

Advertising company assignment

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Advertising Company BY salad Introduction Globally the advertisement sector is going through a huge change. Companies are advertising everything from cars to candy. It has been supported by Gonging, Allen, and Semen (2009) that manufacturers and companies are leaving no corners untouched to communicate regarding their products and services.

Advertising could be defined as a paid medium to pass on the information from the manufacturer to the consumer through media in order to persuade them to use the product or service provided by the company (Gonging, Allen and Semen, 2009).

Advertising is the ajar component of marketing strategy since the 18th century where newspaper was the main medium (Tungsten, 2007). However trends in advertising need to be dynamic as per the needs and the changing lifestyles. Due to the recent advancement in the technologies, the common trends of advertising are using the diverse mass media sources. Recently celebrity endorsement and sponsorship for the huge events has become popular style of advertising, thus this essay aims to illustrate and discuss the new techniques in advertising recently and will focus mainly on sponsorship and celebrity endorsement.

In order to provide a better understanding about sponsorship and celebrity endorsement a brief case study of PepsiCo will be discussed. One of the popular trends of advertising is using the celebrity to endorse a particular product. According to Yeshiva (2006) an estimated 30 percent of the all the advertising campaigns use a celebrity to sell their product. The principle aim in celebrity endorsement is making an advert in which a celebrity support a

product, and these famous or popular people influence the people that product is excellent and that the consumer should buy it (Mueller, 2011).

The advertisements are shot in a manner where it convinces the buyer to follow the celebrity and buy the product. Using celebrity for endorsing a particular product increases the sale of the same products as their presence in that particular advertisement assists in attracting as well as maintaining attention towards a particular product (Yeshiva, 2006). However celebrity endorsement can affect the sales of particular product as well.

According to Lea- Greenwood (2012) the sales grow with the growth and popularity of the celebrity but the sales of particular product can also be affected deficiently if the celebrity does not reach global recognition. Further, Lea- Greenwood (2012) explains the company must keep in mind while selecting a celebrity that their attributes match the product that the company plans to endorse using a celebrity.

Additionally, it has been suggested that one must conduct effective research before choosing a celebrity to endorse a particular brand and prefer a celebrity whose image corresponds to the particular product that the company plans to endorse (Yeshiva, 2006). The other drawback of celebrity endorsement is that it is very expensive so the companies with a small budget or whose product is new in market may not be able to afford it (Mueller, 2012). Another form of advertising techniques that is being widely used is sponsorship.

Yeshiva (2006) explains that sponsorship has attained significance recently as it is considered as a novel way of communicating. Walt Disney's *Walt Disney World* is a good example of this. <https://assignbuster.com/advertising-company-assignment/>

eases to prove the background off product. According to Fill (2002) sponsorship is basically a Joint favorable business arrangement with defined outcomes among two or more parties. In last 10 years there has been a 12% increase in Sponsorship globally (Hackled, 2005). Previously sponsorship was considered as a public relation component since t supported the main stream advertising and it was not as clear as advertising (Hackled, 2010).

There are various forms of sponsorship among which television sponsorship is growing annually. Minute (2001) estimated that where television sponsorship was worth IEEE million other forms of sponsorship were also gaining popularity. Wailers(2003) identified the analysis as the most comprehensive review the measurement of sponsorship effects are techniques to assess brand awareness, brand recall, brand attitude, and the brand image. “ The main difficulty is differentiation of its effects from those of advertising and other promotional cuisines ” said by Cornwall & Managing (1998, p. 14) .

Main effects have yielded inconsistent findings (Arch G. Woodside, Carol M. Meghan, Alfred Ogle, 2009). Case study PepsiCo is a world leader in convenient snacks, foods, and beverages. PepsiCo has been most determined and well- accepted brands worldwide. It is one of the longest surviving brand and successful company ever. In 1940, Pepsi makes advertising history with the first advertising Jingle ever broadcast nationwide. “ Nickel, Nickel” eventually became a hit record and translated into 55 languages. PepsiCo truly lives in their advertisement strategies and has attained a gigantic gain due to their strong advertising program.

Products of PepsiCo could be found in more than 200 countries around the globe India being one among them. PepsiCo products portfolio includes 22 brands each generating more than \$1 billion annual retail sales (PepsiCo, 2012). PepsiCo mainly uses two advertising techniques to sell its products in India, namely celebrity endorsement and sponsorship. PepsiCo endorsement its products using the Bollywood celebrities like Shah Rukh Khan (famous Bollywood actor) and Sachin Tendulkar (world famous Indian cricketer).

In India, Bollywood movies have a great influence on the common population as it is the only nationally distributed type of Indian cinema thus covers a larger segment of the Indian population (Giant, 2013). Similarly cricket also has a great impact on the Indian people. Bose (2006) explains that cricket has an amazing threshold force in India that it is impossible to resist the products marketed by cricket stars. Thus the present advertising strategy of PepsiCo in India is sponsoring and campaigning IPL (Indian Premier League) in which worldwide famous cricketers are playing .

This type of advertising technique is becoming popular in India which is increasingly attracting the consumers of Pepsi and its increasing its sales (Guppy, Managing and Avenues Ankara, 2012). Conclusion: It can be seen that with the numerous new advertising techniques, a company's overall turnover, profits, and marketing schemes are continuously growing. As discussed in this essay celebrity endorsement and sponsorship will continue to influence the consumers until a new and effective alternate method is established.