

Chapter 1

Introduction to Advertising

❖ WEB REVIEW QUESTIONS

1. What is the standard definition of advertising?

A modern definition, then, would be: **Advertising** is paid persuasive communication that uses nonpersonal mass media—as well as other forms of interactive communication—to reach broad audiences and to connect an identified sponsor with a target audience.

2. Advertising plays four general roles in society. Define and explain each one in the context of the Volkswagen stories discussed in this chapter.

- **Advertising Strategy:** Strategy is the logic and planning behind the advertisement that gives it direction and focus. Every effective ad implements a sound strategy. The advertiser develops the ad to meet specific objectives, carefully directs it to a certain audience, creates its message to speak to that audience’s most important concerns, and runs it in media (print, broadcast, or the Internet, for instance) that will reach its audience most effectively.
- **Creative Idea:** The creative concept is the ad’s central idea that grabs your attention and sticks in your memory. The “Pods Unite” campaign for VW, for example, connects two innovative products in a way that relates to the emotional connection Volkswagen owners have with their cars. The word *creative* describes a critical aspect of advertising that drives the entire field of advertising. Planning the strategy calls for imaginative problem solving: The research efforts need to be creative, and the buying and placing of ads in the media require creative thinking.
- **Creative Execution:** Effective ads are also well executed. That means that the details, the photography, the writing, the acting, the setting, the printing, and the way the product is depicted all reflect the highest production values available to the industry. Advertising often sets the standard or establishes the cutting edge for printing, broadcasting, and Internet design because clients demand the best production their budgets allow.
- **Creative Media:** Every message has to be delivered somehow. Most advertisers use media that reach a broad audience, such as television, magazines, or the Internet. Deciding how to deliver the message sometimes can be just as creative

as coming up with the big idea for the message, a point we'll discuss more in Part III.

3. What other areas besides advertising are included in the communication role?

The broad term, *marketing communication*, includes advertising, but it also includes a number of related communication techniques used in marketing, including sales promotion, public relations, direct response, events and sponsorships, packaging, and personal selling.

4. How does advertising relate to the economic concepts of supply and demand?

Advertising tends to flourish in societies that enjoy some level of economic abundance, in which supply exceeds demand.

5. What social role does the VW advertising play?

VW advertising has a number of social roles. It informs us about new and improved products, helps us compare products and features, and generally keeps us informed about innovations and issues. It also mirrors fashion and design trends and adds to our aesthetic sense. It has an educational role in that it teaches about new products and how to use them. It helps us shape an image of ourselves by setting up role models that we can identify with, and it gives us a way to express ourselves in terms of our personalities and sense of style through the things we wear and use.

6. Explain what advertisers hope to accomplish when they use advertising. Describe the seven key functions advertising performs for VW.

- Builds awareness of products and brands
- Creates a brand image
- Provides product and brand information
- Persuades people
- Provides incentives to take action
- Provides brand reminders
- Reinforces past purchases and brand experiences

7. What do the terms *advertiser*, *client*, and *account* refer to?

The advertiser is the person or organization that uses advertising to send out a message about its products. The advertiser becomes the agency's client. As the client, the advertiser is responsible for monitoring the work and paying the bills for the

agency's work on its account. That use of the word *account* is the reason agency people refer to the advertiser as "the account" and the agency person in charge of that advertiser's business as "the account manager.

8. Why does an advertiser use an outside agency?

An advertiser uses an outside agency because it believes the agency will be more efficient in creating an advertisement or a complete campaign than the advertiser would be on its own.

9. What is the difference between an advertising department and an in-house agency?

Most large businesses have advertising departments. Their primary responsibility is to act as a liaison between the marketing department and the advertising agency (or agencies) and other vendors. Companies that need closer control over their advertising have their own in-house agencies. An in-house agency performs most, and sometimes all, of the functions of an outside advertising agency.

10. Define target audience.

All advertising strategy starts with the identification of the customer or prospective customer, i.e., the audience who are the desired audience for the advertising message. This is called the target audience.

11. How do we recognize when an ad is effective?

In general, an ad or campaign works if it creates an impression for a product or brand, influences people to respond in some way, and separates the product or brand from the competition in the mind of the customer.

12. What do we mean by the "new" advertising?

New advertising is more personal and interactive and more likely to employ creative new uses of communication opportunities beyond the traditional mass media.

13. Explain why the localization vs. globalization debate is important for advertisers.

Advertisers must decide whether to practice global or local advertising: They must decide if they should standardize ads or advertising strategies across all cultures or adapt their strategies to local markets. In addition, they must decide how much consistency the brand and its advertising need to maintain as it moves across borders.