informative advertising is used when introducing a new product category; the objective is to build primary demand

Persuasive advertising is important with increased competition to build selective demand

Reminder advertising is important with mature products to help maintain customer relationships and keep customers thinking about the product



Copyright © 2012 Pearson Education

15 - 6

Table 15.1 Possible Advertising Objectives

● TABLE | 15.1 Possible Advertising Objectives

The overall advertising goal is to help build customer relationships by communicating customer value.

Informative Advertising

Communicating customer value	Suggesting new uses for a product
Building a brand and company image	Informing the market of a price change
Telling the market about a new product	Describing available services and support
Explaining how the product works	Correcting false impressions

Persuasive Advertising

Building brand preference	Persuading customers to purchase now
Encouraging switching to your brand	Persuading customers to receive a sales call
Changing customer's perception of product value	Convincing customers to tell others about the brand

Reminder Advertising

Maintaining customer relationships	Reminding consumers where to buy the product
Reminding consumers that the product may be needed in the near future	Keeping the brand in customer's mind during off-seasons



Advertising

Developing Advertising Strategy

Advertising strategy is the strategy by which the company accomplishes its advertising objectives and consists of:

- Creating advertising messages
- Selecting advertising media



Developing Advertising Strategy

Creating the Advertising Message

Advertisements need to break through the clutter:

- Gain attention
- Communicate well



Copyright © 2012 Pearson Education



15 - 9

Advertising

Creating the Advertising Message

Advertisements need to be better planned, more imaginative, more entertaining, and more rewarding to consumers

- Madison & Vine—the intersection of Madison Avenue and Hollywood—represents the merging of advertising and entertainment

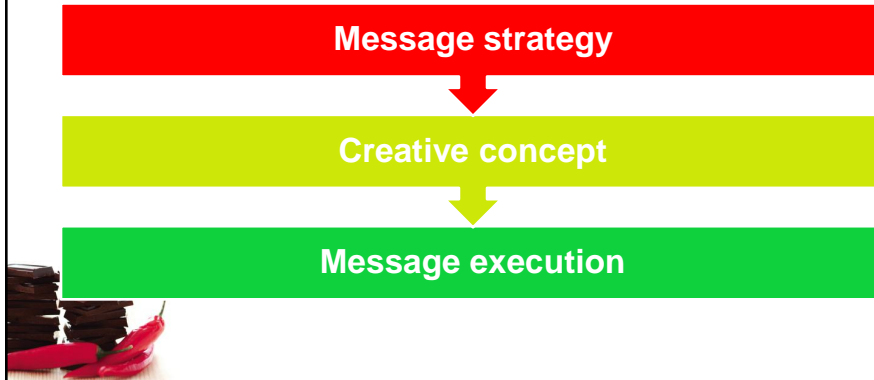


Copyright © 2012 Pearson Education

15 - 10

Advertising

Creating the Advertising Message



Copyright © 2012 Pearson Education

15 - 11

Advertising

Creating the Advertising Message

Message strategy is the general message that will be communicated to consumers

- Identifies consumer benefits



Copyright © 2012 Pearson Education

15 - 12

Advertising

Creating the Advertising Message

Creative concept is the idea that will bring the message strategy to life and guide specific appeals to be used in an advertising campaign

Characteristics of the appeals include:

- Meaningful
- Believable
- Distinctive



Copyright © 2012 Pearson Education

15 - 13

Advertising

Creating the Advertising Message

- Message execution is when the advertiser turns the big idea into an actual ad execution that will capture the target market's attention and interest.
- The creative team must find the best approach, style, tone, words, and format for executing the message.

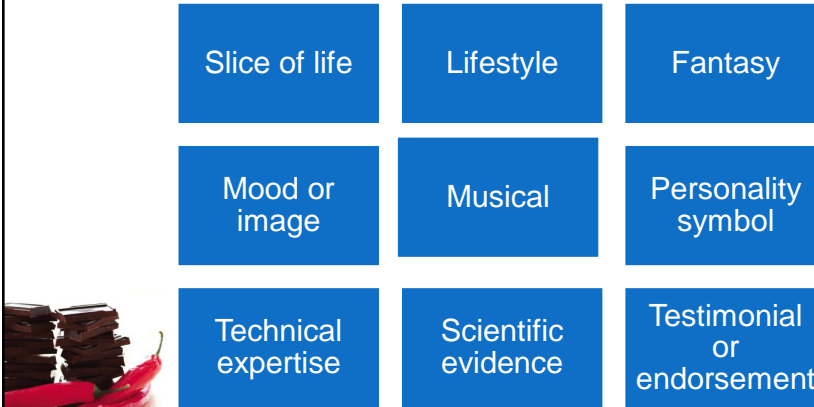


Copyright © 2012 Pearson Education

15 - 14

Advertising

Creating the Advertising Message



Copyright © 2012 Pearson Education

15 - 15

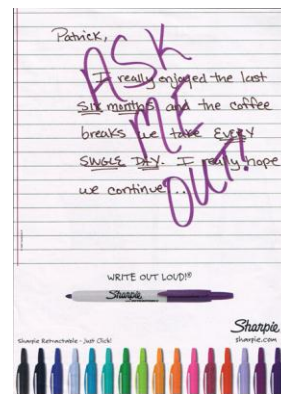
Advertising



Creating the Advertising Message

Message execution also includes:

