ADVERTISING MANAGEMENT

From Chapter 5 of *Integrated Advertising, Promotion, and Marketing Communications*, Sixth Edition. Kenneth E. Clow and Donald Baack
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ADVERTISING MANAGEMENT

CHAPTER OBJECTIVES

After reading this chapter, you should be able to answer the following questions:

1. What are the essential ingredients in advertising campaign management, including the role of advertising?
2. When should a company employ an external advertising agency rather than completing the work in-house?
3. How do companies choose advertising agencies?
4. What roles are played within advertising agencies and client companies?
5. What steps are completed as part of advertising campaign management?
6. What are the primary goals of advertising?
7. What are the key elements of an advertising budget?
8. What are the issues in the media-selection process?
9. How does a creative brief facilitate effective advertising?

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THE RICHARDS GROUP

Some companies push products. Some sell ads. We sell the truth." This guiding principle appears on the Web site for The Richards Group, America's largest independent advertising agency, based in Dallas, Texas; an agency so distinguished that it has been listed as one of the six most influential agencies in the United States by Graphic Design USA.

The firm, which at one point consisted of fewer than 60 employees, all located on one floor of an office building, has expanded to a major office building on the North Central Expressway. The company has received many awards, including *Adweek* magazine's "Agency of the Year" numerous times.

The Richards Group generates billings exceeding $1 billion annually. The organization employs more than 650 marketing professionals. Its list of current and former clients includes

a variety of well-known companies, Orkin, Fruit of the Loom, T.G.I. Friday's, Zales, Red Lobster, Farmer's Insurance, and others.

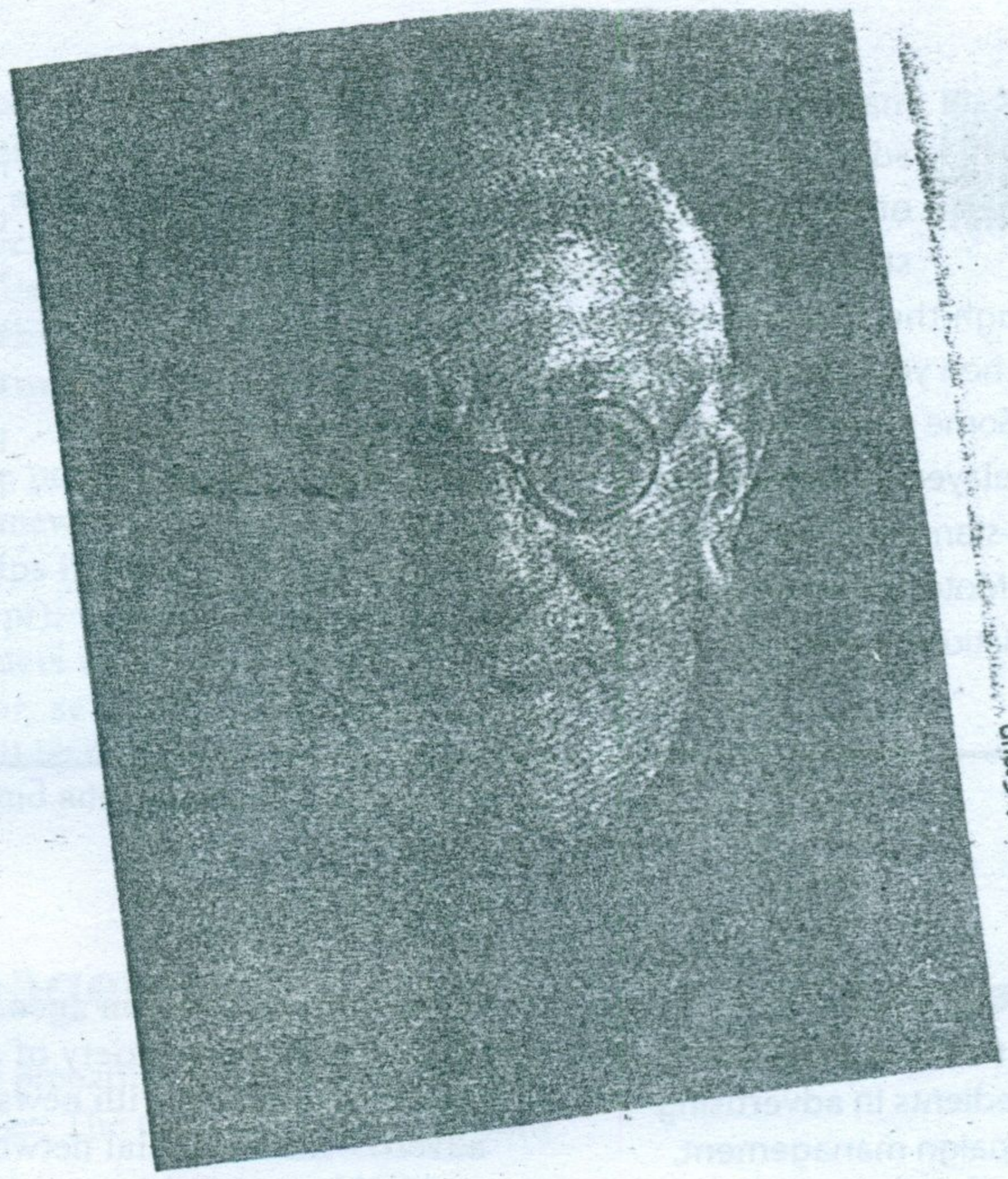
Beyond these simple statistics rests a story that owner-founder Stan Richards once described as "a rocket ride," which has taken him to being named as one of *The Wall Street Journal's* "Giants of Our Time." Many of the tactics employed by The Richards Group have been emulated by other agencies. Richards notes that his company did them first and does them best.

Richards prefers hiring new employees straight out of college, because, he says with a smile, "We don't want them picking up bad habits in other agencies, before they join us." These individuals quickly discover that the offices are all completely open, with no doors or walls. More significant, Richards notes, "What we do is commingle all the disciplines, so that in every cluster of spaces we will have an art director who sits next to a brand manager, who, for example, sits next to a print production manager, so that, in those interdisciplinary villages that everyone here occupies, nobody's next door neighbor does the same thing that he or she does. What you don't get is all the creative people sitting on this floor, then all the account management people on the next floor, and the media people on the floor above that."

"The reason I did that in the first place," Richards continues, "was that when we were 50 or 60 people, there was an extraordinary level of energy and electricity that just flowed through the place. You could just walk in and feel it. A lot of it was created by the casual contact people had with each other. When you have 50 or 60 people packed into a tight space, you see everybody every day."

"What agencies have always done, is when they reach that 120- to 130-person size, they then have to move to multiple floors. And the minute they do, they take a tight-knit bunch of people who really liked each other and understood each other, because they saw each other every day, and divide them up into tribes. These tribes don't always get along."

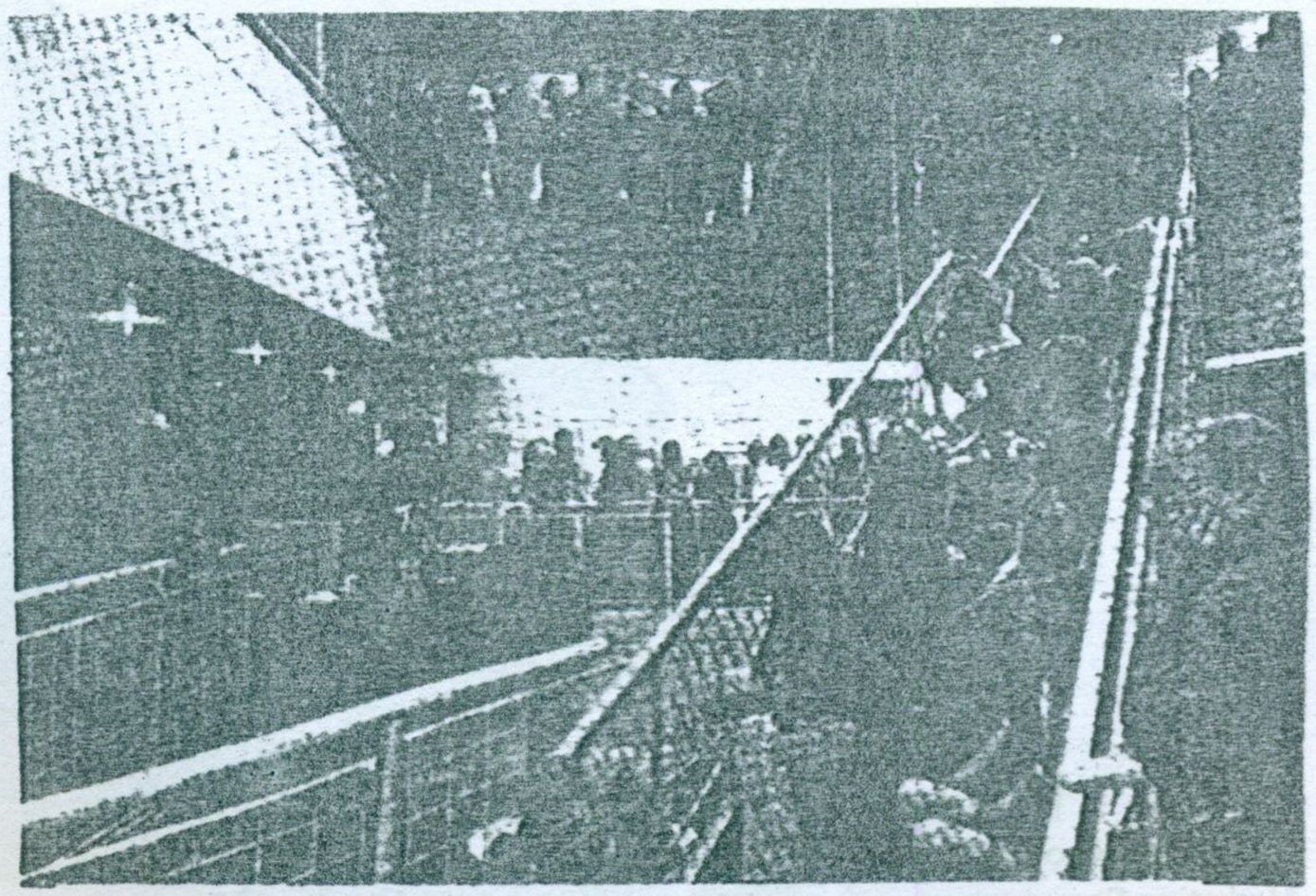
"There are lots of occasions where a creative will butt heads with a planner, because they have a different point of view. When you are packed into a tight space, and when you have a great deal of casual contact going on all day, every day, you get over that stuff, because they are your friends. When you're on a different floor, you seldom see them, and you decide, 'That's a different tribe up there, and they drive me crazy.'"



Courtesy of The Richards Group

▲ Stan Richards

Richard's approach clearly works. "When we are hired by a client," Richards notes, "it's not just to make ads. We do so



Courtesy of The Richards Group

▲ Employees of The Richards Group

many things that are extremely important. That ad is what the consumer ultimately sees, but in order to get there, you have to have a dead-on strategy, if you're going to be successful. You go through the strategic process, you get to the right answer, and then you can execute against that answer."

