



## **[Frequently Asked Questions]**

### **Planning and Strategy Part – 1**

<b>Subject:</b>	Business Economics
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<b>Paper No. &amp; Title:</b>	Paper – 621 Advertising & Brand Management
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<b>Lecture No. &amp; Title:</b>	Lecture – 1 Planning and Strategy Part – 1

## **Frequently Asked Questions**

### **Q1. What is the need of advertising in marketing?**

**A1.** Advertising plan takes into consideration various alternatives and from that the best and most optimum is selected on the basis of various factors or by answering various questions like which plan should be considered? Why that particular plan should be selected? What are the benefits one will receive from it? Is it helpful to the company for achieving its main goals or objectives? What medium will be most effective for such a plan? How much will it cost? How will it affect the targeted audience? These are some of those important questions.

Advertising plan is different for a new business and for a well established business. The new business has to start from the scratch and thus the advertisement plan would be framed accordingly. While a business who is well established and who has launched many products till now will follow a different strategy. It will make or revise its advertising plan by doing necessary changes. In such case also there will be different plans as the advertising plan for an existing product will be different than the advertising plan for a new product. So whether it is a small scale industry or big scale industry, newly started industry or well established old industry, everyone needs to do advertisement to sell their products. So advertisement is needed in marketing.

### **Q2. What are the main components of advertising plan?**

**A2.** The advertise plan mainly concentrates on three main things. They are

**Objectives and Target selection**

Objectives selection can be termed as the most important and the basic component of an advertising plan. It helps the advertiser to decide what the company goals are and aim that they want to achieve through the advertisement plan. Also on the basis of the objectives the advertisement plan will be decided. It also includes that which particular part of the crowd they are targeting. The company can simply target the whole audience but in such case there are chances that the audience which will be maximum affected by the advertisement in positive way or we can say that the audience to whom the advertisement will maximum motivate to buy the product might left out. In such case, the company will not get the maximum advantage of the advertisement. Thus, this component helps the advertiser to decide a particular targeted audience which will give the company maximum benefit.

The objectives of advertising should be in order with the earlier decisions regarding the whole market analysis, the positioning of the brand and the marketing plan.

### **Message strategy and tactics**

There are so many advertisements of similar type of product available in the market that it is very hard for a consumer to decide the most suitable product for him/her. The companies and their marketing departments are also aware of this fact. So every advertiser tries to create such a type of advertisement that attracts the attention of the consumer easily. They try to create such an advertisement which a consumer can detect easily between all the advertisements he is known to. Also they describe or present their product in the advertisement in such a way that the consumer can detect that product from all the

similar products available. Such are known as message strategies which every advertiser follows.

Also the way the inner content of the advertisement is presented affects very much to the customer. Such ways are known as message tactics. It answers questions like how the content is shown. What is the tone of the advertisement? How it affects the customer? How it shows the benefits of the product? How the customer will relate himself with the advertisement? In which way is the advertisement unique or different from other advertisements? How the humour or fear shown in the advertisement? These are some of the questions that the message tactics answers.

### **Media strategy and tactics**

The concept of media strategy involves the quantity in which advertisement is to be done. In media strategy, how much advertisement should be done? Where it should be done? How much resources should be allocated for the advertisement? Such questions are answered. Media tactics means the proper selection of the medium for advertisement like television, radio, internet, hoarding, pamphlets, newspapers, etc. Advertisements are done at multiple locations. It might not be possible or not wise the same medium used for doing same advertising. So using right medium for advertising at a particular location is very important.

### **Q3.What are the basic objectives of advertising?**

#### **A3. Getting attention**

The very first and most important objective of the advertisement is to get the attention of the customer. It is nearly impossible to motivate the customer to purchase the product without getting

his/her attention. For that the advertisement should be designed in such a way that it attracts the customer's attention. As nowadays there are so many different and attractive advertisements available in the market that it becomes very difficult for the advertiser to create such a kind of advertisement. So creativity is very important in designing the advertisement. Also the creativity can be shown in the way the advertisement is being shown or presented to the customer.

### **Motivating customer for immediate action**

Some advertisements are such that they make customers to take decisions on an urgent basis. They motivate the customers to take immediate actions and make them to purchase their products in a very short time. For example, many a time food stores like Dominos, Pizza Hut, McDonald's, etc. keep coupons or discount offers for a very short time like two to three days due to which the customers get motivated and are prompt to take advantage of such offers and purchase their products.

### **Increasing sales and profits**

One of the main goals or objectives of advertisement is to increase their sales and profits. This is the most basic and most important goal of any advertisement. If a company is introducing a new product in the market then advertisement is designed in such a way that more and more people get aware about that product and tend to purchase it which will increase the sales of that product and eventually the profit will also increase. Also if a company brings any changes to the existing product then too it is required to do advertisement about it.

