

SRINIVASAN ENGINEERING COLLEGE
DEPARTMENT OF MANAGEMENT STUDIES-III SEMESTER
BA9254-ADVERTISEING AND SALES PROMOTION

UNIT - I

Ques 1) What is advertising?

Ans: Advertising

Advertising is a form of communication used to persuade an audience (viewers, readers or listeners) to take some action with respect to products, ideas, or services. Advertisement has become an integral part in today's marketing scenario. In earlier times, advertisement was not given as much emphasis as it is being given today. Advertising presents the most persuasive possible selling message to the right prospects for the product or service at the lowest possible cost.

Ques 2) What is paid form of advertising?

Ans: Paid Form of Advertising

Advertising, as an activity, is not possible free of cost. If it is not paid for, it is publicity, propaganda or a rumor where the person may or may not spend. Advertising as an act of persuasion is deliberate and planned one and the sender of the message has to foot the bill. Whatever may be the media, each medium and media vehicle costs the advertiser. By its very nature, it is paid form of presentation of an idea, product or a service in an indirect way.

Ques 3) What do you understand by informative act?

Ans: Informative Act

Each and every advertisement is a piece of information to the listeners, readers, viewers and onlookers. An advertisement announces the arrival of a new product, talks about its special features and explains the best use of the product, thus, helping the hesitant and undecided prospect to make the decision to buy or not to buy.

Ques 4) What is the scope of advertising in merchandising?

Ans: Merchandise

Advertising covers the attributes of the product. The merchandise, i.e., the product and services to be sold, has its advantages and disadvantages. The advertiser should demonstrate the attributes of the product and avoid the criticism of a similar product of the competitors. The outstanding qualities of the product should be assessed and exposed with emphasis.

Ques 5) Who are advertisers?

Ans: Advertiser

Advertising begins with the advertiser, the person or organization that uses advertising to send-out a message about its products. The advertiser initiates the advertising effort by identifying a marketing problem that advertising can solve. The advertiser also makes the final decisions about the target audience and the size of the advertising budget. This person or organization also approves the advertising plan, which contains details outlining the message, and media strategies.

Ques 6) Define media?

Ans: Media

The third player in the advertising world is the media. The media player is composed of the channels of communication that carry the message from the advertiser to the audience, and in the case of the Internet, it carries the response from the audience back to the advertiser. The development of mass media has been a central factor in the development of advertising because mass media offers a way to reach a widespread audience. The media I refer as channels of communication or media vehicles but they are also companies, such as local newspaper or radio station.

Ques 7) Define consumer advertising?

Ans: Consumer Advertising

A very substantial portion of total advertising is directed to buyers of consumer products who purchase them either for their own use or for their households. The fact that buyers of consumer items are generally very large and are widely distributed over a large geographical area enhances the importance of advertising as a marketing tool, the preponderance of such advertising can be seen

by looking into at random any general print media, such as newspapers and magazines etc.

Ques 8) What do you understand by direct action advertising?

Ans: Direct Action Advertising

It aims at generating immediate response. Many retail messages, for instance, request: consumers to buy now. Other advertisements in the direct category contain coupons, and request the consumers to redeem these soon. Finally, numerous mail-order marketers attempt to induce consumers to order .at once. These promote correspondence courses and indicate that consumers who are interested in the course should mail a card to the company.

Ques 9) How advertising change in motivation?

Ans: Change in Motivation through Advertising

Advertising has radically changed the basis of human motivation. While people of earlier generations lived and worked mainly for bare necessities of life, the modern generation works harder to supply itself with the luxuries and semi-luxuries of life. Advertising has brought to the notice of the masses, numerous products which are more than mere necessities and has created in their minds a desire to possess them. Thus, the motive force of fear (or going without the bare essentials of life) has been replaced by desire (for more and newer products).

Ques 10) How advertising effect on national income?

Ans: Effect on National Income

Advertising promotes demand, increases productive and industrial activities, promotes growth in agriculture, growth in service sector, increase in exports, etc. All these result in increase in national income. It also promotes standard of living of masses. Critics argue that advertising is a wasteful expense, unproductive in nature and results in wastage of resources. They argue that advertising does not result in increase in demand and production. But the argument of critics is wrong as advertising definitely creates demand, promotes new products, expands markets, promotes production and thus results in increase in national income.

Ques 11) How consumers act as regulatory agent?

Ans: Consumer as Regulatory Agents

Consumers themselves are motivated to act regulatory agents based on a variety of interests, including product safety, reasonable choice, and the right to information. Advertising tends to be a focus of consumer regulatory activities because of its conspicuousness. Consumerism and consumer organizations like Consumer Forum have provided the primary vehicles for consumer regulatory efforts.

Ques 12) What is ASCI ?

Ans: Advertising Standards Council of India (ASCI)

To enforce ethical code on advertising, Advertising Standards Council of India (ASCI) has been set-up. It is a non-profit organization which was originally set-up with 43 members. Now there are 250 members in this organization. Advertisers, media-representatives, ad-agencies, advertising experts, academicians can be members of this council. This is not a statutory body and it is more or less the body of advertisers whose objective is to develop and enforce a code of conduct applicable on advertising. It aims at improving the image, trustworthiness of advertising and it snubs unethical-practices adopted by advertisers.