Some of the success stories created by The Richards Group are relayed in various places in this textbook, including the long-standing Chick-fil-A cow campaign, the fascinating "ride" with Motel 6, the company's 2010 Super Bowl commercials, and its relationships with Firestone and The Home Depot.

In the meantime, the next time you view a commercial for Corona Beer, featuring a laid-back setting on a beach in the Caribbean somewhere, and you leave the cares of the world behind you, Richards suggests, you are viewing another company success story. Corona has become the number one imported beer in the United States, passing Heineken, due, in part, to a successful advertising management program assisted by The Richards Group.[1]

OVERVIEW

OBJECTIVE

What are the essential ingredients in advertising campaign management, including the role of advertising?

The average person encounters more than 600 advertisements per day, delivered by an expanding variety of media. Television and radio have long been the advertising staples, along with newspapers, magazines, and billboards. More recently, Internet advertisements, social networks, and mobile phones apps offer additional ways to contact and interact with customers.

Today's marketers face several challenges. A company simply cannot afford to prepare advertisements for every medium. Further, each message should create a marketing advantage in a highly cluttered world in which people are increasingly adept at simply tuning ads out.

To be effective, an advertisement first must be noticed. Next, it must be remembered. Then, the message of the advertisement should incite an action, such as a purchase, a shift in brand loyalty, or, at the very least, find a place in the buyer's long-term memory.

Figure 1 portrays the overall IMC approach.

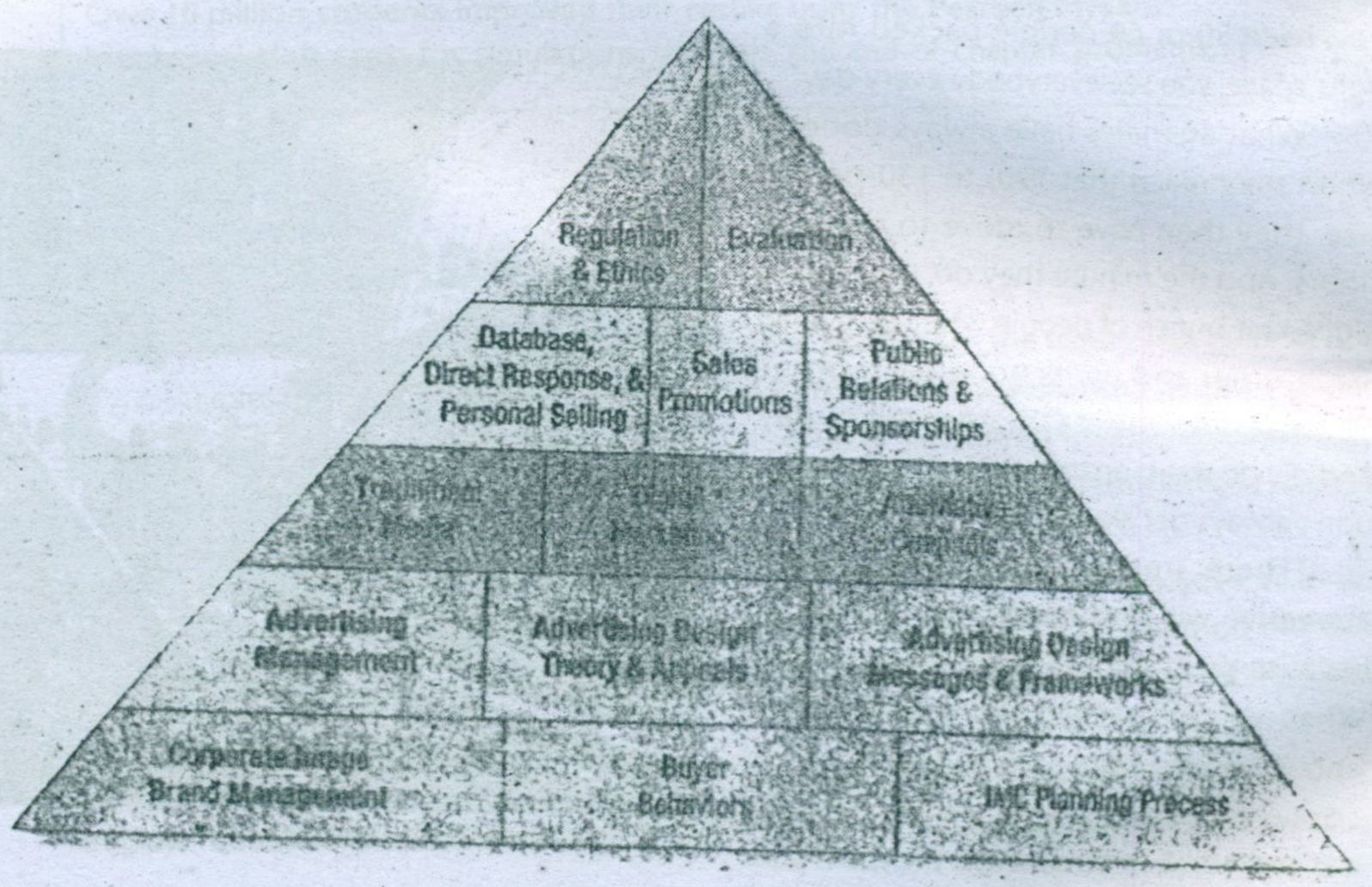


FIGURE 1
Overview of Integrated Marketing Communications

Three ingredients create effective advertisements: development of a logical advertising management scheme for the company, thoughtful design of advertisements, and careful media selection. Media selection and advertising design go hand in hand: One cannot be performed without the other. Although they are presented separately in this textbook, they occur at the same time.

This chapter focuses on advertising management, which lays the groundwork for the total advertising program. One element is developing the **message theme**, or the outline of the key idea(s) the advertising campaign conveys.

The primary issues include choosing a leverage point, the major appeal in the advertising campaign, and the type of executional framework to use. A **leverage point** presents the key element in the advertisement that taps into, or activates, a consumer's personal value system (a value, idea, or concept). The **appeal** constitutes the approach used to design the advertisement that attracts attention or presents information to consumers through the use of humor, fear, sex, logic, or emotions. The **executional framework** explains how the message will be delivered. Methods include the slice-of-life approach, fantasies, dramatizations, and ads featuring animation. Figure 2 displays the advertising design elements.

Overview of Advertising Management

An **advertising management program** is the process of preparing and integrating a company's advertising efforts with the overall IMC message. The program consists of four activities:

1. Review the role of advertising in the IMC effort.
2. Select an in-house or external advertising agency.
3. Develop an advertising campaign management strategy.
4. Complete a creative brief.

Consistency constitutes the guiding principle of these four efforts. The company's goods or services and methods of doing business should match the advertising

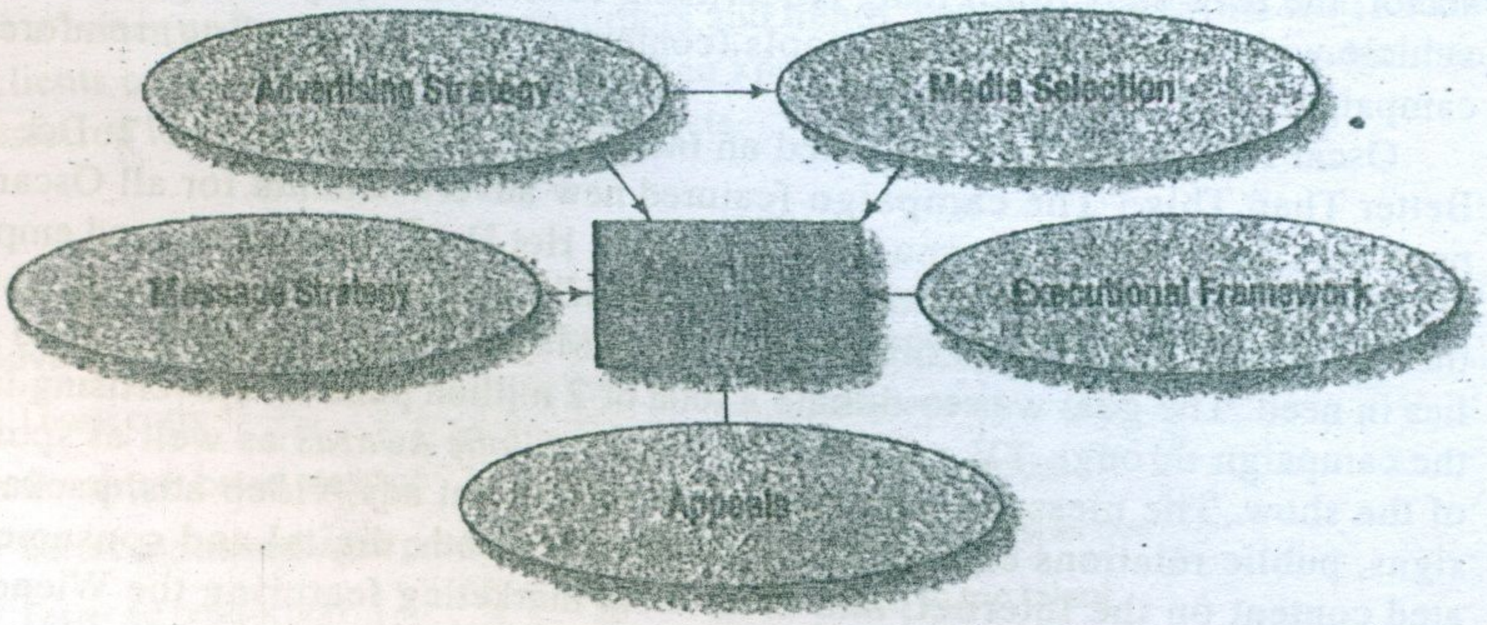
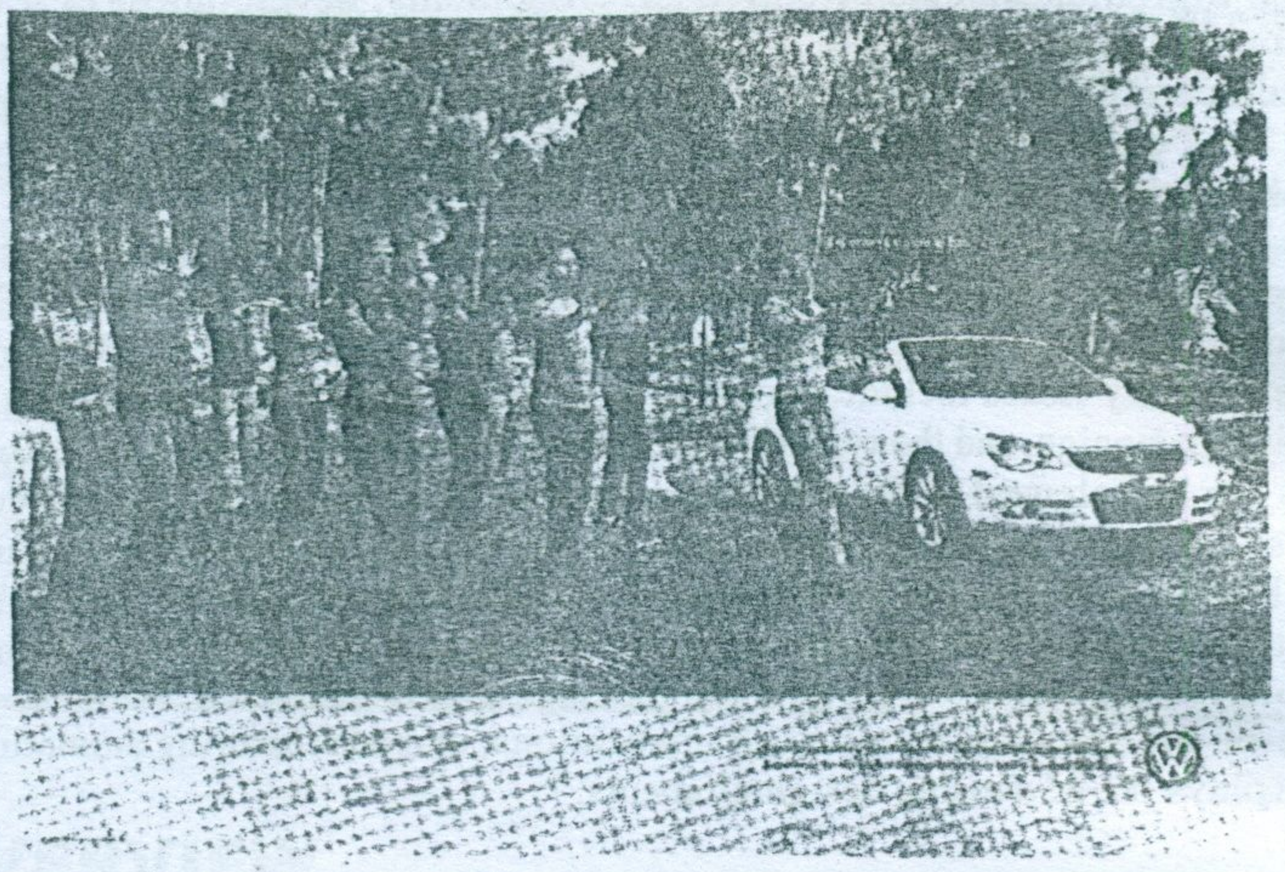


