# Advertising Ideas

Advertising is impersonal, usually paid communication intended to inform, educate, persuade, and remind.

Advertising is a sophisticated form of communication that must work with other marketing tools and business elements to be successful. Advertising must be interruptive — that is, it must make you stop thumbing through the newspaper or thinking about your day long enough to read or hear the ad. Advertising must also be credible, unique, and memorable in order to work.

And finally, assuming the actual advertising is built upon a solid positioning strategy, enough money must be spent to provide a media schedule for ad frequency, the most important element for ad memorability.

History of Advertising

**1. Introduction**

Marketing is more than just distributing goods from the manufacturer to the final customer. It comprises all the stages between creation of the product and the after-market which follows the eventual sale. One of these stages is advertising. The stages are like links in a chain, and the chain will break if one of the links is weak. Advertising is therefore as important as every other stage or link, and each depends on the other for success.

The product or service itself, its naming, packaging, pricing and distribution, are all reflected in advertising, which has been called the lifeblood of an organization. Without advertising, the products or services cannot flow to the distributors or sellers and on to the consumers or users.

**2. Early forms**

Advertising belongs to the modern industrial world, and to those countries which are developing and becoming industrialised. In the past when a shopkeeper or stall-holder had only to show and shout his goods to passers-by, advertising as we know it today hardly existed. Early forms of advertising were signs such as the inn sign, the red-and-white striped barber's pole, the apothecary's jar of coloured liquid and the wheelwright's wheel, some of which have survived until today.

**3. Effect of urban growth**

The need for advertising developed with the expansion of population and the growth of towns with their shops and large stores; mass production in factories; roads and railways to convey goods; and popular newspapers in which to advertise. The large quantities of goods being produced were made known by means of advertising to unknown customers who lived far from the place of manufacture.

Advertising grew with the development of media, such as the coffee-house newspapers of the seventeenth century, and the arrival of advertising agencies nearly 200 years ago, mainly to handle government advertising.

**4. Advertising and the modem world**

If one looks at old pictures of horse buses in, say, late nineteenth-century London one will see that they carry advertisements for products famous today, a proof of the effectiveness of advertising. Thus the modern world depends on advertising. Without it, producers and distributors would be unable to sell, buyers would not know about and continue to remember products or services, and the modern industrial world would collapse. If factory output is to be maintained profitably, advertising must be powerful and continuous. Mass production requires mass consumption which in turn requires advertising to the mass market through the mass media.

**16. Advertising involvement**

Although advertising is listed as a single element it is associated with almost every other element, borrowing from them or interpreting them.

(a) The volume, emphasis and timing of advertising will depend on the product life cycle situation. For instance, at the introductory or recycling stages, the weight of advertising will be heavier than at the maturity or decline stages.

(b) Marketing research will provide evidence of motives, preferences and attitudes which will influence not only the copy platform or advertising theme but the choice of media through which to express it.

(c) Naming and branding may be initiated by the advertising department or agency, and clearly plays an important role in advertisement design.

(d) The product image will be projected by advertising.

(e) The market segment will decide the tone or style of advertising, and the choice of media.

(f) Pricing can play an important part in the appeal of the copy. Is the product value for money, a bargain or a luxury? Pricing can be a very competitive sales argument. People are very price conscious.

(g) The product mix has many applications. In advertising, one product may be associated with another, or each brand may require a separate campaign.

(h) Packaging can be a vital aspect of advertising, as when pack recognition is sought. It is itself a form of advertising, especially at the point-of-sale, as in a supermarket when the package often has to identify the product and literally sell it off the shelf.

(i) Distribution involves trade advertising such as by direct mail, in the trade press and at exhibitions.

(j) The sales force has to be familiarised with advertising campaigns which will support their efforts in the field.

(k) Market education is a public relations activity aimed at creating a favourable market situation in which advertising will work.

(1) Corporate and financial public relations often uses institutional advertising in the business press.

(m) Test marketing requires a miniature advertising campaign simulating the future national campaign.

(n) Advertising research includes copy-testing, circulation and readership surveys and statistics, recall tests, tracking studies and cost-per-reply and cost-per-conversion-to-sales figures.

(o) Sales promotion can augment or even replace traditional advertising.

(p) The after-market calls for advertising to make customers aware of post-sales services.

(q) The maintenance of customer interest and loyalty may be achieved by advertising which promotes additional uses and accessories, or simply reminds.

**ADVERTISING**

Advertising is used to create consumer interest in a product and also to increase the sales of that product. It may be described under three headings:

1 descriptive advertising;

2 persuasive advertising;

3 both descriptive and persuasive advertising together.

Descriptive advertising

This type of advertising gives the most: important facts about the product. It is the cheapest form of advertising and is used a lot by the small trader selling through the local paper. It will usually say:

1 what the product is;

2 how much it will cost;

3 where it may be obtained.

*Example:* 1972 Ford Escort £500. Telephone London 1234.

Persuasive advertising

This type of advertising tries to persuade people that the product which is being advertised has a special quality or usefulness which makes it much better than other similar products. It is used a lot in television advertising where consumers arc persuaded to think that if they buy that product they will become very popular or very happy. This is a psychological approach, and it is hoped by the advertiser that people will be persuaded to buy the product. The method uses 'association of ideas'. Brand names such as *Guinness* and *Oxo* are used in persuasive advertising.

*Example:* 1983 Ford Capri £2000 - good condition - low mileage, a bargain, first to see will buy this attractive car.

Advertising media

*Newspapers*

There are both national newspapers and local newspapers. Advertising in the national press is usually much more expensive than advertising in the local press. Both types of advertising are sold by the column centimetre, the half page and the page. A page in a national newspaper may cost many thousands of pounds for one day. This is because national newspapers have very large circulations (they are read by a lot of people).

*Television*

Television advertising in Great Britain is controlled by the Television Act 1954. It is the most expensive kind of advertising and costs many thousands of pounds (on a national network) for just a few seconds of television time. Charges are made by the second. If the advertisement is shown at a time when relatively few people are watching, then it will be cheaper. If it is shown - at a time when many people are watching (peak viewing time) then the charges are much higher. Television advertising is mostly used by large organizations and the nationalized industries.

*Radio*

This kind of advertising is much cheaper than television advertising. It is very popular in the United States. The most popular radio station in Europe is Radio Luxembourg, which carries a lot of commercial advertising. In Great Britain radio advertising is usually carried by local independent radio stations.

Hoardings

Hoarding advertisements are usually put up in eye-catching positions at the side of the road. The cost of the advertisement will depend on where the hoarding is and how large it is. If it is in a very good position and near the centre of the city where it will be seen by many potential customers, then it will probably be quite expensive. The sites are usually rented out to clients on a monthly basis by an advertising agency.

Handbills

These are quite often used by local tradersto advertise their goods and services. They are expensive in labour costs and are not very effective.

*Transport*

The inside and outside of buses, trains, vans and other kinds of public transport are used in transport advertising. The most expensive position is where the advertisement is most likely to be seen by the public such as the back of a bus or the inside of a bus, especially at the front where the potential customer will be seated looking at it. The most inexpensive position is upstairs on the bus or at the back inside the bus. It is difficult to tell whether transport advertising is effective.

Cinemas

The cinema screen is used for advertising by local and national traders. Like transport advertising, itis difficult to judge how effective cinema advertisingis.

*Neon displays*

These are mostly used by large firms. The signsare usually displayed in city centres.

*Technical journals*

These are mostly used as an advertising medium by large manufacturing and distributing companies. They are read by persons and companies who are interested in this particular kind of product, and the journals will also contain other information thatis useful to the readers. Technical journals are usually printed once a month. Examples are *The Hairdresser, The Radio and Television Magazine* and the *Farmers Live Stock Journal.* Advertising in technical journals is a very good method of advertising.

Trade fairs and shows

The Motor Show, the Boat Show, the Radio Show and the Ideal Homes Exhibition are a few examples of trade fairs and shows. Dairy products may be advertised at agricultural shows. Aircraft may be advertised and displayed at the Farnborough Air Show. The disadvantage is that the shows and exhibitions are expensive to organize.