Ques 13) What do you understand by DAGMAR?

Ans: DAGMAR

DAGMAR approach is related to setting of advertising objectives in such a way against which advertising effectiveness can be easily measured. DAGMAR means 'Defining Advertising Goals for Measured Advertising Results'. This approach was given by Russel Collay in 1961. Russel Collay prepared a report for the Association of National Advertisers in the year 1961. DAGMAR model is based on communication objective of advertising. DAGMAR model begins with awareness, moves to comprehension, then conviction and ends with action.

Ques 14) Define advertising agency?**Ans: Advertising Agency**

An advertising agency is a service business dedicated to creating, planning and handling advertising (and sometimes other forms of promotion) for its clients. An advertising agency is independent from the client and provides an outside point of view to the effort of selling the client's products or services. An agency can also handle overall marketing and branding strategies and sales promotions for its clients. According to George E. Belch, "Advertising agency is a service organization that specializes in planning and executing advertising programmes for its clients."

Ques 15) What is media buying service?**Ans: Media Buying Services**

Media buying services are independent companies that specialize in the buying of media, particularly radio and television time.. The task of purchasing advertising media has grown more complex as specialized media proliferate, so media buying services have found a niche by specializing in the analysis and purchase of advertising time and space. Agencies and clients usually develop their own media strategies and hire the buying service to execute them. Because media buying services purchase such large amounts of time and space, they receive large discounts and can save the small agency or client money on media purchases. Media buying services are paid a fee or commission for their work.

Ques 16) What is incentive based compensation?**Ans: Incentive-Based Compensation**

Many clients these days are demanding more accountability from their agencies and tying agency compensation to performance through some type of incentive-based system. While there are many variations, the basic idea is that the agency's ultimate compensation level will depend on how well it meets predetermined performance goals. These goals often include objective measures such as sales or market share as well as more subjective measures such as evaluations of the quality of the agency's creative work. Companies using incentive-based systems determine agency compensation through media commissions, fees, bonuses, or some combination of these methods.

Ques 17) What is client agency relationship?

Ans: Client Agency Relationship

Client agency relationship means relationship between advertiser and advertising agency. Friendly relationship with full trust and confidence is must to get the maximum from advertising agency and it can also work with free hand. Advertising agencies have enabled many small business units to grow into large ones. Nowadays almost all advertisers rely on advertising agency for its expert services, creative skills, objective thinking, etc. Advertising agencies render professional services according to the needs of clients. As competition increases, companies demand more from their advertising agencies. Now involvement of top management of client has increased in advertising.

Ques 18) What do you understand by advertising campaign?

Ans: Advertising Campaign

Advertising campaign is a series of advertisement messages that share a single idea and theme which make up an integrated marketing communication (IMC). Advertising campaigns appear in different media across a specific time frame. Various types of media can be used in these campaigns such as radio, TV, and internet.

According to Dunn and Barban, "An advertising campaign includes a series of ads, placed in various media, which are designed to meet objectives, and are based on analysis of marketing and communication situations".

UNIT - II

Ques 1) Define advertising media

Ans: Advertising Media

The Advertising Media can be defined as the communication channels used for advertising, including television, radio, the printing press, and outdoor advertising, etc. These channels of communication serve many diverse functions, such as offering a variety of entertainment with either mass or specialized appeal, communicating news and information, or displaying advertising messages. The

media carry the advertisers' messages and serve as the vital link between the seller of a product or service and the consumer.

According to Philip Kotler, "The communication channels through which message moves from sender to receiver is called media".

Ques 2) What is broadcasting media?

Ans: Broadcasting Media

When one talk of advertising the person first thinks of television and radio advertising, which are types of broadcasting media. The views expressed are particularly absorbed by those who have no alternative source of information, or by those who cannot read with any great facility and have not got the cultural background which might enable them to evaluate the torrent of pictures and works that pours on them daily.

There are several advantages of television like one have a clear idea that what is happening in the world, people can have live information about the several events like sports and any other good or bad events happening on the globe.

Ques 3) Who is sandwichmen?

Ans: Sandwichmen

Sandwichmen are persons sent out to walk in the streets with posters placed about them and are suitable for theatrical announcements. This type of advertising is easily localized. Devices may be used to attract particular attention to these sandwichmen. The proprietor of a Turkish Bath once sent his sandwichmen, dressed up in bath robes and with towels round their heads, to attract attention. There are various other methods which bring in some novelty in advertising. The influences of these are no doubt temporary but quite forceful. This form of advertising also caters for persons who generally pay little attention to the usual forms.

Ques 4) What is direct advertising media?