FIGURE 2
Advertising Design Overview

▶ Creating eye-catching ads plays a vital role in advertising management.



Courtesy of Volkswagen.

agency chosen, the strategy of the campaign, and the work of the advertising creatives. The result should be a coherent message stating the theme of the entire IMC program.

Advertising and the IMC Process

Advertising continues to be a major component of integrated marketing communications. It represents one part of the "traditional" promotions mix of advertising, consumer and trade promotions, and personal selling. These functions, along with other activities, such as direct marketing, digital content, public relations efforts, and alternative marketing strategies, form the basis for communicating with customers.

The role advertising plays varies by company, product, and the firm's marketing goals. For some products and companies, advertising remains the central focus, and the other components (trade promotions, consumer promotions, and personal selling) support the advertising program. In other situations, advertising plays a secondary role, such as supporting the national sales force and a firm's trade promotion program. In the business-to-business sector, advertising often assists other promotional activities, including trade shows and personal sales calls. In the consumer sector, the reverse is often true. Advertising constitutes the primary communication vehicle with other promotional tools (contests, coupons, sampling) reinforcing the campaign.

Oscar Mayer recently launched an integrated campaign entitled "It Doesn't Get Better Than This." The campaign featured new advertisements for all Oscar Mayer products (Deli Fresh, Bologna, Deli Creations, Hot Dogs, and Bacon) and emphasized an altruistic effort called "Good Mood Mission." Consumers were encouraged to share their good moods. For each one shared, Oscar Mayer donated 1 pound of food to families in need. The goal was to donate a total of 2 million pounds. Advertising launched the campaign through TV spots on the *Golden Globe Awards* as well as sponsorship of the show. The message was reinforced using print ads, video ads, package redesigns, public relations efforts with Kristin Chenoweth, digital and consumer-generated content on the Internet, and local event marketing featuring the Wienermobile (see Figure 3). The campaign illustrates the key role advertising continues to play in communications.

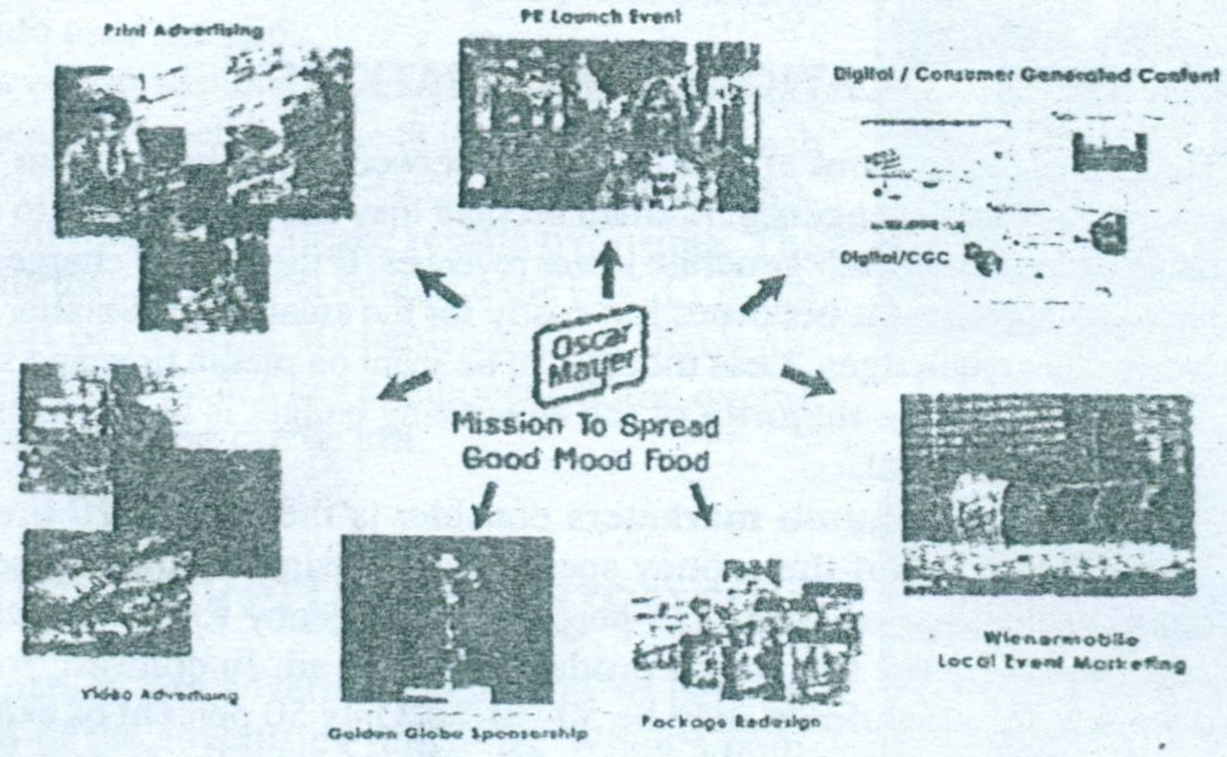


FIGURE 3
Oscar Mayer's "Mission to Spread Good Mood Food" Campaign

Source: Adapted from Tom Lopez, Senior Director of Marketing, Oscar Mayer, Good Morning Headquarters, January 16, 2010.

In-House Versus External Advertising Agencies

OBJECTIVE
When should a company employ an external advertising agency rather than completing the work in-house?

When beginning an advertising program, deciding whether to use an in-house advertising group or an external advertising agency constitutes the first issue. Figure 4 compares the advantages of an in-house facility to an outside agency.

Approximately 40 percent of companies use some type of in-house facility, due to its potential advantages. Managers believe the approach *lowers costs* and retains better control of the message, which can be *aligned* with the brand and other company communications.[2] The CEO can *work closely* with the marketing team to make sure this occurs. Consequently, members of the marketing department may conclude they have a *better understanding of the firm's products and mission* and more *quickly produce* advertisements. An in-house program will be more consistent because of a *lower turnover rate in the creative team.*

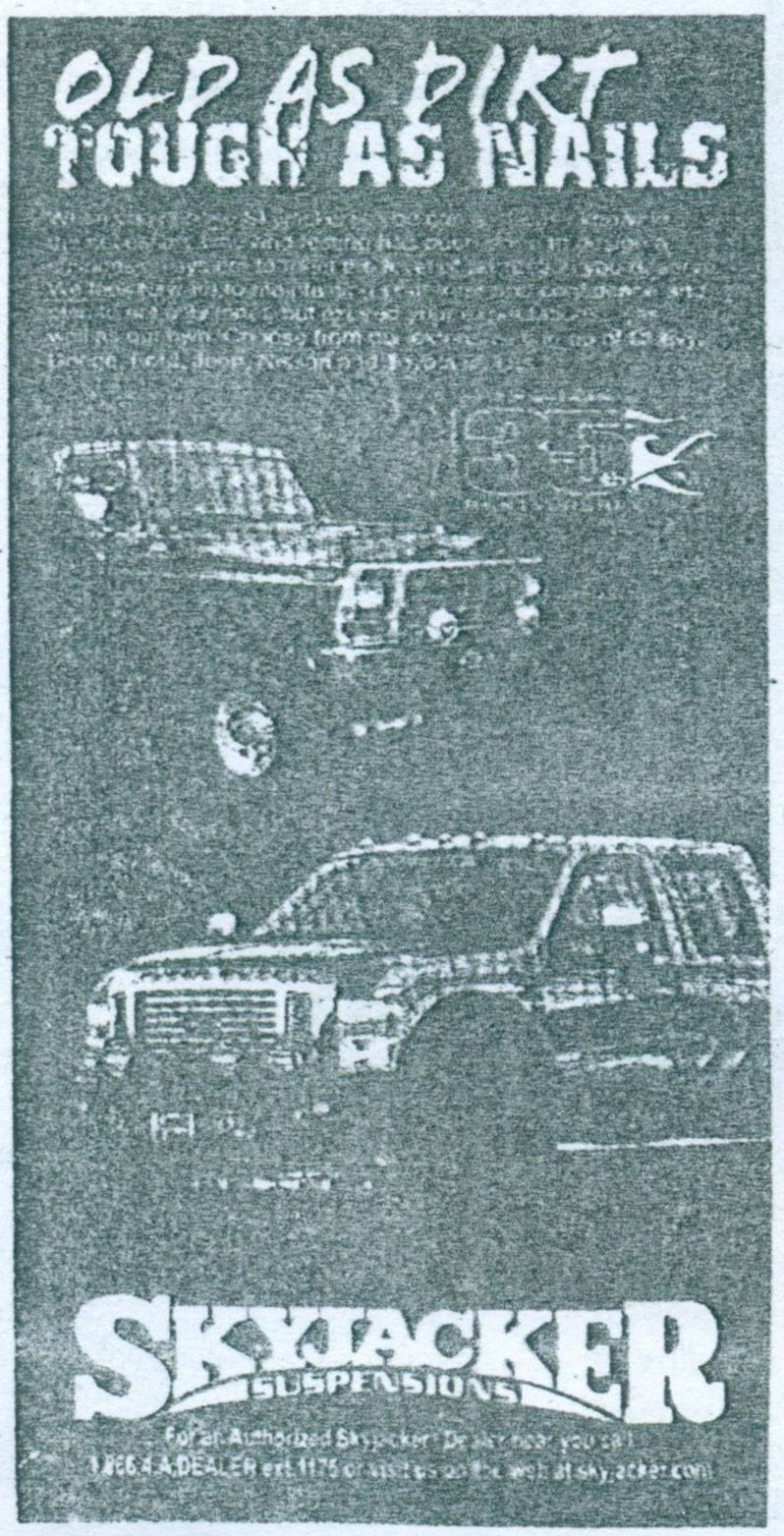
Firms including CareerBuilder and Skyjacker perform all advertising functions in-house. Others hire marketing and advertising experts to assist in the effort. Some contract specific functions, such as writing, filming, recording, and editing advertisements. Most utilize media companies to plan and purchase media time (on television and radio) and space (in magazines, in newspapers, and on billboards).

