



ADVERTISING
BASICS

DEFINITION

- Advertising is regarded as ‘ any paid form of non –personal communication of ideas, goods and services by an identified sponsor.’

EXPLANATION

- Advertising can be a sign, symbol, illustration and message.
- Advertising excludes any face to face communication because it is non-personal.
- Advertising communicates information about ideas, goods and services.
- It is openly paid for by an identified sponsor.

FUNCTIONS OF ADVERTISING

- Advertising informs the buyers.
- Advertising also reminds the prospective buyers.
- Advertising builds brands.
- Advertising contributes to our brand preference and brand loyalty.
- Advertising persuades people to act.

TYPES OF ADVERTISING

- **CONSUMER ADVERTISING**- It is directed to users of consumer products whether FMCG, semi-durable or durable.
- **INDUSTRIAL ADVERTISING**- It is used for industrial goods and is directed to institutions and other business organisations.

CONTINUED

- **TRADE ADVERTISING-** It is directed to distributors, retailers as well as wholesalers.
- **PROFESSIONAL ADVERTISING-** It is directed towards professionals like CAs, doctors, lawyers, architects, engineers etc.

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- **INTERNATIONAL ADVERTISING-** This advertising is done by those firms who are operating on a global platform.
- **NATIONAL ADVERTISING-** Firms having all India business do national advertising.
- Likewise **regional advertising** is restricted to a region and retailers do **local advertising**.

CONTINUED

- **SERVICE ADVERTISING**- Services are intangible, inseparable, variable, perishable and customer participation is an integral part of it. They therefore, require strict quality control, superior credibility and adaptability. Banking, insurance, transportation, entertainment, education, health care, hospitality, consultancy etc. falls under this category.

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- **INSTITUTIONAL ADVERTISING OR CORPORATE ADVERTISING-** Institutional advertising aims at building a positive image for the firm in the eyes of public. It tells how the organisation is a socially responsible institution. The objectives of corporate advertising are-
 - 1. To make the company known.
 - 2. To make its product/ services known.
 - 3. To make its values known.

CONTINUED

- **PUBLIC SERVICE ADVERTISING-** It seeks to promote important social issues. It is created to promote awareness of public causes.
- **FINANCIAL ADVERTISING-** Promoting capital issues has become a very specialised segment of advertising called financial advertising. The copy of financial ad gives the highlights of the project, details of the issue, management perception of risk factors, closing date of the issue, promoters name and address etc.

CONTINUED

- **CONVERGENCE ADVERTISING-** Convergence advertising is used for complex technical products. Convergence introduces an element of continuity and consistency in communication. Multi product, highly diversified companies choose communication packages highlighting their core skills or strengths or mother technology. Philips has technology-led synergy across categories, and strives to make things better.

CONTINUED

- **POLITICAL ADVERTISING-** It has not so far been planned as a campaign. There are rallies, posters and audio tapes etc. for campaign. The inputs for the political advertising comes from the politicians themselves. However political parties may use creative people to design a campaign.