Ans: Direct Advertising Media

Direct advertising is one of the oldest methods of reaching the consumer or a prospect. Direct advertising is very comprehensive phrase covering all forms of printed advertising delivered directly to the prospective customers, instead of indirect distribution like newspapers or the magazines. The printed matter is distributed

house to house by personal delivery, handed to passers-by on the side-walks, placed in the automobiles, struck under the wind-screen of an automobile, handed over at the retail counters or may be sent through post. It is direct mail advertising if it reaches by mail alone.

Ques 5) Define window display?

Ans: Window Display

The term 'window' or 'exterior' display implies the showing of goods in the windows of the shop. It is a window showmanship. The usual function of a window of a house is to allow the inmates to see what is happening outside and not that the outsiders are to peep in the house of others. Window of a shop or a store is the front part of the shop or the sides of the shop which are used to display the merchandise. Conversely, here the outsiders are to peep in deliberately.

Ques 6) What do you mean by media plan?

Ans: Media Planning

Media plan is a document describing objectives, strategy, tactics, resource allocation, and media schedule and media mix to be used in reaching a targeted audience. The media plan determines the best way to get the advertiser's message to the market. In a basic sense, the goal of the media plan is to find that combination of media that enables the marketer to communicate the message in the most effective manner to the largest number of potential customers at the lowest cost. According to Wells Burnett, "Media-planning is a decision process regarding use of advertising time and space to assist in the achievement of marketing objectives".

Ques 7) How distribution of product affect media planning?

Ans: Distribution of Product

If the product is to be distributed locally or regionally, then media with local coverage and reach should be considered like local newspaper, cable-network, etc. If product is distributed on national level, then media with national coverage like national dailies (newspaper), national-level-T.V. channels will be suitable. If the product is to be sold at international level, then media having reach and circulation in foreign countries will be effective, for example, internet, magazines with circulation in

foreign countries, T.V. channels having international coverage like B.B.C. should be considered.

Ques 8) How selection of appropriate media help in media planning?

Ans: Selection of Appropriate Media

In media planning, different media are compared on the basis of cost per reader, cost per viewer, media-image, media-coverage, media-rating, etc. While selecting media the advertiser ensures that selected media matches with the features of target audience, for example, if our target audience are literate, then print-media can be selected; if target audience is a specific professional group, then professional journals and magazines will be appropriate media. Media planning also ensures that selected media is as per the message requirements, for example, if message involves demonstration, then media with audio-visual effects (*viz.* T.V.) will be selected.

Ques 9) What is media strategy?

Ans: Media Strategy

Media strategies inform customers about projects and programs through newspapers, radio, television and videos, billboards, posters and variable message signs, mass mailings of brochures or newsletters, and distribution of fliers. Working with the media, an agency takes an active role in disseminating information. Media strategies take a variety of forms. The simplest examples are fliers about projects within a corridor (a targeted market area) or variable message signs on highways that inform motorists (a targeted market) of delays ahead or of alternate routes.

Ques 10) Define media research?

Ans: Media Research

Media research is a systematic, empirical research used as a basis for media planning by media companies. It is a survey conducted to investigate what segment of consumers read which periodicals and/or listen to or watch which radio or television programs. Any decision that is not bases on proper information can spell disaster for any advertising campaign. The information collected through media research shall be able to provide answer to the following questions: What class of

media should be used? What media vehicle and media option should be used? And what should be the exposure level and how schedule it?

Ques 11) How media research helps in identifying media trends?

Ans: Identifying the Media Trends

Another major function of a media researcher is to identify the changing trends in media and the composition of each media's target audience. Researchers should monitor media elements like the changing prime time, average advertising spot duration and cost of media spots across media and regulatory environment. For example, on the media front, average advertising spot duration is on decline due to increasing demand for prime time spots and spiraling advertising costs.

Ques 12) What is vehicle exposure?

Ans: Vehicle Exposure

Vehicle exposure refers to the viewer-ship or the readership enjoyed by a media, which an advertiser intends to use. For the print medium, vehicle exposure is determined through readership surveys conducted by NRS. For broadcast media there are various rating agencies that provide ratings for each program. In the outdoor medium, the number of vehicles or people passing by the billboard locations determines vehicle exposure. In the online medium the page-views or hits received by a website is considered for determining vehicle exposure.

Ques 13)What do you understand by media selection?

Ans: Media Selection

Media selection or media choice is the process of choosing the most cost-effective media for advertising, to achieve the required coverage and number of exposures in a target audience. The purpose of media choice is to transmit the message of advertising to the target audience effectively and economically. The choice of media involves the selection of particular source or vehicle of advertisement and its utilization over a period of time. The constraints in the media choice are the requirements of a suitable message, the nature of the audience and

the budget. Therefore, the media planner should consider them seriously and purposively.

Ques 14) What is cost of advertising?

Ans:

Firms can choose to vary the number of times a particular advertisement is repeated, or they can decide to alter the combination of advertising media used. How the cost of achieving a sale varies with these changes is another factor affecting the optimal level of advertising. If advertising costs per unit of output fall, this will put firms with a small market share at a disadvantage unless they multi-product firms able to capitalize on advertising a common brand name. The presence of an advertising threshold could be one reason why unit advertising costs decrease.