An outside agency often *reduces costs* when compared to less efficient in-house facilities. This occurs when in-house employees spend more time on campaigns and ad designs than would an agency. The agency provides *greater expertise* and may have *access to top talent* in the industry. Advertising agencies offer an *outside perspective* not influenced by internal corporate politics and personal biases. Agency professionals often have a better understanding of consumers and trends, because they work with a number of clients over an array of products. Often knowledge gained from one product can be transferred to other, even unrelated products.

Advantages of In-House	Advantages of Outside Agency
• Lower costs	• Reduce costs
• Consistent brand message	• Greater expertise
• Better understanding of product and mission	• Outsider's perspective
• Faster ad production	• Access to top talent
• Works closer with CEO	
• Lower turnover rate in the creative team	

FIGURE 4
Advantages of In-House versus Outside Agencies

Source: Adapted from Rupal Parekh, "Thinking of Pulling a CareerBuilder? Pros and Cons of Bringing an Account In-House," *Advertising Age*, http://adage.com/print?article_id136701, May 18, 2009.



Skyjacker is one of a number of firms that perform all advertising functions in-house.

BUDGET ALLOCATION CONSIDERATIONS

The size of the account affects the choice between an in-house team versus an external advertising agency. A small account may not be attractive to an advertising agency and often generate lower revenues. If the agency charges a higher fee to compensate, it becomes too costly for the small firm. Smaller accounts create other challenges. Less money can be spent on media time and space purchases, because the majority of the advertising budget is spent on production of the advertisement.

One rule of thumb marketers consider is the *75–15–10* breakdown, where 75 percent of the money spent on advertising should be used to purchase media time or space, 15 percent to the agency for the creative work, and 10 percent for the actual production of the ad. In contrast, for smaller accounts, the breakdown may be 50–30–20. Only 50 percent of expenditures are for media purchases. The other 50 percent of the funds goes to the creative and production work.

Unless the majority of the company's advertising budget can be spent on media purchases, it may be wise either to perform the work in-house or to develop contracts with smaller specialty firms to prepare various aspects of an advertising campaign.

CROWDSOURCING

Crowdsourcing involves outsourcing the creative aspect of an advertisement or campaign to the public. It offers an alternative to creating commercials in-house or hiring an external advertising agency. Crowdsourcing can create a viral buzz as users view advertisements online, recommend or send favorites to friends, and post links.

Doritos used crowdsourcing to create Super Bowl ads for the last five years. Fans are invited to submit ideas for ads. Doritos ads have been voted as some of the best of the Super Bowl. Although it may seem that crowdsourcing would be a cheaper method of creating a Super Bowl commercial, in reality the total cost stays about the same as for hiring a professional agency. The costs of running the contest, paying prize money, creating the microsite to host the contest, and producing the commercial combined with the time spent by Doritos and the agency in choosing from the thousands of entries are nearly equal to what would have been spent on an agency. Crowdsourcing yields the advantage of involving fans and generating the subsequent buzz that surrounds the contest for the consumer-generated advertisement.[3]

Consumer-generated ads are not always created for television. One January morning several hundred commuters greeted travelers by dancing instead of getting onto the train. The dance was captured by hidden cameras, and a day later it played during a commercial break on the *Celebrity Big Brother* television program. T-Mobile sponsored the entire episode as part of for its "Life for Sharing" campaign. Even though the ad ran only one time on television, it spread via e-mail messages, blogs, social networks, and Twitter until it had been watched more than 15 million times on YouTube.[4]

Harley-Davidson employs an extreme approach to crowdsourcing. The company obtains all creative work through crowdsourcing with agencies only being responsible for producing the ads. According to Harley-Davidson CMO Mark-Hans Richer, "We made a decision to turn over the major creative to owners because we have a passionate customer base who wants to engage with us." The creative comes through Facebook. Harley-Davidson has about 3 million Facebook fans. About 8,000 have signed up to be part of the Fan Machine, the creative forum for Harley. The Fan Machine group reviews advertising briefs, submits ideas, and votes on ideas from members. While the company offers some branded products according to Richer "it's really about the spirit and creativity and passion of the brand than the financial reward." A recent project received 300 idea submissions, with 20,000 votes for the best ideas. "What really shocked me was

how good the ideas actually were. There were a lot of surprising insights. It's like a focus group and creative wrapped into one," he said.

Critics of crowdsourcing, including Stan Richards (see the opening vignette), argue that while the approach may lead to innovative and eye-catching advertisements, no consistent message or theme results over time. The commercials may or may not reinforce the brand's major selling points or elements. Richards suggests that without a strategic approach, a key component of the overall communications effort can be lost.

External Advertising Agencies

Most companies hire advertising agencies to perform some or all of the advertising functions. When a company retains an external advertising agency, leaders commit substantial resources to the goal of expanding its audience.

Advertising agencies provide a variety of options. All sizes and types of agencies exist. At one end of the spectrum are the highly specialized, boutique-type agencies offering one specific service (e.g., making television ads) or serving one type of client. G+G Advertising of Albuquerque, New Mexico, specializes in advertising to Native Americans, a market of an estimated 10 million people.[5]

At the other end of the spectrum are full-service agencies such as The Richards Group that provide every type of advertising and promotional activity. These companies offer advice and assistance in working with the other components of the IMC program, including consumer and trade promotions, direct-marketing programs, digital programs, and alternative media (see Figure 5.)

Two other closely associated types of firms operate. *Media service companies* negotiate and purchase media packages (called *media buys*) for companies. *Direct-marketing agencies* handle every aspect of a direct-marketing campaign, through telephone orders (800 numbers), Internet programs, and by direct mail. Some companies focus on *consumer promotions*, *trade promotions*, or both. These companies assist in developing promotions such as coupons, premiums, contests, and sweepstakes. A new group of agencies specialize in developing *online and digital services*. Boxcar Creative designs *interactive Web sites* and widgets that can be used on multiple sites. Other companies offer *social media services* to reach consumers and businesses through a wide array of Internet techniques. *Public relations* firms provide experts to help companies and individuals develop positive public images and for damage control responses when negative publicity arises.



Crispin, Porter & Bogusky for Volkswagen

▲ Creatives at advertising agencies tend to have greater expertise and objectivity in creating ads, such as this one designed by Crispin, Porter & Bogusky for Volkswagen.

OBJECTIVE 5

How do companies choose advertising agencies?

- Advice about how to develop target markets
- Specialized services for business markets
- Suggestions about how to project a strong company image and theme
- Assistance in selecting company logos and slogans
- Preparation of advertisements
- Planning and purchasing media time and space

◀ FIGURE 5
Services Provided by Full-Service Agencies

Advertising management systems have moved from developing ads to sell a client's products to helping the client achieve total success in the marketplace. Doing so requires a more fully integrated marketing approach that includes a wider array of services. As client companies began to move to more integrated marketing approaches, full-service agencies such as Young & Rubicam, The Richards Group, and mcgarrybowen have captured more accounts.[6]

Choosing an Agency

Choosing an agency begins with developing effective selection criteria. Figure 6 lists the steps involved in selecting an agency.

FIGURE 6
Steps in Selecting an Advertising Agency

1. Set goals.
2. Select process and criteria.
3. Screen initial list of applicants.
4. Request client references.
5. Reduce list to two or three viable agencies.
6. Request creative pitch.

GOAL SETTING

Prior to making any contact with an advertising agency, company leaders identify and prioritize corporate goals. The goals provide a sense of direction and prevent personal biases from affecting selection decisions. Goals guide company leaders by providing clear idea of what is to be accomplished. They also help the marketing team as they make requests for proposals for campaigns.

Kraft Foods changed agencies for 20 of the company's iconic brands including Maxwell House, Crystal Light, Kraft singles, Cadbury, Fig Newtons, Planters, Oreo, and Kraft Macaroni & Cheese, in 2010. Dana Anderson, Senior VP of Marketing Strategy and Communications stated that, "More than ever, we're focusing on contemporizing and making our iconic brands more relevant to today's consumers. We're raising the bar with our agencies in order to deliver more creative and engaging campaigns. Our ultimate goal is to heighten the profile and performance of Kraft Foods brands." By determining the goal in advance, Kraft's marketing team was better able to select the best agency for each of the brands under review.[7]

SELECTION CRITERIA

Even firms with experience set selection criteria in advance in order to reduce any biases that might affect decisions. Emotions and other feelings can lead to poor choices. Figure 7 identifies some of the major issues to be considered during the process. The list can be especially useful during the initial screening, when the field narrows to the top five (or fewer) agencies.

FIGURE 7
Evaluation Criteria in Choosing an Advertising Agency

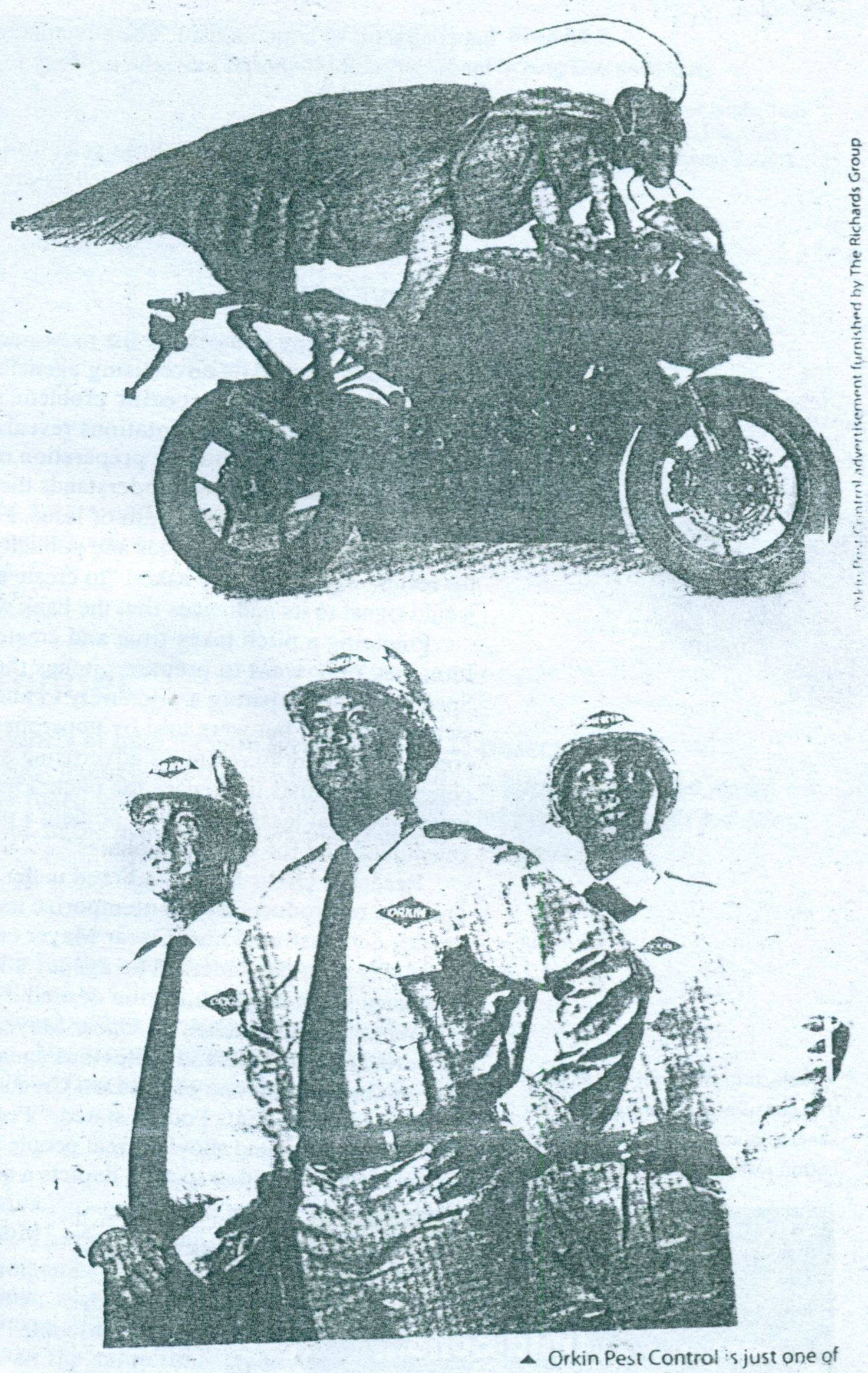
- Size of the agency
- Relevant experience of the agency
- Conflicts of interest
- Creative reputation and capabilities
- Production capabilities
- Media purchasing capabilities
- Other services available
- Client retention rates
- Personal chemistry