### **For brand awareness**

When a company introduces a new product in the market, it becomes very much necessary for the company to make people

aware about the product. Also if a new company has been established and if that company is introducing a new product of their newly developed brand then it is necessary to advertise about it so that people can know about their brand and gets aware about it. There also cases in which a different company sells product which looks exactly similar to a certain product of another company. Due to this a customer who isn't aware about the brand, purchases the dummy product. So at such times also it becomes necessary for the company to advertise about their brand and make people aware about it.

#### **Q4.What are the functions of advertising?**

##### **A4. Identifying brands**

One the many important functions of advertising is to make the customer remember the brand. Ideas, products and services are given by the company and they are differentiated by their brands. These advertisements communicate to the customers the brand of the company and the services they provide. As there are so many products available in the market that it is very difficult for a person to remember a certain brand for a long time without being in touch with that brand in any way. So advertisement plays a major role for the company as it makes the customer or people remember the brand through constant advertisement.

##### **Information**

Advertisement provides all the necessary information to the customer like contact information, website details, address, etc. through which a customer can get proper idea about the product as well as from where to purchase it or get more information

about it. It broadcasts the product through different mediums showing various features, details, etc about the product.

### **Previewing new trend**

Advertisements have a major impact on the latest trend in the market on the customers. No one wants to feel left out. Advertisement makes people aware about the latest trend going on in the market. People when sees the latest trend through the advertisement they too feel to follow that trend. So they might start purchasing that product in whose advertisement the latest trend is shown. Customers get attracted towards new ideas and products which motivate them to purchase those new products.

### **Demand**

It is one of the functions of advertisement to generate demand from advertising through all the media possible, by doing sales promotion of goods and services, etc. One of the powerful functions of advertising is to generate consumer demand for specific products, services and ideas through ad campaigns that target the audiences that are most likely to buy them. According to the demand of goods only the company will be able to sale goods and services.

### **Pricing**

It is a function of the advertisement to make people aware about different prices of different goods available in the market. They should educate the customers what are the cost of those particular goods. If there is any scheme or discount available for any product then also it should be communicated to the customers properly.

### **Q5.What are the types of advertisements?**

**A5.** Informative advertisement

When the aim or objective of the advertisement is to give information about the product and people aware about it, then it is known as informative advertisement. In such kind of advertisement, information regarding benefits of the product, its features, etc. is shown or described. Companies use such kind of advertisements for the new product as well as for the existing product.

#### Persuasive advertisement

In the advertisement, when two or more products are compared which creates the liking or preference between those two or ore products between the customers then it is known as persuasive marketing.

#### Reminder advertising

These are the most common types of ads which are seen now a day. These ads keep on repeating just to remind people to purchase the product. For example, dairy milk advertisement, Thumps up advertisement, etc. We see these ads getting broadcasted on television multiple times a day.

#### Reinforcement advertisement

These advertisements aim to convince the customers that they made right decision by purchasing their product.

### **Q6. What do you mean by marketing plan?**

**A6.** Marketing strategy and situational analysis are the parts of the overall marketing plan. The marketing plan includes functions like planning, implementation and control functions for the whole strategy making for a particular product. The main reason behind the making of marketing plan is to get the statement of objectives and frame particular strategies and tactics accordingly to achieve those objectives. The marketing



plan mainly takes into consideration the wants and needs of people and concentrates on how it can serve them and according to that, the marketing plan is prepared. The main purpose of the marketing plan is to clearly show the steps or plans through which the goal or objectives will be achieved. A marketing plan includes everything that we discussed till here. It also includes the famous "4 P's" of marketing mix, that is, product, price, place and promotion. According to the modern concept, 3 more Ps are included in this marketing mix. Those are Physical environment; A marketing plan forms strategies and tactics according to each of these four. In short, the combination of everything we studied till here in advertising comes under marketing plan.

## **Q7.What are the types of analysis done in marketing?**

### **A7. Consumer and Market analysis**

The analysis involves data regarding the behaviour of market like the share of market, size of market, growth of market, history of market, future aspects in such market and the opportunities that might come in the market, etc. It also involves the behaviour of consumer like the current trend, taste of consumer, decisions regarding purchases, their level of satisfaction, benefits they are seeking from the product, etc.

### **Competitive analysis**

Competition is one of the most important factors that needs to be taken into consideration while doing the situational analysis. Competition is such a factor which is usually present at each and every level of advertising planning. Various things are taken into consideration in competitive analysis like the history of competitors, their strengths and weaknesses, their financial

condition, their way of designing any product and then advertising it, etc. There are various opportunities available in the market. It needs to be thought that how the business can get the maximum advantage from that the opportunities and not the competitors. The planner needs to think that what kind of product or advertisement they should introduce in the market that has never been introduced by the competitors before. Thus it is very important to take into consideration the competition present in the market.