It is very difficult for advertisers to tell whether a particular advertisement or method of advertising has been effective, but there is no doubt that without advertising the customer would never hear of some products. Perhaps the most effective advertising of all is the recommendation of the product by a satisfied customer to a potential customer – advertising by word of mouth.

The language of advertising

Here are some methods used in persuasive advertising. Read them quickly. Decide which appeal to you and which don’t. Now think of an example for each type from your country.

persuasive advertising

* + 1. Repetition The simplest kind of advertising. A slogan is repeated so often that we begin to associate a brand name with a particular product or service.
		2. Endorsement A popular personality is used in the advertisement.
		3. Emotional appeal Advertising often appeals to basics such as mother-love, sex, manliness, feminity.
		4. Scientific authority Sometimes the advert shows a person in a white coat (i.e. a scientist) telling us about the product. More often it mentions “miracle ingredients” or “scientific testing” to persuade us.
		5. “Keeping up with the jones’s” An appeal to pure snob value. You want to appeal to be richer or more successful than your neighbours.
		6. Comparison The advert lists the qualities of a product in direct comparison with rival products.
		7. An appeal to fear or anxiety This type is similar to 3, but works on our fears.
		8. Association of ideas This is usually visual. Until it became illegal in Britain, cigarette advertising showed attractive, healthy people smoking in beautiful rural situations.
		9. Information If a product is new, it may be enough to show it and explain what it does.
		10. Special offers/free gifts This is a very simple and direct appeal – it’s half a price!
		11. Anti-advertising This is a modern version which appeals to the British sense of humour. It makes fun of the techniques of advertising.

Do you agree that the only background for the problems with brand names would be:

* + wrong pronunciation;
	+ wrong association;
	+ wrong translation.

## Types of advertising

# Introduction

**1. Scope of advertising**

Advertising serves many purposes and many advertisers, from the individual who places a small classified advertisement in his local newspaper to the big spender who uses networked TV to sell popular brands to the nation's millions.

**2. Types**

It is possible to identify seven main categories of advertising, namely *consumer, industrial, trade, retail, financial, direct response* and *recruitment.*

### Consumer advertising

**3. Different kinds**

There are two kinds of goods bought by the general public, *consumer goods* and *consumer durables,* which together with *consumer services* are advertised through media addressed to the appropriate *social grades.*

**4. Consumer goods**

These are the numerous goods to be found in the shops, those which enjoy repeat sales like foods, drinks, confectionery and toiletries being called Fast Moving Consumer Goods, (FMCGs).

**5. Consumer durables**

Usually more expensive and less frequently bought, consumer durables are of a more permanent nature than consumer goods and include clothes, furniture, domestic appliances, entertainment goods like radio, television and video, and mechanical equipment from lawn-mowers to motor-cars.

**6. Consumer services**

They include services for security and well-being like banking, insurance, investment, repairs and maintenance, and those more to do with pleasure such as hotels, restaurants, travel and holidays.

**7. Social grades**

The social grades system makes it possible to identify certain groups of people—prospective *buyers—*and then to pinpoint the media which will reach them most effectively.

**8. Media of consumer advertising**

The media of consumer advertising will tend to be those with wide appeal, and even when more specialist journals such as women's magazines are used they will still have large circulations. In fact, the term 'consumer press' is applied to the publications which are displayed for sale in newsagents shops, on news-stands and on newspaper vendors' pitches'

Most of the trade, technical and professional journals have other forms of distribution such as special orders placed with newsagents, postal subscription or free postal controlled circulation. Controlled circulation are not to be confused with membership or subscription magazines. They are mailed (free of charge) to selected readers plus those who have requested copies.

In Britain there are also hundreds of 'free' local newspapers which are delivered door-to-door every week. With saturation coverage of urban areas they provide good advertising media for many local businesses.

The primary media of consumer advertising are the press, radio, television, outdoor and to a limited extent cinema, supported by sales literature, exhibitions and sales promotion. We should not forget sponsorship, especially the sponsorship of many popular sports which in turn can be supported by arena advertising at the sports venue.

## Industrial advertising

**9. Purpose**

The purpose of industrial advertising is twofold:

**(a)** to promote sales of equipment and services used by industry—machinery, tools, vehicles, specialist consultancy, finance and insurance come within this category;

**(b)** to promote sales of raw materials, components and other items used in industrial production—under this heading come metals, timber, plastics, food ingredients, chemicals and parts for assembly into finished equipment from watches to aircraft.

Hardly any of these products and services will be bought by consumers, except as replacements as when a motor-car needs a new battery or tyres. Unless the formula or specification is stated, consumers will be unaware of most industrial products.

**10.** **Media of industrial advertising**

The suppliers of services, equipment, raw materials and components will usually advertise in media seldom seen by the general or consumer public. The media used will consist of trade and technical journals, technical literature and catalogues, trade exhibitions, direct mail, and technical demonstrations and seminars. Technical journals will have smaller circulations than the consumer press, and exhibitions will tend to have fewer exhibitors and smaller attendances than public exhibitions open to the general public; in fact, admission is usually by ticket or business card. The amount of money spent on advertising will be far less, and there may be more reliance on market education using public relations techniques such as video documentaries, external house journals and technical feature articles.

**11. Special characteristics**

Industrial advertising differs in yet another way. Whereas consumer advertising may be emotive, industrial advertising has to be more detailed and informative, although not unimaginative. Trade journals provide valuable international market-places for thousands of products and services, maintaining sales of long-established ones and introducing new ones.

Public relations activities, while not to be regarded as free advertising, may be more effective and economical, especially when the need is to educate the market and create knowledge and understanding.

### Trade advertising

**12. Definitions**

Trade advertising is addressed to distributors, chiefly wholesalers, agents, importers/exporters, and numerous kinds of retailers, large and small. Goods are advertised for resale.

**13. Purpose**

The purpose of trade press advertising is to inform merchants and traders about goods available for resale, whether it reminds them about well-established brands, introduces new lines or, as is often the case, announces special efforts to help retailers sell goods, e.g. price reductions, better trade terms, new packages, consumer advertising campaigns or sales promotion schemes. Such advertising invites enquiries and orders and also supports the advertiser's field salesmen when they call on stockists.

**14. Media of trade advertising**

The trade press may or may not be used for this kind of advertising. There could be a mix of two or three media addressed to the trade. Direct mail is often used, especially when it is necessary to provide a lot of information such as consumer advertising campaign schedules giving dates and times when and where advertising will be taking place in the press or on radio and/or television.

Another useful medium is the trade exhibition, sponsored by a trade magazine or trade association, which will be attended by distributors. Some of the larger exhibitions may also be open, or open on certain days, to the general public as well, e.g. motor-car and furniture exhibitions.

Occasionally, commercial television time may be bought to tell retailers about new lines, or retailers may be mailed to tell them that consumer advertising campaigns are about to appear on TV.

**15. Special characteristics**

Since the object of trade advertising is to encourage shopkeepers (whether large chains or one-man businesses) to stock up the product (especially to achieve *adequate distribution* in advance of a consumer advertising campaign), emphasis will be placed on the advantages of so doing. The advantages will be higher sales and more profits, and the appeal will be to the retailer's desire to make money. In so doing, trade advertising will also have to compete with the 'selling-in' activities of rival manufacturers.

Trade advertising will be seen as part of the total advertising campaign for the product and so will be produced by the same advertising agency that handles the consumer advertising. However, whereas consumer advertising aims to persuade the consumer about the benefits to be gained from buying the product, trade advertising aims to persuade the retailer about the benefits which will result from selling the product. Trade advertising supports distribution. It prepares the way. There is no point in advertising products and encouraging consumers to buy them if the goods are not in the shops. The demand created by consumer advertising must be satisfied by the availability of the goods in the shops. That is what is meant by 'adequate distribution'. If the advertised goods cannot be bought, customers will buy either nothing or, worse still, a rival product!

## Retail advertising

**16. Introduction**

Here we have a form of advertising which lies between trade and consumer advertising. The most obvious examples are those for department stores and supermarkets, but it can include the advertising conducted by any supplier including a petrol station, restaurant or insurance broker.

