

# [The essence of advertising and its importance marketing essay](https://assignbuster.com/the-essence-of-advertising-and-its-importance-marketing-essay/)

Effective advertising is the problem of great importance for marketing sphere and for all business sphere as well. On this subject have already been written hundreds of works, articles and studies.

Of course, each company need a balanced approach to planning an advertising campaign, and media planning, selecting advertising media and advertising placements must take into account such things as the scope of audience, etc. However, the most perfectly planned advertising campaigns (with the appropriate choice of advertising media, media plans designed to accommodate the maximum coverage of the target audience) may not be totally effective. Effective advertising involves a combination of creative and effective optimal, providing coverage of most parts of the target audience, location.

## The essence of advertising and its importance

The concept of advertising is explained as the type of activity that is aimed at implementation of marketing or other purposes companies and public organizations through the distribution of paid information, to provide increased exposure to mass or individual consciousness, causing a given reaction of selected consumer audience. (Encyclopedia of Journalism)

In the United States and other industrialized countries, the term “ advertising” means the advertisements in the media (press, radio, television, the billboard advertising) and does not refer to activities to promote sales (sales promotion), the prestigious event aimed at winning the attitude of the public (public relations), as well popular in recent years area of advertising which is aimed at relationships with customers (direct-marketing).

What is the importance of advertising? Maybe advertisers are wasting their money? In fact, advertising, of course, is necessary as it primarily stimulates the demand for products.

The mechanism of advertising is very simple – the potential buyer hears (sees) special message about any product which he did not have and immediately wants to buy it, of course, if he has money.

Advertising – is so strong mean of influence and persuasion that it can help to sell even a completely worthless and useless, non-competitive goods. Unfortunately, consumers are often faced with poor quality and the meddlesome advertising, which causes nothing but irritation. Therefore, it is important to remember that the advertising industry – is also an art.

It is also possible that advertising has 2

objectives: firstly, to create demand for goods in its potential consumers, and, secondly, to attract wholesale buyers that would sell product in retail.

If to look closer at the essence of advertising activity, in fact it is usually produced and published by advertising agency to inform publicity about the company or its product, builds and maintains their image and is paid by the advertiser in accordance with the rates for placing advertising appeals in the media. The income advertising agency is generally formed as a result of paying creative work and receipt of means of dissemination of advertising commission. (Young 2003)

Specialists consider the mass media as carriers that deliver advertising messages to the audience, gathered by the main (non-advertising) material which suggest radio – and television stations, newspapers or magazines. Since revenues of magazines and newspapers in 60 – 70%, and revenues of television and radio by almost 100% are composed of revenues from advertising. Thus, magazines, newspapers, television and radio stations typically attract the right audience by not advertising content, and advertiser gets the opportunity to apply to this audience.

Advertising is primarily a form of mass persuasion, and mass media helps to come into contact with the audience, to attract the attention of a specific audience with advertising appeal. Advertising appeal often is bright, eye-catching. However, the readers and listeners should be able to clear understand where are the ads, and where is editorial material. Form of advertising appeal must meet the culture and outlook of the advertising audience to which it is directed.

Creative approaches may be different. For example, for advertising of products of mass demand emotional motives are usually used, and for products of industrial use – rational motives.

Advertising in the media usually includes advertisements in the press (newspapers and magazines), radio, and television, and on standard billboards – these kinds are the most expensive, so the advertiser gets broad range of potential consumers, that guarantees certain degree of its effectiveness.

## Advertising effectiveness

There are several ways to define the effective advertising, as there are different approaches to achieve good results from it (Thomas J. W, Abshilasha Metha, Petley Petley J.)

But nevertheless most specialists argue that effective advertising means to the end consumer report information about a product in a manner conducive to either increase sales or improve the mythical part of the price of that commodity. Consequently, effective advertising is creation of such an image of advertised products (goods or services) that best meets these goals.