- Tone
 - Positive or negative
- Attention-getting words
- Format
 - Illustration
 - Headline
 - Copy



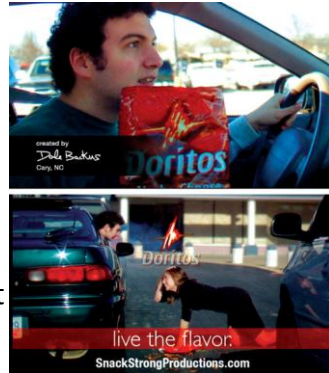
Copyright © 2012 Pearson Education

15 - 16

Advertising

Creating the Advertising Message Consumer Generated Messages

- YouTube videos
- Brand Web site contests
- Positives
 - Low expense
 - New creative ideas
 - Fresh perspective on brand
 - Boost consumer involvement



Copyright © 2012 Pearson Education

15 - 17

Advertising

Selecting Advertising Media

Major steps include:

- Deciding on reach-frequency-impact
- Selecting media vehicles
- Deciding on media timing



Copyright © 2012 Pearson Education

15 - 18

Advertising

Selecting Advertising Media

Reach is a measure of the percentage of people in the target market who are exposed to the ad campaign during a given period of time

Frequency is a measure of how many times the average person in the target market is exposed to the message

Impact is the qualitative value of a message exposure through a given medium



Copyright © 2012 Pearson Education

15 - 19

Advertising

Selecting Advertising Media

Selecting media vehicles involves decisions presenting the media effectively and efficiently to the target customer and must consider the message's:

- Impact
- Effectiveness
- Cost



Copyright © 2012 Pearson Education

15 - 20

Advertising

Selecting Advertising Media Narrowcasting Versus Shotgun Approaches

Narrowcasting focuses the message on selected market segments

- Lowers cost
- Targets more effectively
- Engages customers better



Copyright © 2012 Pearson Education

15 - 21

Advertising

Selecting Advertising Media

When deciding on media timing, the planner must consider:

- Seasonality
- Pattern of the advertising
 - Continuity—scheduling within a given period
 - Pulsing—scheduling unevenly within a given period



Copyright © 2012 Pearson Education

15 - 22

Advertising

Evaluating the Effectiveness and Return on Advertising Investment

Return on advertising investment

The net return on advertising investment divided by the costs of the advertising investment



Copyright © 2012 Pearson Education

15 - 23

Advertising

Evaluating the Effectiveness and Return on Advertising Investment

Communication effects indicate whether the ad and media are communicating the ad message well and should be tested before or after the ad runs

Sales and profit effects compare past sales and profits with past expenditures or through experiments



Copyright © 2012 Pearson Education

15 - 24

Advertising

Developing and Advertising Programs Other Advertising Considerations

- Organizing for advertising
 - Agency vs. in-house
- International advertising decisions
 - Standardization



Copyright © 2012 Pearson Education

15 - 25



Public Relations

Public relations involves building good relations with the company's various publics by obtaining favorable publicity, building up a good corporate image, and handling or heading off unfavorable rumors, stories, and events



Public relations is used to promote product, people, ideas, and activities

Copyright © 2012 Pearson Education

15 - 26

Public Relations

- Public relations department functions include:
- Press relations or press agency
- Product publicity
- Public affairs
- Lobbying
- Investor relations
- Development



Copyright © 2012 Pearson Education

15 - 27

Public Relations

Press relations or press agency involves the creation and placing of newsworthy information to attract attention to a person, product, or service

Product publicity involves publicizing specific products

Public affairs involves building and maintaining national or local community relations



Copyright © 2012 Pearson Education

15 - 28

Public Relations

Lobbying involves building and maintaining relations with legislators and government officials to influence legislation and regulation

Investor relations involves maintaining relationships with shareholders and others in the financial community

Development involves public relations with donors or members of nonprofit organizations to gain financial or volunteer support



Copyright © 2012 Pearson Education

15 - 29

Public Relations

The Role and Impact of Public Relations

- Lower cost than advertising
- Stronger impact on public awareness than advertising



Copyright © 2012 Pearson Education

15 - 30

Public Relations

Major Public Relations Tools



Copyright © 2012 Pearson Education

15 - 31



This work is protected by United States copyright laws and is provided solely for the use of instructors in teaching their courses and assessing student learning. Dissemination or sale of any part of this work (including on the World Wide Web) will destroy the integrity of the work and is not permitted. The work and materials from it should never be made available to students except by instructors using the accompanying text in their classes. All recipients of this work are expected to abide by these restrictions and to honor the intended pedagogical purposes and the needs of other instructors who rely on these materials.

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted, in any form or by any means, electronic, mechanical, photocopying, recording, or otherwise, without the prior written permission of the publisher. Printed in the United States of America.



Copyright © 2012 Pearson Education

Copyright © 2012 Pearson Education

15 - 32