



## **[Summary]**

### **Advertising Budget**

<b>Subject:</b>	Business Economics
<b>Course:</b>	B. A. (Hons.), 6 <sup>th</sup> Semester, Undergraduate
<b>Paper No. &amp; Title:</b>	Paper – 621 Advertising & Brand Management
<b>Unit No. &amp; Title:</b>	Unit – 1 Foundations of Advertising
<b>Lecture No. &amp; Title:</b>	Lecture – 5 Advertising Budget

## **Summary**

Mass production and mass distribution are the main characteristics of today's business world. That is why the advertiser spends lakhs of rupees every year on advertising campaign just to influence consumers and prospective customers to purchase the company's products.

Advertising budget is prepared by the advertising manager of the company. The advertising budget process goes through the steps such as Collection of Data and Preparation of Advertising Budget, Presentation and Approval of the Budget, Execution of the budget, Control over the budget etc.

Actually there are no scientific methods available which determines the accurate amount of the advertising fund to be spent during a given period. However, there are several approaches which may serve as guidelines to advertising appropriation decisions. No single method which is applicable to all the situations and may provide correct results. Some important methods are, 1. Affordable Method, 2. Percentage of Sales Method, 3. Competitive Parity Method, 4. Objective and Task Method, 5. Return on Investment Method, 6. Judgment Method, 7. Fixed Sum Per Unit Method.