A major form of retailing nowadays is direct response marketing or retailing without shops. This is the modern form of mail-order trading which has moved from the traditional club catalogues to sophisticated off-the-page and direct mail campaigns for products and services, of which financial houses and department stores have become leading participants.

**17. Purpose**

The purpose of retail advertising is threefold, as outlined below.

**(a)** To sell the establishment, attract customers to the premises and, in the case of a shop, increase what is known as 'store traffic', that is the number of people passing through the shop. If they can be encouraged to step inside they may possibly buy something which they would not otherwise be tempted to buy.

**(b)** To sell goods which are exclusive to the shop. Some distributors are appointed dealers for certain makes, e.g. the Ford dealer. Others, such as supermarkets, sell 'own label' goods, having goods packed by the manufacturer in the name of the retailer. All the goods in the shop may bear the same brand, or certain lines such as tea, coffee, biscuits or baked beans may bear the retailer's own label.

**(c)** To sell the stock of the shop, perhaps promoting items which are seasonal, or presenting a representative selection, or making special offers. The latter could be regular policy, or could be organised as shopping events such as winter or summer sales.

**18. Media of retail advertising**

The principal of media for retail advertising are:

**(a)** local weekly newspapers, including numerous free newspapers which gain saturation coverage of residential areas by being delivered from door to door;

**(b)** regional daily newspapers, of which most are 'evenings';

**(c)** public transport external posters and internal cards, and arena advertising at sports grounds;

**(d)** direct mail to regular or account customers, and door-to-door leaflet distribution;

**(e)** regional commercial television;

**(f)** independent local radio;

**(g)** window bills and point-of-sale displays within the shop;

**(h)** window and in-store displays;

**(i)** catalogues.

The shop itself is a considerable advertising medium, and it may well be a familiar landmark. Marks &: Spencer rarely advertise, but their shops are so big they advertise themselves. With retail chains, the corporate identity scheme will quickly identify the location of a branch.

**19. Special characteristics**

Retail advertising is characterised by four main aspects: creating an image of the shop, establishing its location, variety of goods offered, and competitive price offers. Nearly always, the object of the advertising is to persuade people to visit the shop, although telephone ordering and the use of credit accounts and credit cards is a growing feature.

## Financial advertising

**20. Introduction**

It is probably difficult to put a limit on what can be contained under this heading, but broadly speaking financial advertising includes that for banks, savings, insurance and investments. In addition to advertising addressed to customers or clients it can also include company reports, prospectuses for new share issues, records of investments in securities and other financial announcements.

Some, like building society and National Savings advertisements, may be addressed to the general public while others will appear in the financial and business press only.

**21. Purpose**

The object of financial advertising may be to borrow or lend money, conduct all kinds of insurance, sell shares, unit trusts, bonds and pension funds or report financial results.

**22. Classes of financial advertising**

The main categories in this field are as follows.

**(a)** Banks advertise their services which today are not confined to traditional bank accounts but include deposits, loans, insurance, house purchase, wills and executorship and advice on investment portfolios. Some banks specialise in certain areas of banking, and others concentrate on certain kinds of business.

**(b)** Friendly societies and private medical care organisations like BUPA offer schemes to provide insurance in time of illness.

**(c)** Building societies both borrow money from savers and lend money to house-buyers. Most of their advertising is directed at not only raising funds but keeping funds so that they have sufficient money to meet loan applications. Competitive interest rates are important sales points, and today in Britain there is rivalry between building societies, banks and insurance companies for the same kind of business.

**(d)** Insurance companies exist to insure against almost any risk from big commitments like ships and aircraft worth millions to covering [he risk that rain may stop play. Some insurance not only covers risks but provides benefits to savers or pensions in old age. In the cases of fire and theft, insurance companies are also selling peace of mind should damage or loss be suffered.

**(e)** Investments are offered, not only in share issues but in unit trusts and other investments in which smaller investors can share in the proceeds of a managed portfolio of shares.

**(f)** Savings and banking facilities are offered through post offices which sell National Savings certificates and various bonds and operate the Giro and Post Office banks.

**(g)** Brokers offer insurance, pension and investment schemes and advise their clients on how to manage such financial commitments. The Automobile Association acts as a broker for motor insurance.

**(h)** Credit and charge card companies, such as Access, and Barclaycard, American Express and Diners' Club, promote plastic money facilities, often on an international scale.

**(i)** Local authorities borrow money from the public, usually on short-term loans which are advertised.

**(j)** Companies announce their intentions and final dividends, giving summaries of annual reports, and often offering copies of annual reports and accounts.

**23. Media of financial advertising**

Choice of media will depend on the target audience. Building societies appeal to small savers and therefore use the mass media of the popular press and television. The big national banks with branches everywhere also use the national press and television. Investment advertising will appear in the middle-class and business press. Prospectuses for share issues, which usually occupy two or more pages, appear in newspapers like *The Times* and *Financial Times.* Banks may take stands at exhibitions. They also produce sales literature about their services, as do insurance companies especially in the way of proposal forms.

**24. Special characteristics**

Financial advertising in the press, and especially the business press, tends to occupy large spaces and contain detailed information necessary to explain schemes and achieve confidence. The emphasis is generally on benefits which are usually represented by figures such as interest rates and returns on investments. Profit, benefits, security, confidence, credibility and reputation are the keynotes of the copy appeals.

### Recruitment advertising

**25. Introduction**

This form of advertising aims to recruit staff (including personnel for the police, armed forces and other services) and may consist of run-on classified advertisements or displayed classified, although other media such as radio and television are sometimes used.

**26. Different kinds**

Recruitment advertising is mainly of two kinds, that inserted by employers whether identified or using box numbers, and that placed by employment or recruitment agencies which have been commissioned to fill vacancies.

**27. Media of recruitment advertising**

Except for the occasional recruitment advertisement on radio and television, the media are mainly made up of the following categories of press.

(a) *National newspapers.* Different newspapers appeal to different target groups, e.g. the managerial advertisements in the *Daily Telegraph* and *Sunday Times* and the teacher advertisements in the weekly education feature in the *Guardian* and the *Independent.*

(b) *Trade, technical and professional journals.* These are the more obvious market-places for recruitment advertising addressed to those with special skills, qualifications and experience.

(c) *Regional press.* Local dailies and weeklies are used to advertise jobs offered by local employers.

(d) *Free publications.* A number of freely distributed publications gain their revenue chiefly from recruitment advertising, e.g. those which are distributed in the street to office workers such as secretaries. Recruitment advertising is also featured in the free newspapers delivered weekly to homes.

**28. Special characteristics**

The art of recruitment advertising is to attract the largest number of worthwhile applications at the lowest possible cost. The advantage of using a recruitment or selection agency is that applications can be obtained discreetly and they can be screened to provide employers with a short list of the best candidates. Two skills have to be applied. The advertisements must be so worded that they both sell the job and attract the best applicants, while correct choice of media will bring the vacancy to the notice of the largest number of good applicants as economically as possible.

The Higher Purpose of Marketing

What is the higher purpose of marketing? What should an enlightened marketer try to accomplish?

This question is raised because managers sometimes lose sight of their ultimate goals and settle for short-term gains of dubious benefit to themselves and others. When they lose a sense of higher purpose, their work becomes unsatisfying and their attitude cynical.

The most common view is that the marketer's goal is to maximize the market's *consumption* of whatever the company is producing. In this view, the marketer is a technician who engineers sales gains. Marketing success means selling more and more gum, cars, and ice cream bars as if the consumer were a huge consumption machine that must constantly be stuffed with goods and services. Even if consumers don't want this much consumption, it is good for the economy and creates jobs. Yet Adam Smith observed that hunger is limited by the size of the human stomach. More generally, people will eventually run out of time to consume all that they could buy. They may rebel against overeating and overdressing, and start thinking "enough is enough" or even "less is more." Frederick Pohl wrote a science-fiction short story, "The Midas Touch," in which factories are completely automated and the goods roll out continuously and people consume as much as they can in order not to be buried under the goods. In the story, ordinary people are given high consumption quotas, while the elite are excused from having to consume so much. Furthermore, the elite are given the few jobs that are still left to do, so that they don't have to face the bleakness of no work.