Ques 15) Define media scheduling?

Ans: Media Scheduling

Media scheduling refers to decision regarding date or time when advertisement is to appear, frequency of ads, etc. Scheduling is defined as the determination of the time when each items of preparation and execution should be performed. The term scheduling has two meanings in advertising circles. First meaning of the term is analogous to the factory situation. Procedures are established within the agency set-up to make sure that creative work is done in time. In the second meaning, the term scheduling is used to describe any activity closely related to the physical placement of advertisements in the required media. When all the specific media to be bought have been considered, the job of placing ads in these media becomes simple.

Ques 16) What is ROI impact?

Ans: ROI Impact

For more sophisticated analyses of media's impact, econometric modeling can provide the answer, complex statistical models-analyze as many of the marketing mix variables as possible (depending on the category), to see what role advertising media play in generating sales (or other goals, such as awareness, consideration, or purchase intent). The models can look at everything from GRPs to

distribution to weather patterns, and attempt to isolate the part that each plays in the mix.

UNIT - III

Ques 1) What is creativity in advertising?

Ans: Creativity in Advertising

Advertising creativity should, be viewed as the ability to generate fresh, unique, and appropriate ideas that can be used as solutions to communication problems. This perspective recognizes that creative advertising ideas are those that are novel, original, and appropriate. To be appropriate and effective, a creative idea must be relevant or have some significance to the target audience. Many ad agencies recognize the importance of developing advertising that is creative and different yet communicates relevant information to the target audience. Many companies use the creative philosophy that advertising must focus on ROI.

Ques 2) What is major selling ideas in advertising?

Ans: Major Selling Ideas in Advertising

An important part of creative strategy is determining the message theme that will become the major selling idea of the ad campaign. According to A. Jerome Jeweler, "The major selling idea should emerge as the strongest singular thing you can say about your product or service. This should be the claim with the broadest and most meaningful appeal to your target audience. Once you determine this message, be certain you can live with it; be sure it stands strong enough to remain the central issue in every ad and commercial in the campaign".

Ques 3) What do you mean by the abbreviation USP?

Ans: Unique Selling Proposition (USP)

The concept of Unique Selling Proposition was given by Rosser Reeves an advertising professional. With a USP, it is easy to create a distinct brand position in the mind. The product differentiator becomes a brand differentiator. USP is the very essence of what company is offering. USP needs to be so compelling that it can be used as a headline that sells companies product or service.

Ques 4) What is brand image?

Ans: Brand Image

The brand image style involves psychosocial rather than physical differentiation. Advertising attempts to develop an image or identity for a brand by associating the brand with symbols. In imbuing a brand with an image, advertisers draw meaning from the culturally constituted world (i.e., the world of artifacts and symbols) and transfer that meaning to their brands.

Ques 5) What is the purpose of presentation?**Ans: Purpose of Presentation**

Presentation advertising is designed to illustrate the key advantages or benefits of the product or service and/or the competitive strengths by showing it in actual use or in some staged situation. Presentation executions are a very effective way to convince consumers of a product's utility or quality and the value or advantages of owning or using the brand. The presentation order of points, issues or benefits is important. The 'primacy effect' uses messages that make the strongest claim first and therefore uses anti-climax.

Ques 6) What is purchase proposition?**Ans: Purchase Proposition**

Use of the expression 'purchase proposition' underlines the fact that the advertising practitioner must put himself in the shoes of the prospective buyer and try to look at the product/service/idea offered for sale or acceptance from his viewpoint. Furthermore, it is not merely the product which concerns the advertiser. It is the brand which is the focal point of his attention (reason for being) marketing plans and advertising objectives. The evolution of the purchase proposition for a brand thus calls not merely for knowledge of the composition of the product, its properties and utility, but also a creative and meaningful search for brand identity.

Ques 7) Define advertising message?**Ans: Advertisement Message**

An appealing message to the audience is the most essential part of every advertising campaign. Without an effective advertising message, it is impossible for any firm to succeed and achieve its objectives. Due to immense information that is projected on the minds of consumers, striking, and impressing the consumer is very

difficult. Hence, advertising messages become extremely crucial; Advertiser wants to send some information, facts, and appeals, in a convincing way so that the attention of audience can be attracted and their interest can be aroused and they can be persuaded to buy the advertiser's product.

Ques 8) Why refutational message is designed?

Ans: Refutational-Message

In refutation, advertising message is designed to make counter claims, to nullify the competitor's claims or to overcome dissonance of public, caused by negative publicity against advertiser's product. In refutational message, advertiser tries to build positive attitude towards its products and defend against attacks or criticism of his product. Such messages are used to refute the opposing viewpoints, i.e., if competitors are making tall claims of their products and are criticizing the product, then people will design refutational message to defend against attacks or criticism.

Ques 9) What do you understand by advertising copy?