Agency Size As noted earlier, the size of the agency should be considered, most notably as it compares to the size of the company hiring the agency. A good rule of thumb to follow is that the account should be large enough for the agency so that it is important to the agency but small enough that, if lost, the agency would not be badly affected.

Relevant Experience When an agency has experience in a given industry, the agency's employees are better able to understand the client firm, its customers, and the structure of the marketing channel. At the same time, the client company makes sure the agency does not have any *conflicts of interest*. An advertising firm hired by one manufacturer of automobile tires would experience a conflict of interest if another tire manufacturer attempted to hire the agency.

An advertising agency can have relevant experience without representing a competitor. Such experience can be gained when an agency works for a similar company operating in a different industry. For example, when an agency has a manufacturer of automobile batteries as a client, the experience is relevant to selling automobile tires.

The agency should also have experience with the business-to-business program, so that retailers, wholesalers, and any other channel party are considered in the marketing and advertising of the product. A number of advertisements in this textbook were created by The Richards Group. In addition to the Orkin advertisements in this section, The Richard's Group's clients include Home Dept, Sub-Zero, and Bridgestone. Note that the list does not include competing firms within the same industry.



Orkin Pest Control advertisement furnished by The Richards Group

▲ Orkin Pest Control is just one of the accounts being handled by The Richards Group.

Creative Reputation and Capabilities One method of assessing an agency's creativity would include asking for a list of awards the company has received. Although awards do not always translate into creating effective advertisements, in most cases there a positive relationship exists between winning awards and writing effective ads. Most creative awards are given by peers. As a result, they are good indicators of what others think of the agency's creative efforts.

Production and Media-Purchasing Capabilities These capabilities should be examined if these services are needed. A firm that needs an agency to produce a television commercial and also buy media time should check on these activities as part of the initial screening process. Many agencies either employ subsidiary companies to perform the media work or

subcontract it to a media firm. The advertising agency does not necessarily need to make media buys, but it should have the capacity to make sure they are made to fit with the ads being designed.

Other Criteria The final three selection criteria—*other services available*, *client retention rates*, and *personal chemistry*—are utilized during the final steps of selection. These criteria help make the final determination in the selection process.

CREATIVE PITCH

When the company reduces the list to two or three finalists, the selection team asks each for a creative pitch. The advertising agencies chosen to compete provide a formal presentation that addresses a specific problem, situation, or set of questions, a process also called a *shootout*. The presentations reveal how each agency would deal with specific issues that might arise during preparation of a campaign. This helps a client company choose the agency that best understands the issues at stake and offers a comprehensive approach to solving the problem or issue. For instance, after Bank of America suffered several years of corporate crises and publicity missteps, it put its $380 million account up for review. Agencies were asked "to create a new positioning for Bank of America" that would signal to its audiences that the bank was addressing its challenges.[8]

Preparing a pitch takes time and creates expenses for advertising agencies; therefore, they only want to prepare pitches that have a decent chance of being accepted. Spending time preparing a pitch only to find out later that the company had no desire to switch agencies, but were told by upper management to solicit pitches, is frustrating.[9] A company seeking to retain an advertising agency should provide sufficient time for the competing finalists to prepare the pitch. Pink Jacket Creative's Bill Breedlove reports, "I would prefer at least 30 days to prepare a pitch. Even 45 to 60 days would be wonderful sometimes, and for some companies."

Recently, Oscar Mayer, a brand under the Kraft umbrella, sought ways to unify its portfolio of products and contemporize its image with consumers. The mcgarrybowen agency demonstrated how Oscar Mayer could contemporize the brand and build emotional ties with customers. The agency's ideas were fresh, contemporary, and had the emotional spark the organization desired.[10]

When Kraft launched its Oscar Mayer Deli Creations sandwiches, the initial print ad developed by the brand's previous agency depicted a woman in a suit, standing with her arm bent eating one of the Deli Creation sandwiches. Karen Adams, senior director of advertising at Kraft Foods, stated, "People don't eat sandwiches that way." Instead, new ads were created showing real people in real-life situations eating sandwiches.[11] The Oscar Mayer ad in this section depicts a construction worker ready to enjoy a Deli Creation sandwich with the tagline "Oh goody, it's Monday."

Successful creative pitches result from hard work and thorough planning. Figure 8 highlights some of the "dos" and "don'ts" for advertising agencies in making pitches.

▼ Selecting the right media ensures that consumers who are the most likely to purchase Gold Bond Body Lotion will see this advertisement.



Courtesy of Chattem, Inc.

AGENCY SELECTION

During the presentation phase, company marketers meet with agency creatives, media buyers, account executives, and other people who will work on the account. *Chemistry* between employees of the two different firms becomes critical. The client company's leaders should be convinced that they will work well together. Chemistry can break or make the final decision.[12]

- Do listen. Allow the client to talk.
- Do your preparation. Know the client and its business.
- Do make a good first impression. Dress up, not down.
- Do a convincing job of presenting. Believe in what you are presenting.
- Don't assume all clients are the same. Each has a unique need.
- Don't try to solve the entire problem in the pitch.
- Don't be critical of the product or the competition.
- Don't overpromise. It will come back to haunt you.
- Don't spend a lot of time pitching credentials and references.

FIGURE 8
Pitching Do's and Don'ts

Source: Based on Heather Jacobs, "How to Make Sure Your Pitch Is Heard," *B&T Weekly* 57, no. 2597 (February 2, 2007), pp. 14–16.

After completing the selection process, the agency and the company work together to prepare the advertising campaign. The account executive, account planner, and advertising creative all plays key roles in the process.

Roles of Advertising Personnel

OBJECTIVE 4
What roles are played within advertising agencies and client companies?

Advertising agency employees perform a wide variety of roles. In small agencies, an individual may perform multiple roles. In a large agency, multiple individuals will be employed in the various departments and perform similar functions. The primary roles within the agency consist of the account executives, creatives, traffic managers, and account planners.

ACCOUNT EXECUTIVES

The account executive serves as the go-between for the advertising agency and the client company. The executive will be actively involved in soliciting the account, finalizing details of the contract, and working with personnel within the agency to make sure the advertisements meet the client's specifications. The account executive often helps the company define the theme of the overall IMC program and provides other support, as needed.

CREATIVES

Creatives develop and design advertisements. They are either members of advertising agencies or freelancers. Some smaller companies provide only creative advertising services without becoming involved in other marketing programs and activities. Creatives may appear to hold the "glamour" jobs in agencies, because they get to actually create ads and marketing materials. At the same time, creatives work long hours and face enormous pressures to design effective advertisements that produce tangible results.

TRAFFIC MANAGERS

The traffic manager works closely with the advertising agency's account executive, creatives, and production staff. The manager's responsibilities include scheduling the various aspects of the agency's work to make sure it is completed on time. During production, the traffic manager will be responsible for making sure props, actors, and make sure that all other items needed have been ordered and are in place at the time of the filming or recording.



▲ The account planner represents the consumer's viewpoint so that creatives can design effective advertisements, such as this one for Maxwell House coffee.

ACCOUNT PLANNERS

The account planner provides the voice and will be the advocate for the consumer within the advertising agency. The planner makes sure the creative team understands the consumer (or business). Account planners interact with the account executive and the client to understand the target audience of the ad campaign. The planner then works to make sure creative messages reach the right customers.

The account planner assists the client in developing long-term communication strategies and provides direction for individual advertising campaigns. In small agencies, the role may be performed by the account executive. Larger firms employ separate individuals and or departments to conduct the account planning role.

THE ROLE OF QUALITY COMMUNICATION

Quality communication will be a vital part of the relationship between a client company and an advertising agency. A recent survey of 250 senior executives of marketing and advertising agencies revealed that these managers believed that at least 30 percent of their staff's time was wasted or used ineffectively because of poor communication with clients. Issues such as poor competitive information and lack of clarity about the company or brand's position in the marketplace were common. More disturbing was that 75 percent of the ad agencies indicated that clients go through at least five significant changes in the directions they give to agencies and about what they want the agencies to do. The agencies reported that, on average, they dealt with five different individuals from the client company, each with a different agenda and different directions for the agency.[13]

The company's marketing department manager works closely with the advertising agency's account manager to overcome these obstacles. The manager remains aware that missteps and changes to an advertising program are costly in terms of additional advertising agency fees as well as the less effective campaign that might result.

Clients want to know if they are getting a good value. Many clients worry that they do not understand the relationship between an agency's cost and the actual value it renders. *Stewardship reports* help clients review the creative process as well as the outcome. Updating clients will be critical, especially when large amounts of money are spent on advertising.[14]

Advertising Campaign Management

OBJECTIVE 5

What steps are completed as part of advertising campaign management?

Advertising campaign management is the process of preparing and integrating a specific advertising program. Whether an in-house employee or an external agency performs the work, the marketing manager oversees the development of the advertising campaign. An effective campaign consists of five steps:

1. Conduct and review the advertising research.
2. Establish advertising objectives consistent with the overall IMC program.
3. Review the advertising budget.

4. Select the appropriate media based on the viewing habits of the target market.
5. Prepare a creative brief.

The advertising program should be consistent with every part of the IMC program as well as the company's mission and make sure the firm presents a clear message to key target markets. Advertising efforts are refined to gain the maximum benefit from promotional dollars.