A sounder goal for the marketer is to aim to maximize *consumer satisfaction.* The marketer's task is to track changing consumer wants and influence the company to adjust its mix of goods and services to those that are needed. The marketer makes sure that the company continues to produce value for the target customer markets.

Even consumer satisfaction, however, is not a complete goal for the marketer. The act of creating "goods" to satisfy human desires also creates some "bads" in the process. Every car that is produced satisfies a transportation need and at the same time contributes to the level of pollution in society. The economist Kenneth Arrow noted that high gross national product also means high gross national pollution. The sensitive marketer has to take responsibility for the totality of outputs created by the business. First, the marketer is a member of the public and therefore victimizing himself to some extent. Second, the society has spawned consumerists, environmentalists, and other public-action groups, who make life difficult for those firms that are indifferent to the "bads" they create in the process of pursuing profits.

Ultimately, the enlightened marketer is really trying to contribute to the *quality of life.* The quality of life is a function of the quantity and need-satisfying quality of goods and services, the quality of the physical environment, and the quality of the cultural environment. Too often the firm rests its case on its ability to produce great quantities of goods and services and does not pay enough attention to its impact on the other components of life quality.

Marketing

Marketing is the cornerstone discipline of some of the most successful companies in America and a discipline of growing interest to companies and nonprofit organizations throughout the world. All organizations face the problem of how to increase value for target markets that are undergoing continuously changing needs and wants. Organizations must thoughtfully define their products, services, prices, communications, and distribution in a way that meets real buyer needs in a competitively viable way. That is the task of marketing.

Although selling is a very old subject, marketing is a relatively new subject. It represents a higher-order integration of many separate functions - selling, advertising, marketing research, new-product development, customer service, physical distribution - that impinge on customer needs and satisfaction. Many organizations at first resist marketing because it threatens vested interests within the organization and their own concepts of how to manage the organization effectively. Marketing gradually gets established, however, first as a promotion function, later as a customer service function, still later as an innovation function, then as a market positioning function, and ultimately as an analysis, planning, and control function. Few companies understand and install marketing in its full form when first considering it. Even after marketing is effectively implemented in an organization, there is a tendency for many managers to forget its main principles in the wake of success.

Marketing's task in the organization is not only to help it recognize business opportunities and serve the various publics but also to harness the organization's energy to enhance the quality of life in society.

***Marketing is* human activity directed at satisfying needs and wants through exchange processes.**

Human Needs and Wants

The starting point for the discipline of marketing lies in *human needs and wants.* Mankind needs food, air, water, clothing, and shelter to survive. Beyond this, people have a strong desire for recreation, education, and other services. They have strong preferences for particular versions of basic goods and services.

There is no doubt that people's needs and wants today are staggering. In one year, in the United States alone, Americans purchased 67 billion eggs, 250 million chickens, 5.5 million hair dryers, 133 billion domestic air travel passenger miles, and over 20 million, lectures by college English professors. These consumer goods and services led to a derived demand for more fundamental products, such as 150 million tons of steel and 3.7 billion pounds of cotton. These are a few of the wants and needs that get expressed in a $1.3 trillion economy.

A useful distinction can be drawn between *needs, wants,* and *intentions,* although these words are used interchangeably in common speech. A *need is a state of felt deprivation of some generic satisfaction arising out of the human condition.* People require food, clothing, shelter, safety, belonging, esteem, and a few other things for survival. People actually need very little. These needs are not *created* by their society or by marketers; they exist in the very texture of human biology and the human condition.

*Wants are desires for specific satisfiers of these ultimate needs.* A person needs food and wants a steak, needs clothing and wants a Pierre Cardin suit, needs esteem and buys a Cadillac. While people's needs are few, their wants are many. Human wants are continually shaped and reshaped by social forces and institutions such as churches, schools, corporations, and families.

*Intentions are decisions to acquire specific satisfiers under the given terms and conditions.* Many persons want a Cadillac; only a few intend to buy one at today's prices.

These distinctions shed light on the frequent charge by marketing critics that "marketers create needs" or "marketers get people to buy things they don't need." Marketers do not create needs; needs preexist marketers. Marketers, along with other influentials in the society, influence wants. They suggest to consumers that a particular car would efficiently satisfy the person's need for esteem. Marketers do not create the need for esteem but try to point out how a particular good would satisfy that need. Marketers also try to influence persons' *intentions* to buy by making the product attractive, affordable, and easily available.

Products

The existence of human needs and wants gives rise to the concept of *products.* Our definition of product is very broad:

**A *product* is something that is viewed as capable of satisfying a need or want.**

A product can be an *object, service, activity, person, place, organization,* or *idea.* Suppose a person feels depressed. What might the person do to get out of his or her depression? What products might meet the need to feel better? The person can turn on a television set (object); go to a movie (service); take up jogging (activity); see a therapist (person); travel to Hawaii (place); join a Lonely Hearts Club (organization); or adopt a different philosophy about life (idea). All of these things can be viewed as products available to the "feeling depressed." If the term *product* seems unnatural at times, we may substitute the term *resource* or *offer* or *satisfier* to describe that which may satisfy a need.

In the case of physical objects, it is important to distinguish between them and the services they represent. People do not buy physical objects for their own sake. A tube of lipstick is bought to supply a service: helping the person look better. A drill bit is bought to supply a service: making a needed hole. Every physical object is a means of packaging a service. The marketer's job is to sell the service packages built into physical products.

Exchange

Marketing exists when people decide to satisfy needs and wants in a certain way that we shall call *exchange.* Exchange is one of four ways in which a person can obtain a product capable of satisfying a particular need.

The first option is *self-production.* A hungry person can relieve hunger through personal efforts at hunting, fishing, or fruit gathering. The person does not have to interact with anyone else. In this case there is no market and no marketing.

The second option is *coercion.* The hungry person can forcibly wrest food from another. No benefit is offered to the other party except the chance not to be harmed.

The third option is *supplication.* The hungry person can approach someone and beg for food. The supplicant has nothing tangible to offer except gratitude.

The fourth option is *exchange.* The hungry person can approach someone who has food and offer some resource in exchange, such as money, another good, or some service.

Marketing centers on that last approach to the acquisition of products to satisfy human needs and wants. Exchange assumes four conditions:

1. There are two parties.
2. Each party has something that could be of value to the other.
3. Each party is capable of communication and delivery.
4. Each party is free to accept or reject the offer.

If these conditions exist, there is a potential for exchange. Whether exchange actually takes place depends upon whether the two parties can find *terms of exchange* that will leave them both better off (or at least not worse off) than before the exchange. This is the sense in which exchange is described as a value-creating process; that is, exchange normally leaves both parties with a sense of having gained something of value.

Market

The concept of exchange leads naturally into the concept of a market:

**A *market* is the set of all actual and potential buyers of a product.**

An example will illustrate this concept. Suppose an artist spends three weeks creating a beautiful sculpture. He has in mind a particular price. The question he faces is whether there is anyone who will exchange this amount of money for the sculpture. If there is at least one such person, we can say there is a market. The *size of the market* will vary with the price. The artist may ask for so high a price that there is no market for his sculpture. As he brings the price down, normally the market size increases because more people can afford the sculpture. The size of the market depends upon the number of persons who have (1) an interest in the object, (2) the necessary resources, and (3) a willingness to offer the resources to obtain it. These three things make up the *level of demand.*

Wherever there is a potential for trade, there is a market. The term "market" is often used in conjunction with some qualifying term that describes a *human need* or *product type* or *demographic group* or *geographical location.* An example of a *need market* is the relaxation market, which exists because people are willing to exchange money for lessons on yoga, transcendental meditation, and disco dancing. An example of a *product market is* the shoe market, so defined because people are willing to exchange money for objects called shoes. An example of a *demographic market* is the youth market, so defined because young people possess purchasing power that they are willing to use for such products as education, bikinis, motorcycles, and stereophonic equipment. An example of a *geographic market is* the French market, so defined because French citizens are a locus of potential transactions for a wide variety of goods and services.