### **Q8. What is marketing strategy and situational analysis?**

**A8.** The planning process begins with a detailed analysis of the situation the advertiser faces and the development of marketing strategy. Marketing strategy does not only involve current market situation but it also takes into consideration future forecasting. It makes plan and strategy according to their long term vision. Marketing strategy also involves analysing the moves or steps taken by the competitors in the market. It takes into consideration the type of product the competitor is selling, price of that product, quality of that product, design of that product, the ways the product is been sold, their targeted audience, etc. On the basis of such factors the company designs its product in such a way that it can be more attractive to the customers than its competitors advertisement. Also marketing strategy involves the price of the product at which the product is been sold. The price should be reasonable to the customer as well as profitable to the company. The company tries to sell their product at lower prices than their competitors or, if it is not possible, then they try to give best quality product possible at a reasonable price. Therefore we can say that marketing strategy

begins with situational analysis. Situational analysis includes analysis of all internal as well as external factors operating in a particular situation. Such analysis can also be known as "SWOT analysis". It means analysis of strengths, weaknesses, threats and opportunities of that particular company of which analysis is done. These are the basic factors to be analysed. Such analysis takes into consideration of past experiences and history of that company. Basis on such analysis, research is done and after that strategies are formed. Situational analysis is basically a type of research of a particular kind. It takes into consideration many aspects of consumer like consumer's taste, their usages of such products, the factors which motivates them to purchase such products, their budget for such products, their objective behind purchasing such products, etc. Such research are very important for advertising and plays a very important role in deciding the structure of advertising. Basis on such research a consumer favourable advertisement is prepared. In short, we can say that a well performed research or situational analysis is the key of an effective advertising plan.

### **Q9. What are the three pillars of advertising plan?**

**A9.**

- **Objective setting:** Objectives are the main reason behind the planning of advertisement. There are many ways for understanding the objectives of advertising. In objective, the important part is the detail description of the targeted audience. It is usually more easy to target a huge audience by direct advertising but in such situation, there are risks of not targeting the audience from which maximum benefit can be achieved. So companies generally targets selected groups of

audience. They do it usually by organising different campaigns, each directed to different segments of the society.

- **Message strategy and tactics:** Messages strategy decides what exactly the message wants to communicate in terms of feeling, benefits, usage, brand personality, etc. once the main and important contents of the campaign has been decided, decisions are made for communicating those contents to the targeted audience in the best and the most effective way possible. The decisions regarding the tone of message, the spoke person, usage of humour or fear, visuals and layouts, etc. are called "message tactics".
- **Media strategy and tactics:** Message strategy tells us about how much is to be added to create the advertisement. While media strategy tells us about the selection of media for the advertisement. It is very important to decide the medium like television, radio, internet, etc. through which the advertisement will reach the targeted audience. If wrong medium is selected then the maximum benefit of the advertisement might not be achieved.

#### **Q10. What is planning framework of advertisement?**

**Explain its factors.**

**A10.** Planning is the basic and very important concept which decides the future of the activity. The essence of planning is to find out what are the feasible alternatives and reduce them at a set on which decisions can be made. A complete advertisement plan reflects the result of planning of that advertisement. Planning framework depends on internal and external factors. Internal factors are

#### **The Situational Analysis**

It involves an analysis of all important factors operating in a particular situation. Those factors are both, internal as well as external. If a company wants to do advertisement of its product, then it analysis various factors like budget, demand, type of its product, services that its product gives, etc. It also takes into consideration market analysis, consumer analysis, current trend related to the type of product, nature of demand, environmental climate, cost structure of the industry, stage of product life cycle, financial resources of the firm, skills of the firm, etc. There are various methods like "SWOT Analysis", "5c's Analysis" etc.

SWOT analysis is a method under which the company analysis the strengths and weakness of other companies to whom they are competing in the market. They also analyse the opportunities as well as threats which are there in the market. They take into consideration present as well the future aspects or situations of the market.

The "5c's analysis" gives us wider information on the internal environment of the organization. It gives us information about various major as well as minor factors which are present in the environment of the organisation. The 5c's are company, competitors, customers, collaborators and climate.

Company: In company analysis, its strength, weakness, objectives, etc. are involved. These factors tell the strength of the business structure in the market.

Competitors: The competitor's analysis takes into consideration the strength of the competitors in the market and the threats or harms they can cause to other businesses in the market.

Competitive analysis

The advertisement is very much Competition is such a factor that will occur as a consideration in all the phases of advertising planning and decision making process. The planner also has to be aware of different strengths and weakness of different companies and their way of advertising as well as their objectives in the product category. It is very important to keep an eye on the competition in the planning process.