Advertising Research

After being hired, the advertising agency's, team immediately seeks to understand the client's company and products. Clients try to provide accurate and timely information that assist the agency in the preparation of the campaign. To create an effective advertising program, the advertising agency's creative personnel requires information about customers, why they purchase the product, and what exactly they seek to purchase.

Products are not typically purchased solely for attributes. Customers also consider other benefits the product provides. Individuals purchasing makeup, cologne, perfume, and other beauty products may not care about the ingredients, but care a great deal about how these items will make them look or smell. Advertising research goes beyond identifying demographic profiles or target markets. It identifies the brand's competitors and the communications used in the industry.

To best understand a company's customers, their purchasing habits, and the other key ideas about them, various agencies employ various forms of advertising research. Key insights about how products are used, when they are used, and why can emerge from effective research. Two primary approaches exist.

Product-specific research involves identifying key product characteristics that become selling points. For example, the marketing team might try to discover the most desirable features are "apps" for a cell phone. The team may find that certain apps are used *when* customers are bored and are just passing time, whereas others provide specific functional information, such as the location of a restaurant while the customer drives to dinner. One feature or the other becomes the focal point of a commercial.

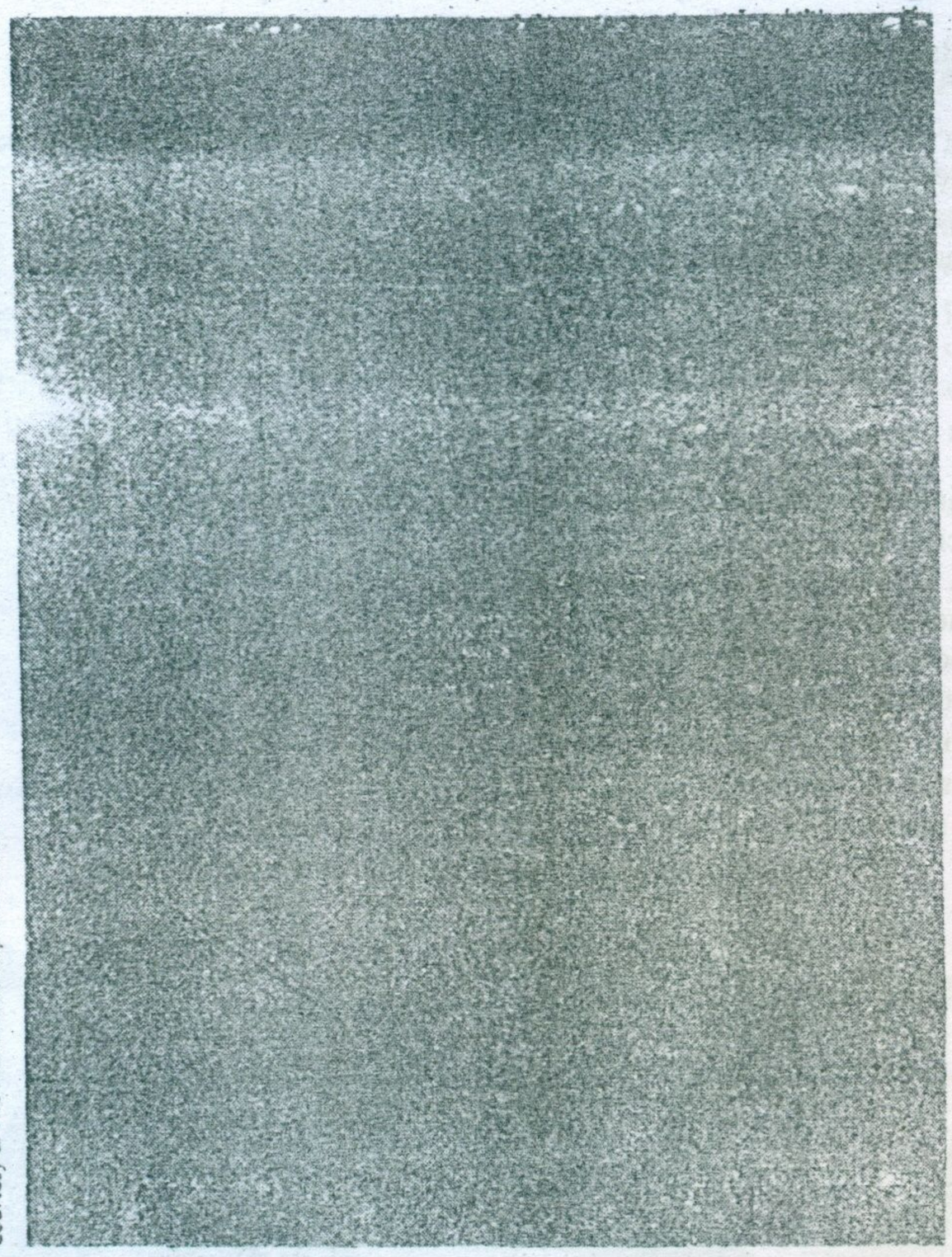
Consumer-oriented research helps marketers understand the context of a product's use. An *anthropological* approach involves direct observation of consumers using the good or service. Other customer-oriented research may feature a *sociological* analysis of social class issues, trends, and family life cycle changes. A third customer-oriented approach analyzes *psychological* motives for product purchases, such as feeling sexy, powerful, or intelligent.

Before developing the campaign for Scotts Miracle-Grow lawn fertilizer, The Richards Group turned to marketing

▼ Consumer-oriented research provides valuable information, such as why consumers could be c[illegible]ed to use Philadelphia Cream Chees[illegible] their cooking recipes.



Used with the permission of Kraft Foods Inc



Courtesy of The Richards Group and Motel 6.

▲ The ad for Motel 6 was inspired by a focus group and a comment made by one of the participants: "If my eyes are closed, all hotel rooms look alike."

research. The company interviewed 4,000 consumers and gained the valuable insight that "people would change their behavior if an expert spoke to them about lawn care." The research revealed that many people reported that usually someone in the neighborhood is "knowledgeable about lawn care." Using this information, The Richards Group made the expert Scottish, a mnemonic play on the Scotts brand. Early evaluations of the campaign show it resonates well with consumers.[15]

Sometimes a company's marketing team becomes so close to products and customers that they do not see these issues. Consequently, agencies often seek out more information clients provide. One common approach used by agencies to understand a client's customers is a **focus group**, which consists of consumers who are retained to talk about a particular topic, product, or brand.

MOTEL 6 AND THE RICHARDS GROUP

During the interview with Stan Richards conducted for the opening vignette, he talked about a "perfect example" of understanding a client's customers using focus groups. "We've worked with Motel 6 for 24 years," he said, "and the beginning of that relationship was a remarkable insight."

"The insight came out of our research, which was primarily qualitative. We sat behind a glass window in a focus room setting. Our account planner sat at the head of the table, moderating the session. We've got a dozen people in the room whom we recruited by phone. They don't know why they're in the room. We know that they all use Motel 6. The moderator asks, 'Where do you stay when you're on the road?' They go around the table and nobody says, 'Motel 6.'"

"The moderator pushes further and says, 'Well, where else do you stay?' They go around the table again, and nobody says, 'Motel 6.' Now, why is that? They didn't know who the other people in the room were, and they didn't want to be perceived as being poor or cheap."

"Now, finally, you get somebody, by going around the table again, to say, 'You know, if it's late at night, I'll stop at a Motel 6, and I can save enough money to buy a tank of gas.' And then, somebody else across the table would say, 'I do the same thing, and I save enough money to bring a gift home to the grandkids.' And all of a sudden, the character of the room changed, because everybody had a story like that. What happened was a move from embarrassment to pride in the benefits of frugality.

"That's what the insight was all about. I am a frugal person, and if my eyes are closed, all hotel rooms look alike. I don't see any reason to overspend for lodging, when I can find a perfectly good place like Motel 6."

From this insight, The Richards Group developed the theme, tagline, and advertising approach for Motel 6 that are still used today. Richards noted that the phrase, "A clean, comfortable room, at the lowest price of any national chain," appears in every spot.[16]

Richards argues that this approach highlights the difference between crowdsourcing and conducting the type of quality research that leads to a better outcome. "Let's suppose that Motel 6 has cast a wide net; that 1,000 people are working on creative, and then we're going to run the one they like best. Just run a contest. It is so unlikely that they would have gotten to the insight that really propelled their business. The insight was a really simple one, but it wouldn't have come out if people were simply just trying to sell Motel 6."

Advertising Goals

Establishing and clarifying the advertising goals that are derived from the firm's overall communication objectives constitutes the second step of the advertising process. Several advertising goals are central to the IMC process (see Figure 9).[17]

▼ **FIGURE 9**
Advertising Goals

- To build brand awareness
- To inform
- To persuade
- To support other marketing efforts
- To encourage action

OBJECTIVE 6
What are the primary goals of advertising?

BUILDING BRAND AWARENESS

A strong global brand and corporate image should be a key advertising goal. Building a brand's image begins with developing brand awareness. *Brand awareness* means the consumers recognize and remember a particular brand or company name when they consider purchasing options. Advertising can increase brand awareness.

In business-to-business marketing, brand awareness leads to being considered by members of the buying center, because business customers recognize the brand name of the goods or services the company offers. Brand awareness becomes especially important in modified rebuy situations, when a firm looks to change to a new vendor or evaluates a product that has not been purchased recently. In new buy situations, members of the buying center spend more time seeking prospective vendors than they will for modified rebuys. Consequently, brand equity creates a major advantage for any company with such recognition.

Successful brands possess two characteristics: the top of mind and the consumers' top choice. When consumers are asked to identify brands that quickly come to mind from a product category, one or two particular brands are nearly always mentioned. These names are the **top-of-mind brands**. For example, when asked to identify fast-food hamburger restaurants, McDonald's and Burger King almost always head the list. The same may be true for Nike and Reebok athletic shoes, and may occur both in the United States and in other countries.

The term **top choice** suggests what the term implies: A top-choice brand is the first or second pick when a consumer reviews her evoked set of possible purchasing alternatives. Many products become top-of-mind or top choice due to brand equity. Advertising can strengthen brand equity.



▼ This advertisement informs consumers that GameStop workers are also players and can provide tips on how to get out of a jam.

PROVIDING INFORMATION

Advertising serves other goals, such as providing 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 may make the purchasing process appear to be simple and convenient, which can entice customers to travel to the store to finalize a purchase.

In business-to-business situations, information from some advertisements may lead various members of the buying center to consider a particular company. Information that reaches members of the buying center during the search stage of the purchasing process will be the most valuable. For high-involvement purchases, in which members of the buying center have strong vested interests in the success of the choice, informative advertisements are the also beneficial. Low-involvement decisions usually do not require the same level of detail.

PERSUASION

Persuasion takes place when an advertisement convinces consumers of particular brand's superiority. Changing consumer attitudes and persuading them to consider a new purchasing choice can be a

challenging task. Advertisers can utilize several persuasion methods persuasion. One involves showing consumers the negative consequences of failing to use a particular brand. Persuasive advertising more often targets consumers rather than business-to-business situations.

SUPPORTING MARKETING EFFORTS

Advertising supports other marketing functions. Manufacturers use advertising to accompany trade and consumer promotions, such as theme packaging or combination offers. Contests, such as the McDonald's Monopoly game, require additional advertising to be effective.