The concept of a market also covers exchanges of resources not necessarily involving money. The political candidate offers promises of good government to a *voter market* in exchange for their votes. The lobbyist offers services to a *legislative market* in exchange for votes for the lobbyist's cause. A university cultivates the *mass-media market* when it wines and dines editors in exchange for more publicity. A museum cultivates the *donor market* when it offers special privileges to contributors in exchange for their financial support.

The Marketing Concept

**The *marketing concept is* a management orientation that holds that the key task of the organization is to determine the needs and wants of target markets and to adapt the organization to delivering the desired satisfactions more effectively and efficiently than its competitors.**

In short, the marketing concept says "find wants and fill them" rather than "create products and sell them." This orientation is reflected in various contemporary ads: "Have it your way" (Burger King); "You're the boss" (United Airlines); and "No dissatisfied customers" (Ford).

The underlying premises of the marketing concept are:

1. Consumers can be grouped into different market segments depending on their needs and wants.
2. The consumers in any market segment will favor the offer of that organization which comes closest to satisfying their particular needs and wants.
3. The organization's task is to research and choose target markets and develop effective offers and marketing programs as the key to attracting and holding customers.

The selling concept and the marketing concept are frequently confused by the public and many business people. Levitt draws the following contrast between these two orientations:

*Selling focuses on the needs of the seller; marketing on the needs of the buyer. Selling is preoccupied with the seller's need to convert his product into cash; marketing with the idea of satisfying the needs of the customer by means of the product and the whole cluster of things associated with creating, delivering and finally consuming it.*

The marketing concept replaces and reverses the logic of the selling concept. The selling concept starts with the firm's existing products and considers the task as one of using selling and promotion to stimulate a profitable volume of sales. The marketing concept starts with the firm's target customers and their needs and wants; it plans a coordinated set of products and programs to serve their needs and wants; and it derives profits through creating customer satisfaction

Among the prime practitioners of the marketing concept is McDonald's Corporation, the fast-food hamburger retailer.

In its short, twenty-year existence, McDonald's has served Americans and citizens of several other countries over 27 billion hamburgers! Today it commands a 20 percent share of the fast-food market, far ahead of its closest rivals, Kentucky Fried Chicken (8.4 percent) and Burger King (5.3 percent). Credit for this leading position belongs to a thoroughgoing marketing orientation. McDonald's knows how to serve people well and adapt to changing needs and wants.

Before McDonald's, Americans could get hamburgers in restaurants or diners, but not without problems. In many places, the hamburgers were poor in quality, service was slow, decor was poor, help was uneven, conditions were unclean, and the atmosphere noisy. McDonald's was formulated as an alternative, where the customer could walk into a spotlessly clean outlet, be greeted by a friendly and efficient order-taker, receive a good-tasting hamburger less than a minute after placing the order, with the chance to eat it there or take it out. There were no jukeboxes or telephones to create a teenage hangout, and in fact, McDonald's became a family affair, particularly appealing to the children.

As times changed, so did McDonald's. The sit-down sections were expanded in size, the decor improved, a very successful breakfast menu featuring Egg McMuffin was added, and new outlets were opened in high-traffic parts of the city. McDonald's was clearly being managed to evolve with changing customer needs and profitable opportunities.

In addition, McDonald's management knows how to efficiently design and operate a complex service operation. It chooses its locations carefully, selects highly qualified franchise operators, gives them complete management training and assistance, supports them with a high-quality national advertising and sales promotion program, monitors product and service quality through continuous customer surveys, and puts great energy into improving the technology of hamburger production to simplify operations, bring down costs, and speed up service.

A marketing orientation is also relevant to nonprofit organizations. Most nonprofit organizations start out as product oriented. Thus many colleges facing declining enrollments are now investing heavily in advertising and recruitment activities. These organizations begin to realize the need to define their target markets more carefully; research their needs, wants, and values; modernize their products and programs; and communicate more effectively. Such organizations turn from selling to marketing.

Marketing

In recent years marketing has become a driving force in most companies. Underlying all marketing strategy is "The Marketing Concept", explained in this diagram:

THE MARKETING CONCEPT (We must produce what people want, not what we want to produce) - This means that we PUT THE CUSTOMER FIRST (We organize the company so that this happens) - We must FIND OUT WHAT THE CUSTOMER WANTS (We carry out market research) - We must SUPPLY exactly what the customer wants.

We can do this offering the right MARKETING MIX "The Four P's". The right PRODUCT at the right PRICES available through the right channels of distribution: PLACE, presented in the right way: PROMOTION.

Nowadays, all divisions of a company are used to "Think Marketing". To think marketing we must have a clear idea of:

what the customer needs,

what the customer wants;

what cruses them to buy.

What the product is to the customer: functional, technological, economical, aesthetic, emotional, psychological aspects.

"FEATURES" (what the product is) + "BENEFITS" (which means that a company that believes in marketing is forward thinking and doesn't rest its past achievements: it must be aware of its strengths and weaknesses as well as the opportunities and threats it faces in market (remember the letters "SWOT")).

# More about "The marketing Mix" and the "Four P's"

PRODUCT: the goods or service that you are marketing. The product is not just a collection of components, but includes its design, quality and reliability.

Products have a life cycle, and forward-thinking companies are continually developing new products to replace products whose sales are declining and coming to the end of their lives. A "total product" includes the image of the product as well as its features and benefits (see below). In marketing terms, political candidates and non-profit-making public services are also "products" that people must be persuaded to "buy" and packaged attractively (see Promotion below).

PRICE: making it easy for the customer to buy. The marketing view of pricing takes account of the value of a product, its quality, the ability of the customer to pay, the volume of sales required, the level of market saturation and the prices charged by the competition. Too low a price can reduce the number of sales just as significantly as too high a price. A low price may increase sales but not as profitably as fixing a high, yet still popular, price. As fixed costs stay fixed whatever the volume of sales, there is usually no such thing as a "profit margin" on any single product.

PLACE: getting the product to the customer. Decisions have to be made about the channels of distribution and delivery arrangements. Retail products may go through various channels of distribution:

1. Producer - sells directly to end users via own sales force, direct response advertising or direct mail (mail order).

2. Producer - retailers - end-users.

3. Producer - wholesalers/agents - retailers - end-users.

4. Producer - wholesalers - directly to end-users.

5. Producer - multiple store groups/department stores/mail order houses - end-users.

6. Producer - market - wholesalers - retailers - end-users.

Each stage must add, "value" to the product to justify the costs: the middleman is not normally someone who just takes his "cut" but someone whose own sales force and delivery system can make the product more easily and cost-effectively available to the largest number of customers. One principle behind this is "breaking down the bulk" the producer may sell in minimum quantities of, say, 10000 to the wholesaler, who sells in minimum quantities of 100 to the retailer, who sells in minimum quantities of 1 to the end-user. A confectionery manufacturer doesn't deliver individual bars of chocolate to consumer: distribution is done through wholesalers and then retailers who each "add value" to the product providing a good service to their customers and stocking a wide range of similar products.

PROMOTION - presenting the product to the customer. Promotion involves considering the packaging and presentation of the product, its image, the product name, advertising and slogans, brochures, literature, price lists, after-sales service and training, trade exhibitions of fairs, public relations, publicity, and personal selling's, where the seller develops a relationship with the customer.

Every product must process a "unique selling proposition" (USP) - features and benefits that make it unlike any other product in its market.

In promoting a product, the attention of potential customers is attracted and an interest in the product aroused, creating a desire for the product and encouraging customers to take prompt action ("AIDA").

Direct Mail and Direct Response

Direct Mail

Shopping without shops or direct marketing has become very big business, aided by direct mail, TV commercials and teletext, off-the-page selling, the telephone, the computer, and the credit card. Mail order nowadays better known as direct or direct response marketing. In Britain, direct mail takes third place to press and television and takes up 10 per cent of the total advertising expenditure. It is also an excellent medium for international advertising when it is more economical to airmail selected prospects than to advertise in the press which may be very limited anyway.