Ans: Advertising Copy

Advertisement copy is the product of collective efforts of copywriters, artists, layout designers, models, choreographers, directors, market-researchers, etc. Effectiveness of advertising-campaign depends on effective ad-copy. Ad-copy should attract attention, create interest of readers/viewers, induce or persuade the readers to purchase the product or take them near to purchase. The advertising copy should be capable of turning potential and prospective buyers into actual buyers.

Ques 10) Define copywriting advertisement?

Ans: Copywriting Advertisements

Copywriting refers to preparing advertising-copy. Before writing ad-copy, copywriter must have information about the clients' product/services, target-market, competition, general trends, legal restrictions, advertising objectives, timing when the product is purchased and used, etc. Thus, copywriting is translating the information

provided by advertiser to copywriter, into advertisement in such a way that will help the advertiser in achieving his advertising objectives.

Ques 11) What is layout of advertisement?

Ans: Layout of Advertisements

Layout is a plan, arrangement, overall structure, blue print of advertising copy. It arranges headlines, sub-headlines, slogans, illustrations, identification marks, boxes, text-body, blurbs, closing idea, etc., in a systematic manner. According to Otto Kleeper, "Layout means two things; in one sense, it means the total appearance of the advertisement — its design and the composition of its elements; in another sense it means physical rendering of the design for the advertisement - its blueprint for production purposes".

Ques 12) What is art direction?,

Ans: Art Direction

Art direction refers to the decision taken about visuals because words alone are not enough to communicate well. Visual refers to any kind of art. In print advertising, the art usually consists of a photograph, a computer-generated image, or a hand-drawn illustration. In video, the art element may be live-action film, still photos, or animation. Production refers to the process of developing the advertisement in the desired art direction so that it could appeal to the target market. The terms art direction and production go side by side simutenously.

Ques 13) For what purpose Voice-pitch meter is used?

Ans: Purpose of Voice-Pitch Meter

The voice-pitch meter examines changes in the pitch of a person's voice as he or she reacts with emotion. A more higher-pitched voice indicates a stronger response. A voice- pitch device utilizes special computer software. A person's voice pitch is monitored as the individual answers a series of questions. Vocal chords tighten and pitch is higher when a person is emotionally affected. The amount of change in the pitch is an indicator of how strongly the person has been affected.

Ques 14) Advertising effectiveness refers to what?

Ans: Advertising Effectiveness

Measuring advertising effectiveness refers to evaluation of advertising results against the pre-established standards of performance and objectives. Advertising objectives can be sales objective or communication objective. In the evaluation process, it is estimated that up to what extent advertising campaign has been able to achieve its sales or communication objectives. If the advertising fails to achieve the desired results, the money spent on advertising will go waste. Measuring the effectiveness of advertising is not an easy task, as advertising objectives are not specific and advertising is not the only element in the promotion-mix.

Ques 15) PACT stands for what?

Ans: PACT (Positioning, Advertising, Copy and Testing),

PACT defines copy testing as research "which is undertaken when a decision is to be made about whether advertising should run in the marketplace. Whether this stage utilizes a single test or a combination of tests, its purpose is to aid in the judgment of specific advertising executions".

Ques 16) What is starch test?

Ans: Starch Test

This is one of the popular post-tests used to find out whether a reader has observed a particular advertisement in a magazine. The Starch test was invented in 1923 by Daniel Starch, a psychologist, to measure the effectiveness of print ads. The pre-condition for a Starch test is that the respondent should have already read the same issue of magazine in normal conditions as a regular reading. During the test, the respondent is asked whether he has seen or read a particular advertisement before.

Ques 17) What do you understand by design of advertisement?

Ans: Design of Advertisement

Design is "the structure itself and the plan behind that structure" for the aesthetic and stylistic aspects of an advertisement. Design represents the effort on the part of creative to physically arrange all the components of an advertisement in such a

way that order and beauty are achieved - order in the sense that the illustration, headline, body copy, and special features of the ad are easy to read, view and listen; beauty in the sense that the ad is pleasing.

Ques 18) Give the roles of copywriting in print media?

Ans: Copywriting for Print Advertisements

A print advertisement is created in two pieces - a copy sheet and a lay-out. The two categories of copy that print advertising uses are display copy and body copy (or text). Display copy includes all elements that readers see in their initial scanning. These elements - headlines, sub-heads, call-outs, taglines, and slogans - usually are set in larger type sizes than body copy and are designed to get attention and to stop the viewer's scanning. Body copy includes the elements that are designed to be read and absorbed, such as the text of the ad message and captions.

Ques 19) What is descriptive copy?

Ans: Descriptive Copy

This type of advertising is of non technical nature and is presented in a manner which any layman can easily understand. It gives detailed information about the product in a very simple language. Good examples are to be found in mail order, catalogues, departmental store advertising and in the advertising of tools and machines. It tends to select logical customer and eliminate others. It may safely be used when there is a clearly established want for the goods, which are purchased as a matter of routine or necessity, mostly on a price or a convenient basis. For example, "Lifebuoy for health, where is Lifebuoy there is health."

Ques 20) What do you mean by rational appeal?