Having studied views of some marketers (Thomas J. W, Young C. E, Graydon S.) we can point the requirements of advertising effectiveness:

1) clearly articulates the position of goods, that is contains information about the specifics of its use, differences from those of competitors;

2) promises significant benefits to consumers when purchasing these goods, shows its uniqueness, creates a positive image, form preferences and other conditions in the title of advertising appeal, in illustration and in the style of delivery of text and graphic materials;

3) contains successful advertising idea – the original and at the same time easy to read;

4) establish and implement a clear conscience, thought-out in detail the image of the goods – a stereotype that increases its value in the eyes of consumers;

5) underscores the quality of goods offered;

6) the message is original and therefore is not boring, does not repeat the well-known boring thoughts and ideas;

7) has an exact target orientation, reflecting the different needs, desires and interests of specific customers and informing them in a way that took into account differences in consumer demand in a particular advertising audience;

8) the level of performance of the advertising image is associated with high quality;

9) attracts attention through successful art and

textual decisions;

10) focuses on new and unique features and qualities of goods, which is a prerequisite for its success in the market and the most active component of the advertising argument;

11) focuses on the core, not complicating, suggests only that it is important for the consumer, and addresses him directly;

12) placing of advertisement in the media with high reputation and wide range of readers of listeners.

For example Young CE (2005) points that advertising in the media has influence on the broader population and thus is suitable for products and services of wide consumption and of mass demand. When it comes to the choice of media, the main pros and cons of adopting alternative solutions are:

– the relevance of the ads to target populations, potentially interested in the advertised product;

– Popularity of the publication, circulation, audience, of readers, viewers or listeners;

– The level of tariffs for advertising space or time, etc.

Of course, it is also necessary to take into account the specific features of certain types of media for advertising. Complex advertising campaigns that include advertisements in the press, on radio, television, outdoor advertising on billboards, are built on the same advertising ideas and creative approaches, so that every variant

of advertising complements the other.

## Analysis of advertising effectiveness

For such pragmatic activities as advertising it is important to constantly monitor what price it costs and what benefits it brings – its “ efficiency”. Effectiveness of advertising – is the result obtained from the use of advertising funds or the organization of advertising campaigns, and effective advertising is always the result of careful planning.

According to Thomas JW (2005) advertising testing could provide a reliable feedback loop and lead to much better advertising, but it is a difficult task to select the criteria for evaluating the effectiveness of advertising campaigns. Though, evaluation of the efficiency of advertising is a prerequisite for the proper organization and planning of advertising, rational use of labor and material resources for it.

Investigation of the effectiveness of advertising should be directed to receive specific information about the nature and relationship between the factors that serve the goals of advertising at the lowest cost of funds and their maximum potential, thereby eliminating the inactive advertising and to determine conditions for optimum impact.

According to Thomas JW (2005), most companies usually evaluate the effectiveness of advertising campaigns through surveys, that determine the following:

– Who, how often and what kind of advertising see;

– How many people can remember it and the brand name of the products in advertisement;

– What associations do people have after the advertisement about the product;

– Who bought the products under the influence of advertising.

In general authors usually point 2 major method of evaluating the effectiveness of advertising:

1. Economic efficiency. There are several methods of calculating the economic effectiveness of advertising, which can accurately assess the result of promotional activities. The simplest method is based on a simple comparison of revenue growth before and after the promotion, but it does not take into account other non-advertising factors of growth of revenues and, therefore can only be used for preliminary assessment of the effectiveness of promotional activities.

2. Psychological impact of advertising. This method is disclosed in the article “ Advertising attitudes and advertising effectiveness”, in which the author closely studies and explains psychological influence of advertising, and attitudes of people towards it. (Mentha 2000).

Methods of assessing the economic and psychological effectiveness of promotional activities of the company and ways to improve it can be used in the practice of any firm engaged in retail or wholesale trade.

Conclusion

Global advertising market is an environment in which in the conditions of real competition promotional activities are conducted to promote goods and services. The knowledge of the features, factors of effectiveness and trends of the advertising market is necessary to create sufficient professional and appropriate marketing campaigns.

Under modern conditions the struggle for the consumer is becoming more sophisticated, novelty and perfection of the product is often more important than price. Therefore, in today’s market wins the one who is offering better forms and methods of marketing promotion.

Concluding all the said above, it can be considered proved a huge role of the advertising in business today. Any company operating on the domestic or foreign markets can’t be successful without advertising, that is this form of marketing activity must be carefully examined in order to be successfully applied in practice.

Properly organized and well-planned promotional activities of the firm can significantly increase profits, as advertising – is the way to make people want and but certain products. In fact the challenge of advertisers is to create an effective advertising appeal, which will increase demand for goods or services, or create the desired image. Ultimately, people buy not a commodity, but the “ promises”: people buy not just goods, but hopes for good health, or prestige. Nevertheless, advertising has been and remains the most mysterious phenomena, and disputes over its performance will continue.