Confusion of terms can be avoided by remembering that direct mail is an *advertising medium* but mail order (or direct response) is a *form of distribution,* that is, trading by mail what­ever medium is used for advertising sales offers. Consequently, direct mail is not limited to direct marketing: a retailer can use direct mail to attract shoppers to his store.

**Characteristics of direct mail**

It is addressed to selected, named recipients or at least to chosen people at selected addresses whether they be householders or managing directors. The quantity can be controlled, the message can be varied to suit different groups of people, and the timing can be controlled or at any rate estimated within postal limits.

Because of the controls mentioned above, it is economical in the sense that even the selected lists can be culled of unwanted addresses. De-duplication can be applied when a number of lists are being used in which certain names are repeated. It is also economical because in a mail shot more copy and illustrations can be used than would fill a whole page broadsheet newspaper, and at a fraction of the cost.

Unlike any other medium, except possibly the telephone, it is a one-to-one personal medium, like a conversation on paper. Generally, people like receiving mail, and if the recipient is well-chosen the mail shot will be welcomed. This medium is also personal in the sense that sales letters and envelopes can be addressed by name (personalised). Using special techniques like laser printing, dramatic and colourful effects can be achieved with the recipient's name inserted at various points in the body of the letter itself.

A direct mail campaign can be mounted very quickly, in a few hours if necessary given the facilities to write and reproduce a sales letter, and pack and post it with or without an enclosure. It is therefore a very flexible medium which can be used in an emergency.

For those advertisers who *(a)* have or can hire a reliable mailing list and *(b)* need to supply considerable information, direct mail can be their first line or primary advertising medium. In fact, they may use no other, except perhaps sales literature as enclosures. Others may use press advertising to produce enquiries or initial orders which provide a mailing list for future use.

A direct mail shot is usually consists of sales letter and enclosures. A sales letter is not just a business letter. It is a special form of copywriting with its own techniques. The length of the letter will depend on the extent to which the reader's interest can be sustained The letter may present a complete selling proposition, or it can be a covering letter referring the reader to an enclosure. The latter should not laboriously repeat the contents of the enclosure but highlight special features of it. Writing a sales letter we have a pattern to follow.

The main parts of a sales letter.

1. Introductory opening paragraph needs to capture reader’s attention.
2. The proposition is the heart of the letter.
3. Convincing the reader. There may be a price concession if the offer is taken up quickly, or the offer may have a time limit.
4. Final paragraph consists of instructions on how to respond or order.

Adopting the above four-point formula, here is an example of how a sales letter might be written.

Dear Mr. Brown

What do you do when your wife says the lawn needs cutting? Do you turn over a new leaf in the book you are trying to read? Or maybe you take the dog for a walk? If you haven't got a dog perhaps you pray that it will rain?

That's if you have an old back-breaker of a lawnmower that's agony to push up and down the lawn on a hot day.

With the new Smith and Jones electric lawnmower you don't have to push. You simply steer! The machine does all the work. It's a pleasure, really.

Your wife will be surprised how willingly you take your Smith and Jones out of the garden shed. She'll probably have a drink waiting for you afterwards, not that you'll be hot and weary. It will just be nice to sit down with her in the deckchairs and admire that neat, trim lawn. Nice work, Mr. Brown!

You can see the new Smith and Jones electric lawnmowers at the New Town Garden Centre – open all weekend sо you can call in when it suits you. It comes in a box you can put in the boot, and it's very easy to assemble. Why not bring the wife along?

Yours sincerely John Donaldson

**Manager**

When writing a sales letter it is necessary to use language which is appropriate to the medium, the product and the reader. The contents of the envelope should be kept to a minimum. Some mailings consist of so many items of different shapes and sizes that the recipient is bewildered and may well discard the whole lot! Good enclosures are those which supplement the sales letter. Some of the best examples of well-planned shots are the *one-piece mailers* which contain all the necessary information and the order form, making an accompanying sales letter unnecessary.

A printed envelope can be an advertisement just like the packaging of a retail product. It is the first thing people see. It can attract attention and invite curiosity about the contents, and if sufficiently interesting to the recipient the printed envelope could achieve priority over other correspondence received at the same time.

The size of envelopes can be controlled by the format of printed enclosures. Large leaflets in large envelopes can arrive in a very battered state whereas smaller leaflets in smaller envelopes are more likely to arrive in the same condition as when packed. So it’s better to use the small ones.

In order to send direct mail shots the company should create mailing lists. There are a lot of ways of creating or obtaining mailing lists. The information may be took from sales bills bearing the names and addresses of purchasers, from the response to advertisements, from yearbooks, annuals, directories and membership lists. They may be created by using a direct mail house or by hiring a list from list-brokers who specialize in this service. There are also firms which specialize in client's lists on computerized databases, adding and deleting names as requested, and so managing and maintaining a client's own list.

It is important to have an up-to-date mailing list, and it is bad policy to build a continuous mailing list which is never checked or revised. People do move, change their names or die. A mailing list of customers can be out-of-date after two years and in some cases in six months.

Not all direct advertising, or distribution of materials, is sent by post. A large volume is delivered door-to-door to houses, shops or offices. There are three types of mail-drop service:

1. by specialist door-to-door distributors;
2. by the Post Office;
3. in conjunction with the delivery of free newspapers.

# Direct Response Marketing

Direct response is a form of distribution as I’ve mentioned above. The reasons for its growth and success are lack of personal services in self-service stores and supermarkets, problems of car-parking and road congestion near shopping centres, popularity of credit and charge cards.

Today the variety of means by which 'armchair' shopping can be conducted are only limited by the ability of modern mail order traders to conceive yet another technique of what is now called direct response marketing. We have moved a long way from the mail-order bargains of the popular press or the mail order club catalogues, although both still exist. It is now a sophisticated business extending rapidly into the realms of alternative television, micro-computers and videodisc catalogues. At the same time, traditional media continue to be used, but this does now include commercial television, as with recorded music producers. The largest single user of direct response is insurance.

Direct response has become a very substantial area of agency business, conducted either by specialist agencies, or by specialist subsidiaries of well-known agencies. A major reason for the expansion of direct response marketing has been the demand from clients for 'accountable advertising' where they can measure the response in enquiries, sales leads or sales.

From small black and white ads in the popular press to full-colour, full-page ads in the weekend colour supplements, a huge variety of goods and services arc sold off-the-page. Most hobby and enthusiasts magazines carry ads offering goods by post, from foreign stamps to computer software. The business pages offer unit trusts, and even the popular papers offer life insurance, motor-car and private hospital insurance. Correspondence courses have long been sold this way. Even the sale of shares is conducted by prospectuses published in *The Times* and *Financial Times*.

A number of commercial and non-commercial organisations sell from catalogues which may be advertised in the press and on TV or sent to regular customers, members or donors, or direct mailed against selected mailing lists. Such catalogues are usually distributed annually or seasonally, but some are issued more frequently. They may be for specific products or services such as garden seeds, bulbs or roses; foreign stamps or coins; fashion goods; wines; pipes; or perhaps tour holidays.

There are two kinds of clubs, those for club agents who enrol a circle of members, with the agents earning commission on the sales; and clubs for individual members who usually undertake to buy a minimum number of books, records, cassettes or CDs a year. Some airlines operate mail order clubs for passengers.

The first group enrol agents by means of ads in the women's press and in family magazines like *TV Times* and *Radio Times.* The reader should note the special wording of the application coupons in these ads. Particular information is requestedsuch aswhether the applicant has a telephone, and there is generally an age limit and perhaps geographical limits.

Also television, telephone and teletext may be used as the method of distributing. Advertisers quote the Teledata (ВНР) number to make enquiries or order goods. It is a 24-hour personalised telemarketing service, making it unnecessary for customers to mail coupons and for advertisers to handle them. All the sales information is held in a computer. For example, an advertisement for the Hyundai Stella 1.6 motor car, concluded with: 'phone Teledata 071-200-0200 for a brochure and the name and address of your nearest dealer'. The teledata receptionist gives the addresses of the nearest dealers, and note the caller's address in order to send the brochure, and asks where the advertisement has been seen and the make and year of the caller's present car.