Ans: Rational Appeal

Rational appeals as the name suggests aims to focus on the individual's functional, utilitarian, or practical needs for particular products and services. Such appeals emphasize the characteristics and features of the product and the service and how it would be beneficial to own or use the particular brand. Print media is particularly well-suited for rational appeals and is often used with good success. It is

also suited for business-to-business advertisers and for products that are complex and that need high degree of attention and involvement.

UNIT - IV

Ques 1) Define Sales Promotion?

Ans: Sales Promotion

The word promotion originates from the Latin word 'Promovere' means "to move forward" or to push forward. Sales and promotion are two different words and sales promotion is the combination of these two words. Sales Promotion is another important component of the marketing communications mix. It is essentially a direct and immediate inducement. It adds extra value to the product and hence prompts the dealer/consumer to buy the product. According to Philip Kotler, "Promotion encompasses all the tools in the marketing mix whose major role is persuasive communication".

Ques 2) What is brand switching?

Ans: Brand Switching

Some promotions encourage consumers to buy a different brand than the one they bought on an earlier purchase occasion, or had the intention of buying now. Brand switching of this type is often called as 'aggressive switching'. The second type of promotion effect on brand switching is considered as 'defensive switching'. In this case, the objective is to retain the customer by encouraging her/him to buy the same brand as was bought on earlier occasion instead of switching to a different brand on this purchase occasion.

Ques 3) What is consumer oriented sales promotion?

Ans: Consumer Oriented Sales Promotion

The primary objective of sales promotion is to motivate consumer behavior - i.e., to generate some type of active response such as buying Snapple products in order to get the bottle cap, which serves as currency for an online yard sale. Consumer sales promotions that might induce impulse purchases include limited-time-only sales, limited edition products, and products that the consumer is already

looking to purchase as collectibles. For example, people interested in Coca-Cola collectibles buy virtually anything with the Coca-Cola logo displayed on it, from salt and pepper shakers to tee shirts.

Ques 4) Define coupon ?

Ans: Coupons

A coupon is a certificate that entitles the consumer to a specified saving on the purchase of a specified product. These coupons are usually issued by the manufacturers through the retailers or in most of the cases; they are kept inside the package. The consumer may get a discount of the value stated on the coupon at the time of purchase. The retailers are reimbursed the value of coupons by the manufacturers, for example, lifebuoy issues coupons on purchase. Coupons are used widely by marketers across many retail industries and reach consumers in a number of different delivery formats.

Ques 5) What is bonus/premium?

Ans: Bonus Offers/Premiums

An offer of a certain amount of product at no cost of consumers who buy a stated amount of a product or a special pack thereof is called premium offer or bonus offer. This method is very popular now-a-days in view of the acute competition. Premium may be kept inside the pack or in the form of reusable container. Bonus offers can take on many different characteristics. They will not appeal to as broad a group as will price offers. Bonus deals can provide the perception of a greater value given than direct price. When an additional 25 per cent of the product is packaged with the product as a bonus, the user receives full value, but the manufacturer has only a 25 per cent increase in product cost, with no added profit cost to other channel members.

Ques 6) Define self liquidating premium?

Ans: Self-Liquidating Premiums

These premiums require the consumer to pay some or all of the cost of the premium plus handling and mailing costs. The marketer usually purchases items used as self-liquidating premiums in large quantities and offers them to consumers at

lower-than-retail prices. The goal is not to make a profit on the premium item but rather just to cover costs and offer value to the consumer. Self-liquidating premiums are often tied directly to the advertising campaign, so they extend the advertising message and contribute to consumer franchise building for a brand.

Ques 7) Define sampling?

Ans: Sampling

It involves free distribution of samples to ultimate consumers. The samples may be distributed door to door, or may be offered in a retail store, or with the purchase of any particular product. These samples may also be given to professionals to recommend. This helps the consumer to verify the real quality of the product. This is suitable for introducing a new product of daily use, for example, promotion of surf excel.

One basic decision the sales promotion or brand manager must make is how the sample will be distributed. The sampling method chosen is important not only in terms of costs but also because it influences the type of consumer who receives the sample.

Ques 8) what do you understand by trade oriented sales promotion?

Ans: Trade Oriented Sales Promotion

Trade promotions are the expenditures or incentives used by manufacturers and other members of the marketing channel to help to push their products through to retailers. The best way to understand trade promotions is to note that they are incentives that members of the trade channel use to entice another member to purchase goods for eventual re-sale. In other words, trade promotions are aimed at retailers, distributors, wholesalers, brokers, or agents. A manufacturer can use trade promotions to convince another member of the trade channel to carry its goods. Wholesalers, distributors, brokers, and agents can use trade promotions to entice retailers to purchase products for eventual re-sale.

Ques 9) Define the term slotting allowance?

Ans: Slotting Allowances

In recent years, retailers have been demanding a special allowance for agreeing to handle a new product. Slotting allowances, also called stocking

allowances, introductory allowances, or Street money, are fees retailers charge for providing a slot or position to accommodate the new product. Retailers justify these fees by pointing-out the costs associated with taking on so many new products each year, such as re-designing store shelves, entering the product into their computers, finding warehouse space, and briefing store employees on the new product. They also note they are assuming some risk, since so many new product introductions fail.

