

**Social factors,
ultimately lead to the
economic**



**ASSIGN
BUSTER**

Social Functions: As the name implies, the social functions of advertising are related with society in general.

People come to know about the availability of different types of goods and services and their various uses only through advertising. Advertising also helps people to buy the choicest goods and services from among various types to the best of their satisfaction. By reading and viewing various advertisements, people in the society become aware of living standard, taste, fashion, style, etc. Thus, they are tempted and influenced to change their mode of living, taste, fashion etc. according to the changing times.

Economic Functions: The economic functions of advertising is concerned with the way advertising helps production, distribution, employment, etc.-in a society. Manufactures are able to know the source of raw materials, stores, spares, labour, capital, etc.

from advertisements. As a result, they are in a position to choose their specific requirements at the desired price. Consequently, the manufacturer is able to offer goods at competitive prices.

Advertising also enhances the demand of goods and services leading to higher production, more employment and low prices. All these factors, ultimately lead to the economic progress of the country and material prosperity and increasing standard of living of the population. **Psychological functions:** The psychological functions of advertising relates to the methods of inducing and influencing people to buy goods and services. It is obvious that advertisements are able to influence the mind and behaviour of prospects in favour of purchasing goods and services.

The messages of advertisements influence the mind and behaviour of the prospects in such a way that they form a positive opinion about the advertised product or service and are induced to make a purchase of the same, when the need for the same arises.