Retailers also advertise to support marketing programs. Any type of special sale (white sale, buy-one-get-one-free, pre–Christmas sale) requires effective advertising to attract customers to the store. Manufacturers and retail outlets both run advertisements in conjunction with coupons or other special offers. Del Monte placed a 30-cent coupon in the advertisement shown in this section. The ad highlights a smaller-size container with a pull-top lid. These features match the advertisement's target market: senior citizens. The first magazine featuring this advertisement was *Modern Maturity*. Manufacturer coupons are regularly redeemed at grocery stores and in-store coupons are part of many retail store print advertisements. When ads are combined with other marketing efforts into a larger, more integrated effort revolving around a theme, the program is called a **promotional campaign**.

OBJECTIVE 7

What are the key elements of an advertising budget?

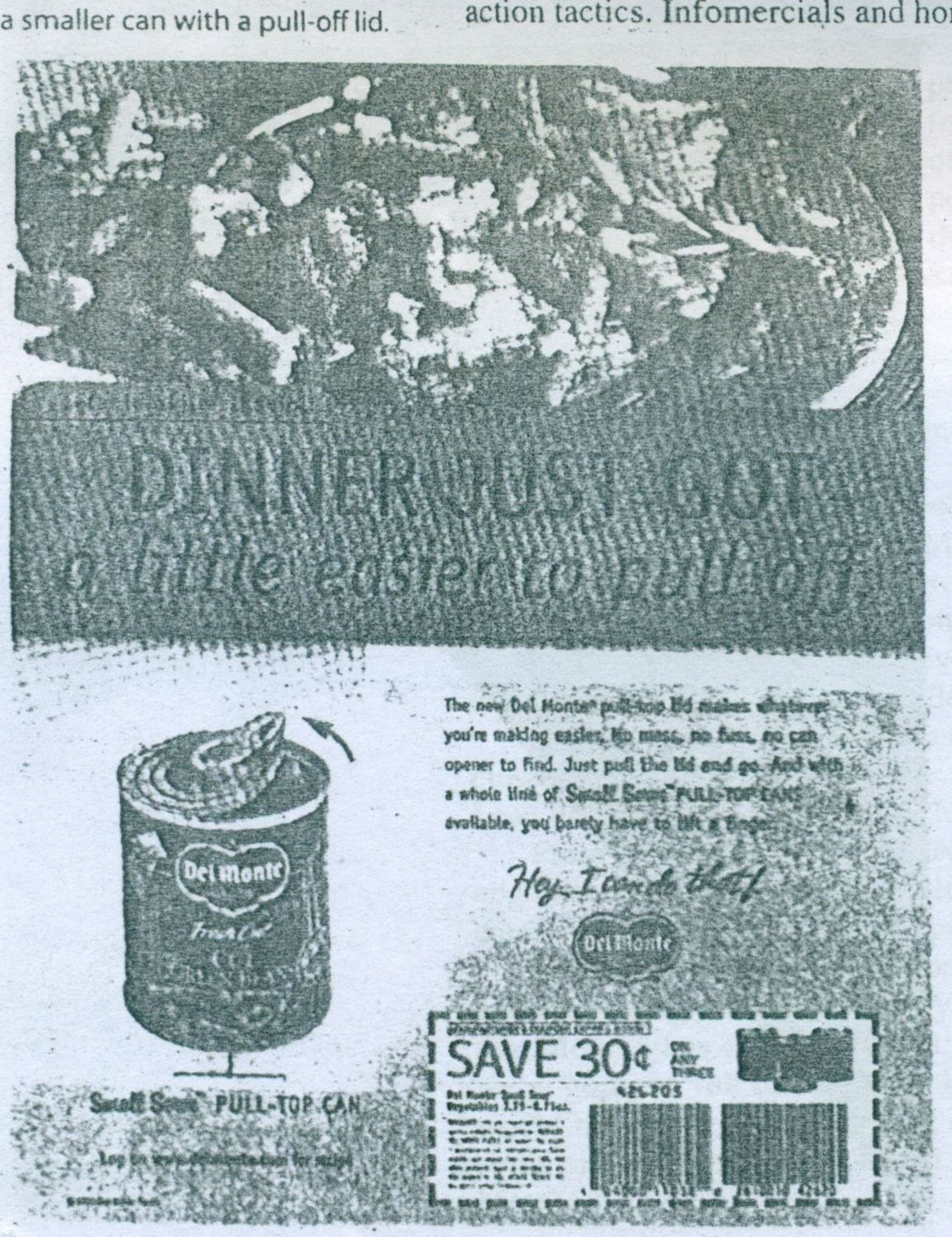
ENCOURAGING ACTION

Many firms set behavioral goals for advertising programs. A television commercial encouraging viewers to take action by dialing a toll-free number to make a quick purchase serves as an example. Everything from ShamWow to Snuggies has been sold using action tactics. Infomercials and home shopping network programs rely heavily on immediate consumer purchasing responses.

Action-oriented advertising can be used in the business-to-business sector. Generating leads becomes the primary goal. Many business advertisements provide Web addresses or telephone numbers buyers can use to request more information or make a purchase.

The five advertising goals of building image, providing information, being persuasive, supporting other marketing efforts, and encouraging action are not separate from each other. They work together in key ways. For instance, awareness and information are part of persuasion. The key is to emphasize one goal without forgetting the others.

▼ A Del Monte advertisement directed to senior citizens offering a smaller can with a pull-off lid.



Courtesy of Del Monte Foods.

The Advertising Budget

Once the major goals of the advertising campaign have been established, a review of the advertising budget follows. After establishing the total amount of dollars to be allocated to advertising, the challenge becomes choosing the proper media approach to reach the advertising goal. Three basic tactics used to allocate advertising funds are:

- Pulsating schedule
- Flighting schedule
- Continuous schedule

A **pulsating schedule of advertising** involves continuous advertising during the year with bursts of higher intensity at specific times (more ads in more media). Companies can also select a **flighting** approach or schedule, whereby ads are presented only during peak times, and not at all during other times of the year.

Firms often advertise more during peak seasons such as Christmas, seeking to send messages during the times when customers are most inclined to buy, or when they are *on the hot spot*. Weight Watchers, Diet Centers, and others advertise heavily during the first weeks of January. Many New Year's resolutions include going on a diet.

Advertising during slow sales seasons focuses on "drumming up business" when people do not regularly buy. In retail sales, slow seasons occur during January and February. Some companies advertise more during these months to sell merchandise left over from the Christmas season and to encourage customers to shop. Manufacturers also realize that many retailers are not advertising and hope that the ads will capture greater attention as a result.

Many marketing experts believe advertising in level amounts keeps the brand name repetitively in front of consumers, which is a **continuous campaign schedule**. Durable goods, such as dishwashers and refrigerators, are purchased on an "as needed" basis. A family ordinarily buys a new dishwasher only when the old one breaks down or when they build or remodel a home. Level advertising increases the odds that the buyer will see an advertisement or remember a given name (Kenmore, Whirlpool, or General Electric) at the right time.

Matching the pacing of advertisements with the message, the media, and the nature of the product should be the objective. Some media make it easier to advertise for longer periods of time. Contracts for billboards are normally for a month or a year. They can be rotated throughout a town or city to present a continuing message. At the same time, budgetary constraints can influence the strategies and tactics used in any advertising program.



Courtesy of Weight Watchers International, Inc.

▲ Weight loss companies such as Weight Watchers tend to budget more for advertising after the Christmas holidays, when individuals make New Year's resolutions to diet.

Media Selection

OBJECTIVE 8

What are the issues in the media-selection process?

Selecting the appropriate media requires an understanding of the media usage habits of the target market and then matching that information with the profile of each medium's audience. Volkswagen positioned the Tiguan crossover as a fun vehicle aimed at young, active individuals who love the outdoors. Although the campaign featured television commercials, the more unique component of the campaign was the outdoor segment. The theme "people want an SUV that parks well with others" was featured in a series of outdoor ads placed at bike racks and trail heads at 150 national parks and resorts. Brian Martin, CEO of Brand Connections Active Outdoor, which placed the ads, noted that over 30 million impressions were made with hikers, bikers, and other outdoor-lovers.[18]

The advertising team identifies the media a target market uses. Teenagers surf the Web and watch television. Only a small percentage reads newspapers and news magazines. Various market segments exhibit differences in when and how they view various media. Older African Americans watch television programs in patterns that are different from those of older Caucasians. Males watch more sports programs than females, and so forth.

In business-to-business markets, knowing the trade journals or business publications that various members of the buying center most likely read assists in the development of



Advertisement for Progressive Bank furnished by French Creative

▲ Selecting the right media ensures that consumers who are the most likely to use Progressive Bank will see this advertisement.

a print advertising campaign. Engineers, who tend to be the influencers, often have different media viewing habits than do vice presidents, who may be the deciders.

Although media buys are guided by the advertising agency and the client company, media companies typically make the purchases. A trend toward involving media companies at an earlier stage in the campaign process has evolved in recent years. Previously, most media companies were contacted after a campaign became ready or was nearly complete, with the specific task of purchasing media space or time. Now, companies such as Procter & Gamble, Johnson & Johnson, Clorox, Kimberly-Clark, Verizon, and HP enlist media companies as strategic partners in developing advertising and marketing campaigns.[19] Media companies are invited to participate in the strategy development stage because many have a good understanding of the target audience. They are able to provide valuable information to the creative staff about how to best reach the client's target market employing the primary media that target consumers use.

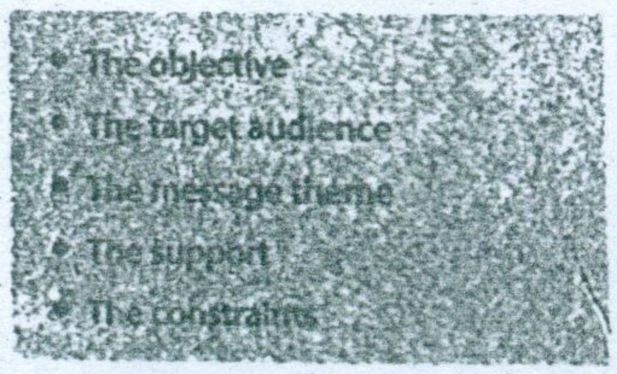
In some cases, media companies actually create commercials. Joe Kuester, senior brand manager for Kimberly-Clark, stated, "It doesn't matter to us where the idea comes from or who champions that idea." That statement was in response to Kimberly-Clark's media company, Mindshare Entertainment, creating a series of webisodes involving Whoopi Goldberg for its Poise brand. Another media company, MEC Entertainment worked with its client Ikea to produce a campaign for A&E called "Fix this Kitchen." This trend to involve media companies in all facets of advertising campaign development is quickly gaining momentum with companies.[20]

The Creative Brief

OBJECTIVE
How does a creative brief facilitate effective advertising?

Typically, creative work with a document prepared by the client and account executive called the *creative strategy* or *creative brief*. Although various forms exist, the basic components of a standard creative brief are provided in Figure 10. The creative takes the information provided to produce advertisements and use it to convey the desired message. A quality creative brief, when prepared properly, saves the agency considerable time and effort and results in a stronger advertising campaign for the client.