Ques 10) What is POP?

Ans: Dealer/Point of Purchase (POP) Displays

These take place at the point of purchase or sale. Display of visible mark or product at the entrance of the store is an example. Unfortunately many retailers do not like to handle the hundreds of displays, signs and posters they receive from manufacturers. Hindustan Lever often uses this tool to promote its products in the retail market. Dealer displays are specially designed materials intended for placement in retail stores. These displays allow products to be prominently presented, often in high traffic areas, and thereby increase the probability the product will stand out.

Ques 11) What do you understand by sales force incentives in sales promotion?

Ans: Bonus/Incentive to Sales Force

A quota of sale is fixed for each salesman during a fixed stated period. Bonus is offered on sales in excess of the quota fixed. In order to get the higher premium the salesman will try to sell more quantities of goods. The manufacturer sets a target of sales for a year. If the sales force sell the products above the targeted sales, bonus is offered to them. This is an encouragement incentive given to the salespeople to sell more products to cross the quota or targeted sales.

Ques 12) what is sales promotion campaign?

Ans: Sales Promotion Campaign

'Sales promotion campaign' is important and widely used series of sales promotion efforts in a common theme for pushing sales of products. The Sales promotion campaign must be well planned and strategically drafted using the right campaigns as well as strong, persuasive and attention grabbing words. Companies

introduce sales promotion campaigns for capturing market. Price discounts and schemes like buy one, get one free are also offered as sales promotion. Massive advertising is useful to support the sales promotion campaigns.

Ques 13) What is meant with sales promotion outsourcing?

Ans: Outsourcing Sales Promotion

Some companies outsource certain sales promotions. In this section, several types of outsourced sales people are introduced, as well as the reasons for and challenges associated with outsourcing various sales activities are elaborated. A company can outsource part or all of the sales cycle. When a company hires a call center to make phone-calls, and set-up appointments, it is outsourcing only the lead-to-suspect conversion portion of the sales cycle. The suspect-to-prospect and prospect-to-customer conversions could then be the responsibility of either the outsourcer or another type of sales organization it hires for that purpose.

Ques 14) Define pre-testing?

Ans: Pre-Testing

Pre-testing is preferred because it enables one to know how effective an sales promotion is likely to be, before spending the budget and adopting sales promotion technique. The advertiser should use only those messages and media which prove to be the strongest in producing the desired results. To assess a sales promotion technique's likely effectiveness before it actually appears in the chosen medium, marketers often conduct pre-testing. The obvious advantage of this technique is the opportunity to evaluate ads when they are being developed

Ques 15) What is post testing?

Ans: Post Testing

It is applied after the advertisement has ended to find out how far advertising has been successful. The objective of advertising is to arouse consumer awareness, his interest, desire and develop his attitude to the product. To measure the sales affect, sales figures before the promotion period can be compared with figures at the end of promotion and one month after the promotion ends. Suppose that the promotion objective was to increase sales by 30 percent in certain period and the pre-promotion sales for a similar period were worth 5 million rupees. The sales

jumped to in excess of 5.6 million in the promotion period. This would show that the objective was achieved.

UNIT - V

Ques 1) Define the concept of marketing communication?

Ans: Marketing Communication

Marketing Communication is an important P (also called promotion) of marketing. These two words 'marketing communication' and 'promotion' are used interchangeably. Marketing depends heavily on an effective communication flow between the company and the consumer. Manufacturing a product and making it available on the market is only a part of the company's job. It is equally important, or perhaps more important, to make it known to the consumer that the product is available in the market. According to Philip Kotler, "Promotion compasses all the tools in the marketing mix whose major role is persuasive communications".

Ques 2) What is international promotion strategy?

Ans: International Promotion Strategies

Traditionally, international promotion referred to promotion undertaken beyond a company's domestic market, using a common message to definable international audiences. It was accepted that, within the domestic market, a company's market penetration was greater than in the international arena, its local market was broader, its sales message was more detailed, and its advertising was created to match actual or perceived local nuances, the same copy line.

Ques 3) Define IMC?

Ans: Integrated Marketing Promotion/ IMC

According to The American Marketing Association, "IMC is a planning process designed to assure that all brand contacts received by a customer or prospect for a product, service, or organization are relevant to that person and consistent over time".

IMC is also broadly known as the term 'Promotion Mix'. The marketing effect is fragmented and the result could be conflicting communications that confuse the

customer. The result is wasted time, money, and effort. (IMC) is the coordination and integration of all marketing communication tools, avenues, and sources within a company into seamless program that maximizes the impact on consumers and other end-users at a minimal cost.

Ques 4) How IMC helps in providing information?