Electronic mail is a system whereby mail is received on a Telex or non-Telex computer terminal with a modem which permits a print-out on a printer. This system is limited to recipients who have the necessary receiving equipment. But the growth of such office facilities is making electronic mail a viable direct response medium especially since there is the interaction facility to respond directly and quickly.

Direct marketing relies on trust. Customers have to send money in advance and do not see the goods until they arrive. That is why this form of trading is less common in developing countries. In Britain, the Mail Order Protection Scheme means that customers are protected by the publishers who do not wish to receive complaints from readers.

In Britain there are many laws which could concern the direct response marketer, and some may be of general application wherever the goods are sold. To these may be added the common law of contract. Most of these laws apply to off-the-page direct response, some apply to all forms of direct response marketing.

#### Exhibitions

1. Importance of exhibitions

Exhibitions are popular throughout the world and have a long history, originating with old trading markets such as the 'marts' in what are today Belgium and the Netherlands, where British merchants sold their wool and woollens in the fourteenth century. The exhibition developed into the show attended by either the trade or the general public. London for many years became a major exhibition centre, to mention only the Great Exhibition of 1851, the Wembley Exhibition of 1924, and the Festival of Britain in 1951. In recent years the National Exhibition Centre in Birmingham has rivalled London although many events are held at Olympia, Earls Court, the Horticultural Halls and the Barbican Centre in the City.

Throughout the world there are major exhibition centres, often government supported (unlike Britain!), the chief ones in Europe being Frankfurt, Basle and Milan. Many exhibitions are nowadays held in the Gulf states, an indication of the need to develop their emergent economies. Permanent trade exhibition centres exist in developing countries such as Malaysia and Nigeria.

1. Types of exhibition

**1. Public indoor**

Usually held in specially built halls, the public show is based on a theme of public interest such as food, the home, do-it-yourself, gardening or holidays and travel.

**2. Trade or business indoor**

A more specialised type of exhibition, this will probably have a smaller attendance consisting of *bona fide* visitors who are invited, given tickets in their trade journal or admitted on presentation of their business card.

**3. Private indoor**

These are usually confined to one sponsor, but occasionally consist of a few sponsors with associated but not rival interests Venues are usually hotels, local halls, libraries, building centres or company premises if suitable.

**4. Outdoor**

Certain subjects lend themselves to outdoor exhibitions, for instance aviation, farm equipment (at agricultural shows) camping and large construction equipment. Exhibition stand may also be available at outdoor or tented events like flower shows and horse shows. In hotter countries exhibitions normally held indoors in the northern hemisphere will be held out-of-doors.

**5. Travelling**

Mobile exhibitions can be transported by caravan, specially built exhibition vehicles, converted double-decker buses, trains aircraft and ships. British Rail has its special Ambassador exhibition train which can be used by a single client and taken to a choice of railway stations throughout the country where visitors can be received. It can also be taken to European countries Mobile van shows are common in developing countries, travelling from town to town and village to village.

**6. In-store**

These are popular with foreign sponsors who organise weeks in different towns to display foods, wines, fabrics, pottery, glassware or tourist attractions. The displays are usually in appropriate stores, but a special entertainment evening may be organised for the public in a theatre or hall, when singers, dancers and/or films may constitute the programme.

**7. Permanent exhibitions**

Some large organisations may hold exhibitions within their premises or in special halls or parks. A particularly attractive one is Legoland, a children's park at Billund, Denmark, which demonstrates Lego toys.

The following are well worth visiting, combining as they do well mounted exhibits with video shows:

The Thames Barrier Exhibition, near Woolwich. The *Mary Rose* Exhibition, Portsmouth Dockyard. The Eurotunnel Exhibition, Folkestone.

**8. Conferences**

In association with annual conferences there is often an exhibition supported by suppliers which delegates may visit between and after conference sessions. Some of them are quite small, perhaps arranged in an ante-room or in the foyer of the hotel, but others are as big as the conference itself. The larger exhibitions are usually held at venues like Brighton or Harrogate where there are combined conference and exhibition facilities.

1. Characteristics of exhibitions
* Exhibitions are unlike any other forms of advertising and can include selling direct off-the-stand to visitors. The special characteristics of exhibitions are summarised in **16-21.**
* The chief value of an exhibition is that it draws attention to it subject and so attracts people, often from great distances. Thus the exhibitor has the opportunity of meeting people he would never meet nor have time to contact. The message of the exhibition, and often that of individual exhibitors, spreads far beyond the even itself, and coverage is possible throughout the appropriate media at home and abroad.
* An exhibition requires a lot of time for its preparation, and for manning the stand. It is essential that the stand is manned by knowledgeable people capable of answering visitors' questions.
* Exhibitions provide opportunities to display prototypes of new products, and to receive visitors' comments and criticisms.
* Confidence, credibility and goodwill can be established by meeting potential customers face-to-face. This applies to both distributors and consumers.
* There are ideal opportunities actually to show the product which is more authentic than describing and illustrating it in advertisements, catalogues and sales literature. Similarly, sampling provides a good sales promotion opportunity.
* The atmosphere of an exhibition is very congenial, even though a long visit may be hard on the feet. For many people it is an outing to be enjoyed and there is an atmosphere of entertainment like going to the circus or the theatre.
1. Using exhibitions

There are many trade papers which give forward dates of exhibitions, the most complete details appearing in *Exhibition Bulletin.* Other publications which announce some exhibition details are *British Rate and Data, Conferences and Exhibitions International and Sales and Marketing Management.*

The following points should be borne in mind before booking space in an exhibition,

(a) *Organisers.* Is the event organised by a responsible firm? Are they members of the Association of Exhibition Organisers? Have they run this or other shows before?

(b) *Date.* What is the date, is it convenient and does it clash with any other event?

(c) *Venue.* Is it a good venue, that is one likely to attract a good attendance? Is it a convenient one for transporting exhibits to and from? Some foreign venues may impose transportation and customs problems. Does it have good transport links? Is there adequate car-parking? Are there nearby hotels?

*(d) Cost of sites.* What is the charge per square metre and are, perhaps, modestly priced shell schemes available?

(e) *Facilities.* Are all the necessary facilities available such as water, gas or electricity, if they are required?

(f) *Publicity.* How will visitors be attracted?

(g) *Build-up and knock-down.* Is there adequate time allowed before and after the show for erection and dismantling of stands?

(h) *Public relations.* What press office and press visit facilities will there be?

This is an aspect of exhibitions which is overlooked by many exhibitors. It pays to co-operate with the exhibition press officer months before the event. Valuable press, radio and television coverage can be gained from exhibitions, and this is a valuable bonus. Hundreds of journalists visit shows, looking for good stories and pictures. They do not carry suitcases and will shun clumsy press kits packed with irrelevant material.

(i) *Associated events. Are* there any associated events like a conference or film/video shows?

(j) *Is it justified?* Is the cost of designing and constructing a stand, renting space, printing sales literature, providing hospitality (especially at a trade show) and taking staff away from their regular work justified? Has the company something new to show, does it need to meet distributors and/or customers, must it compete with rival exhibitors? What value may be anticipated for the money spent—in goodwill or sales, including perhaps the finding and appointing of new agents or distributors?

In his very useful book, *Exhibitions and Conferences from A to Z,* (Modina Press, 1989) Sam Black makes the following comment:

'Exhibitions are visited by people expecting to see actual objects. Photographs, diagrams and illustrations play an important part in conveying technical or general information but they should be subsidiary to the three-dimensional exhibits. People will read quite detailed explanatory copy on an exhibition stand if it explains an exhibit which has attracted their curiosity, but isolated panels of text will rarely be read.'

***Sponsorship***

Sponsorship consists of giving monetary or other support to a beneficiary in order to make it financially viable, sometimes for altruistic reasons, but usually to gain some advertising, public relations or marketing advantage.

The beneficiary could be an organisation or individual. While some sponsors may simply wish to be philanthropic, this is seldom so today when the object is more often deliberately commercial.