Ans:

Besides building brand recognition and equity, IMC serves other goals. For example, advertising often is used to provide information to both consumers and business buyers. Typical information for consumers includes a retailer's store hours, business location, or sometimes more detailed product specifications. Information can make the purchasing process appear to be convenient and relatively simple, which can entice customers to finalize the purchasing decision and travel to the store.

Ques 5) How does price policy affect IMC?

Ans: Price Policy

If the product is high priced, then personal selling is needed to persuade the customers to buy the product, as in case of high priced products, customer's associate greater risk with the purchase of expensive product, and they need advice of salesmen. At the same time, advertising is required for brand-popularity.

Ques 6) Define communication mix?

Ans: Communication/Promotion mix

Communication/Promotion mix refers to the combination of various promotional elements viz. advertising, personal selling, publicity and sales promotion techniques used by a business firm to create, maintain and increase demand of the product. It involves an; integration of all the above elements of promotion. According to Philip Kotler, "A company's total marketing communication mix-also called promotion mix consists of specific blends of advertising, personal selling, sales promotion, public relations and direct I marketing tools that the company use to pursue its advertising and marketing objectives".

Ques 7) What is online sales promotion?**Ans: Online Sales Promotion**

Online sales promotions have expanded dramatically in recent years. Marketers are now spending billions of dollars annually on such promotions. Sales promotions online have proved effective and cost-efficient, generating response rates three to five times higher than those of their offline counterparts. The most effective types of online sales promotions are free merchandise, sweepstakes, free shipping with purchases, and coupons. Online sales promotion is quickly becoming a pervasive mode of communication with prospective consumers.

Ques 8) What is social media?**Ans: Social Media**

Social media advertising is one sales technique that rarely fails. If a promoter manages to find a slot for the business in social sites like twitter, facebook, myspace, etc., rest assured to see an increased traffic flow to his website. Social media helps in connecting the target audience effectively. Developing facebook applications that will promote business or placing ads on relevant pages, ensures a better visitor click-rate.

Ques 9) What is direct marketing?**Ans: Direct Marketing**

In Direct Marketing, organizations communicate directly with target customers to generate a response and/or a transaction. Traditionally, direct marketing has not been considered an element of the promotional mix. However, because it has become such an integral part of the IMC program of many organizations and often involves separate objectives, budgets, and strategies, we view direct marketing as a component of the promotional mix.

Ques 10) How telemarketing helpful in direct marketing?**Ans: Telemarketing**

Telemarketing describes the use of telephone operators to attract new customers, to contact existing customers to ascertain satisfaction levels, or to take orders. In the case of routinely taking orders, it is called telesales. Many customers

routinely order goods and services by telephone. Companies use call centers for inbound telemarketing - receiving calls from customers - and outbound telemarketing - initiating calls to prospects and customers.

Ques 11) Define interactive marketing?

Ans: Interactive (Online) Marketing

Marketing over internet is direct, low in cost, interactive and two-directional, personalized, up-to-date, targeted, less intrusive, and less commercial. The Internet has brought many unique benefits to marketing, one of which being lower costs for the distribution of information and media to a global audience. The interactive nature of Internet marketing, both in terms of providing instant response and eliciting response, is a unique quality of the medium. E-marketing is sometimes considered to have a broader scope since it refers to digital media such as web, e-mail and wireless media.

Ques 12) What is event?

Ans: Events

Events are occurrences designed to communicate particular messages to target audiences. An event can be considered as a live multimedia package organized and held with a preconceived concept, customized to achieve the client's objectives of reaching and influencing a specific target audience by providing an enjoyable and sensual experience, with provision for live interaction. Events are marketing offers in the context of experiential marketing. These are highly targeted brand associate activities. These are planned to engage prospects for the customers. Events are customer-orientated promotion activities. Most events are generally sponsored.

Ques 13) What do you understand by word of mouth?

Ans: Word of Mouth

Word of mouth marketing is a marketing strategy which uses the person-to-person communication of satisfied customers to raise awareness of an organization's products and services and generate sales. Word of mouth communication spreads through social and business networks and communities, and is regarded as a

particularly influential, cost-effective, and speedy means of disseminating information about an organization's products. Various methods are adopted to promote this process, including customer partnerships and customer referral plans.

Ques 14) What is word of mouse?

Ans: Word of Mouse

In the rise of the electronic era, the concept of word of mouth began to be translated into a new medium, and the idea of "word of mouse" started to arise. Thanks to the instantaneous nature of electronic communications, word of mouse can spread very rapidly, and numerous forums have enabled the transmission of ideas in an increasing number of ways. Word of mouse can be passed along from person to person in the form of electronic mail, but it can also manifest in a number of other locations. Just like word of mouth, word of mouse is built on a solid reputation, and carefully maintained.

Ques 15) What is Interactive/Online/Internet Marketing?

Ans: Marketing over internet is direct, low in cost, interactive and two-directional, personalized, up-to-date, targeted, less intrusive, and less commercial. The Internet has brought many unique benefits to marketing, one of which being lower costs for the distribution of information and media to a global audience. The interactive nature of Internet marketing, both in terms of providing instant response and eliciting response, is a unique quality of the medium.