At present, the bulk of sponsorship money is spent on sport, and while this support is given mainly to the major sports of motor-racing, horse-racing, football, cricket, tennis, golf, a number of other sports have become popular through sponsorship and television coverage, to mention only bowls, snooker, and darts. For example, Canon were the origional sponsors of the football League and at the end of their three - year sponsorship, costing f 3mln they were able to boast that there was hardly an office in Britain which didn't have a Canon machine. The strength of this sponsorship was that British football is played of many months of the year by 92 teams, this producing constant media coverage.

What can be sponsored?

a) Books and other publications such as maps.

b) Exhibitions which may be sponsored by trade associations and professional societies.

c) Education, in the form of grants, bursaries and fellowships.

d) Expeditions, explorations, mountaineering, round-the-world voyages and other adventures.

e) Sport.

f) The arts such as music, painting, literature and the theatre.

g) Charities, especially by helping them to promote their activities.

The aim of a sponsorship is to gain results associated with the advertising,

public relations or marketing strategy.

Advertising objectives:

a) When media advertising a banned. The product may be banned by certain media, e.g. cigarettes cannot be advertised on British TV, although this may not apply in other countries. Cigarette manufactures have succeeded in gaining considerable TV programme coverage by sponsoring cricket, golf and motor-racing.

b) In association with sponsorship, arena advertising in the form of boards and bunting can be displayed at racecourses, sports stadiums, motor-racing circuits and other venues so that they are inevitably picked up by the TV cameras covering the event, apart from being seen by spectators on the spot.

Public relations objective:

Public relations objectives do not seek to advertise in order to persuade and sell, but aim to develop knowledge and understanding of the organisation. An important public relations objective may be to create goodwill towards the company, locally, nationally or internationally. A large corporation, making big profits, may adopt a social conscience by donating funds or gifts to society. It might give financial aid to a library, college, theatre, hospital or medical research fund. When a foreign company enters export markets, where it may be unknown or greeted with prejudice or suspicion, sponsorship can help create a friendly attitude without which it would be impossible to sell.

Very popular is the presenting the awards to journalists for their skill and knowledge when writing about the sponsor's subject or industry. At to marketing objectives sponsorship helps to position a product, to support dealers, to establish a change in marketing policy, to launch a new product, to establish the product in international markets.

***Types of stores***

Retailers can be classified by the length and breadth of their product assortment. Among the most important types are specialty stores, department stores, supermarkets, convenience stores and superstores.

A specialty store carries a narrow product line with a deep assortment within that line. Examples include stores selling sporting goods, furniture, books, electronics, flowers or toys. Today, specialty stores are flourishing for several reasons. The increasing use of market segmentation, market targeting, and product specialization has resulted in a greater need for stores that focus on specific products and segments. And because of changing consumer life styles and the increasing number of 2-income households, many consumers have greater incomes but less time to spend shopping. They are attracted to specialty stores which provide high quality products, nearly locations, good store hours, excellent service and quick entry and exit. The shopping centre boom has also contributed to the recent growth of specialty stores, which occupy 60 to 70% of the total shopping centre space.

A department store carries a wide variety of product lines-typically clothing, home furnishing, and household goods. Each line is operated as a separate department. The first department stores appeared and grew rapidly through the first half of the century. But after World War II, they began to lose ground to a growing list of other types of retailers, including discount stores, specialty stores, and \*off-price\* retailers.

Department stores are today waging a \*comeback war\*. Most have opened suburban stores, and many have added "bargain basements" to meet the discount threat still others have remodelled their stores or set up "boutiques" that compete with specialty stores. Many are trying mail order and telephone selling.

Supermarkets are large, low-cost, low-margin, high-volume, self-service stores that carry a wide variety of food, laundry, and household products. Most US supermarkets are owned by supermarket chains like Safeway, Kroger, A&P, Winn-Dixie & fewel. Chains account for almost 70% of all supermarket sales. Most supermarkets today are facing slow sales growth because of proliferation of stores, slower population growth, & the appearance of innovative competitors such as convenience stores, discount food stores & superstores. They have also been hit hard by the rapid growth of out-of-home eating. Thus, supermarkets are looking for new ways to build their sales. They practice "scrambled merchandising", carrying many non-food items-beauty aids, toys, house wares, prescriptions, appliances, videocassettes, sporting goods, garden supplies - hoping to find high - margin lines to improve profits. Many supermarkets are moving "upscale" with the market. Retailers are adding such amenities as full-service seafood departments, "from scratch" bakeries, gourmet prepared foods & in store restaurants complete with bars, jazz pianists, & wine stewards.

Finally, to attract more customers, large supermarket chains are starting to customize their stores for individual neighbourhoods. They are tailoring store size, product assortment, prices & promotions to the economic & ethnic needs of local markets.

Convenience stores are small store that carry a limited line of high-turnover convenience goods. Examples include 7-Eleven, Circle K, & Open Pantry. These stores locate near residential areas & remain open long hours & seven days a week. Convenience stores charge high prices to make up for higher operating costs & lower sales volume. But they satisfy an important consumer need. Consumers use convenience stores for "fill-in" purchases at off hours or when time is short, & they are willing to pay for the convenience.

Superstores are almost twice the size of regular supermarkets & carry a large assortment of routinely purchased food & non-food items. They offer such services as laundry, dry cleaning, shoe-repair, check cashing, bill paying & lunch counters. Because of their wide assortment, superstore prices are 5 to 6% higher than those of conventional supermarkets. Many leading chains are moving towards superstores.

Hypermarkets are in size up to about 6 football fields. The hypermarket combines supermarket, discount & warehouse retailing. It carries more than routinely purchased goods, also selling furniture, appliances, clothing, & many other things. The hypermarket offers discount prices & operates like a warehouse. Customers select items from bulk displays, & the store gives discounts to customers who carry their own heavy appliances & furniture out of the store.

Most stores today cluster together to increase their customer pulling power & to give customers the convenience of on-stop shopping. A shopping centre is a group or retail businesses planned, developed, owned & managed as a unit. A regional shopping centre is like a mini downtown. At contains from 40 to 100 store & pulls customers from a wide area.

*Public Relations*

PR is often confused with advertising, and sometimes wrongly termed "publicity". PR is wrongly regarded as "free advertising". The two are very different forms of communication, but advertising is likely to be more effective if PR is well carried out.

Briefly, PR aims to create understanding through knowledge, it must be factual, credible and impartial. Advertising has to be persuasive in order to sell and it may be emotional, dramatic and certainly partial. Thus, a basic difference is that in order to succeed PR must be unbiased while advertising has to be biased. PR may be thought to consist only of press relations, or rather media relations since radio and television are also involved. Modem PR extends into all the functions of commercial and noncommercial, public and private organisations. It deals with matters far removed from marketing and advertising to mention only community, employee, share holder and political relations. A major area of public relations in recent years has been the handling of crisis situations such as strikes, disasters and take over bids. The creation of understanding is best explained by the "PR transfer process". A company, product or service may be subject to some negative states as hostility, prejudice, apathy, ignorance. PR is concerned with changing them into positive attitudes such as sympathy, acceptance, interest, knowledge. There may be hostility towards a company because its behaviour has been criticised, a product has performed badly, a company personality has received bad publicity , the company is of foreign origin or simply because it is very big. There may also be hostility towards the industry because it is believed to be hazardous or endangers the environment. Prejudice is a more difficult obstacle to overcome, and is usually long-standing and derived from family, education, ethnic or even geographical influences. Many people are still prejudiced about flying, holidays abroad, foreign foods, computers, etc. Disinterest and apathy is very hard to overcome. People tend to be conservative, set in their ways and unwilling to try new things. They may be apathetic about things that could benefit them such as banking insurance, savings, diet, holidays or different kinds of clothes. In a complex world everyone is ignorant about many things. It is inevitable. There was a time when most people were ignorant about detergents, air conditioning, video-cassettes, all of which large number of people take for granted today. These are all negative attitudes which PR has to change into positive ones. From what has been described it is seen that PR concerns the total communications of the total organisation. It is not confined to marketing nor it is a form of advertising. Nevertheless, advertising can benefit from PR activity. In fact advertising may well fail because of lack of PR. PR has its own communication techniques and it can contribute to the success of advertising just as it can contribute to good management-employee relations or good financial relations. The chief benefit lies in the creation of understanding.