As mentioned earlier, ineffective communications with clients represent a common difficulty agencies experience. The creative brief may constitute part of the problem. A survey of senior executives of advertising agencies suggested that fewer than 40 percent of client briefs are clear.[21] Agency leaders reported that many briefs are weak in the areas of providing competitive information and statements about brand positioning within the competitive landscape. Consequently, attention should be given to clarifying these issues before creating advertisements.



▲ **FIGURE 10**
The Creative Brief

THE OBJECTIVE

A creative brief identifies the objective of the advertising campaign, such as those common objectives that were noted in Figure 9. The creative reviews the main objective (or goal) before designing specific ads or the advertising campaign. The objectives guide the advertising design and the choice of an executional framework. For instance, for an increased brand awareness goal, the *name* of the product will be prominently displayed in the advertisement. Building brand image normally results in the *actual product* being more prominently displayed in the ad.

ADVERTISING PROMOTION (R)

THE TARGET AUDIENCE

A creative then examines the target audience. An advertisement designed to persuade a business to inquire about new computer software differs from a consumer advertisement created for the same company. The business advertisement focuses on the type of industry and a specific member of the buying center. The more detail available regarding the target audience, the easier it becomes for a creative to design an effective advertisement.

Overly general target market profiles are not helpful. Rather than specifying "males, ages 20 to 35," more specific information will be needed, such as "males, ages 20 to 35, college educated, and professionals." Other information, including hobbies, interests, opinions, and lifestyles, make it possible to more precisely develop an advertisement. The Playtex advertisement in this section was prepared for young females who enjoy playing sports and have active lifestyles. The additional information helped the creative design an advertisement that appealed to the right group of females.

THE MESSAGE THEME

The message theme presents an outline of key idea(s) that the advertising program conveys. The message theme represents the benefit or promise the advertiser uses to reach consumers or businesses. The promise, or *unique selling point*, describes the major benefit the good or service offers customers. A message theme for an automobile could be oriented toward luxury, safety, fun, fuel efficiency, or driving excitement. A message theme for a hotel could focus on luxury, price, or unusual features, such as a hotel in Paris, France, noting the ease of access to all of the nearby tourist attractions. The message theme matches the medium selected, the target market, and the primary IMC message.[22] In the advertisement for Sub-Zero refrigerators on the next page, the message theme features the "freshness of food" being kept in the Sub-Zero refrigerator. The message targets consumers, but also may influence managers of restaurants, cafeterias, and catering services.

Message themes can be oriented toward either rational or emotional processes. A "left-brain" ad oriented toward the logical, rational side informs individuals using numbers, letters, words, and concepts. Left-brain advertising features a logical, factual, rational appeal. A number of logical features (size, price, special features) influence the decision to buy a car. At the same time, many cars are purchased for emotional reasons. The right side of the brain contains emotions. It works with abstract ideas, images, and feelings. A car may be chosen for its color, sportiness, or other less rational reasons.

Most advertising targets either the right brain or the left brain. Advertising can also be effective by balancing the two sides. Rational, economic beings have difficulty defending the purchase of an expensive sports car such as a Porsche. Many product purchases are based on how a person feels about the good or service, combined with rational information.[23]

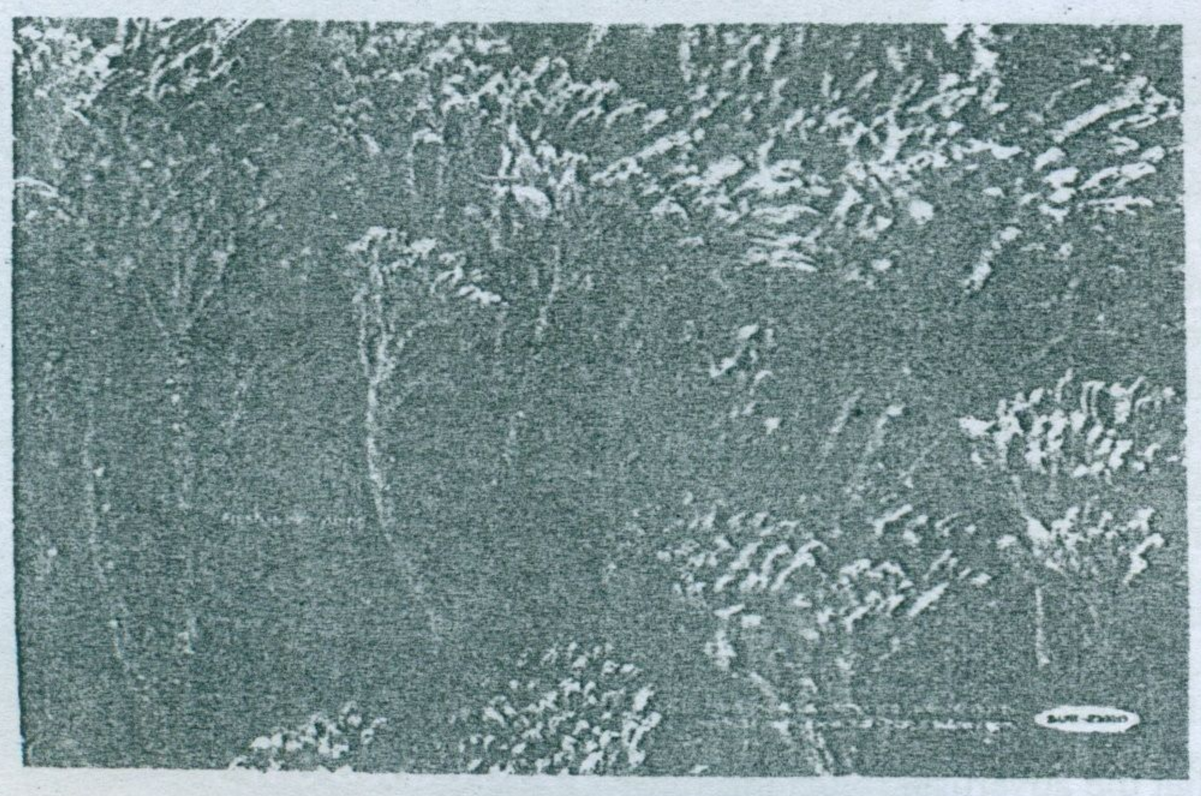
THE SUPPORT

Support should be provided in the fourth component of the creative strategy. **Support** takes the form of facts that substantiate the message theme. When Aveeno products won "Best of Beauty" awards from *Allure* magazine, its "Best of Beauty" seal was placed on the company's products. Company advertising mentioned the award to support Aveeno's claims of superiority.

In the Pearle Vision advertisement in this section, various statements provide support. These include the idea that microTHINS are 30 percent thinner, 40 percent lighter, 4

▼ This advertisement for Playtex used additional target market profile information to help design a message directed to active teenagers and young women.





Courtesy of Sub-Zero and Wolf, The Richards Group, Photography Credit: Robb Debenport

▲ An advertisement for Sub-Zero illustrating the message theme of keeping foods fresh.



Courtesy of Pearle Vision

▼ The advertisement for Pearle Vision presents support to substantiate the message claim.

times more scratch resistant, 10 times more impact resistant, antireflective, and have 99.9 percent UV protection. Supporting evidence allows creatives to design advertisements that attract attention to the materials that substantiate claims made about products.

THE CONSTRAINTS

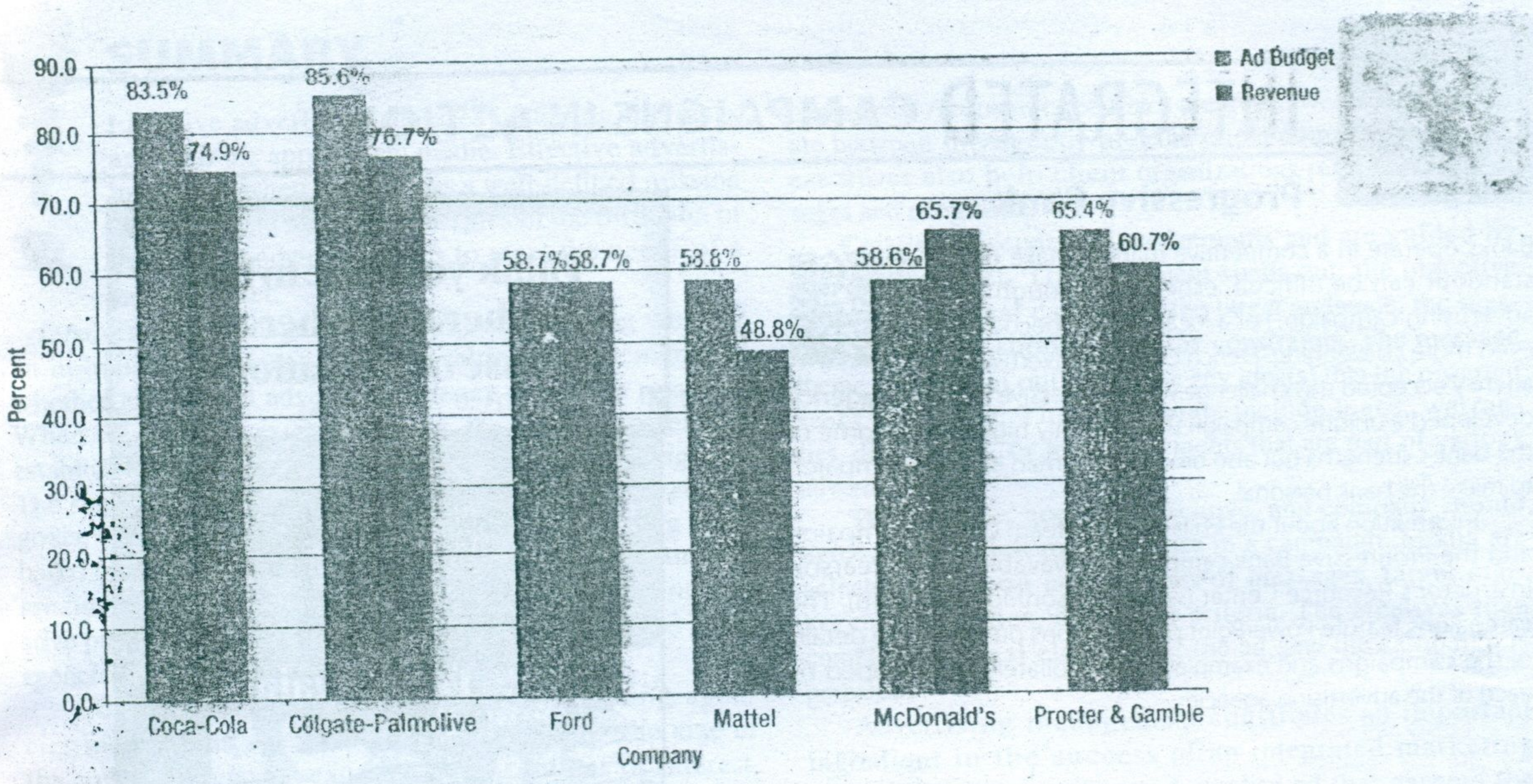
Constraints are any legal and mandatory restrictions placed on advertisements. Constraints include legal protections for trademarks, logos, and copy registrations. Constraints also spell out disclaimers about warranties, offers, and claims. For warranties, a disclaimer specifies the conditions under which they will be honored. Tire warranties, for example, often state that they apply *under normal driving conditions with routine maintenance*. A person cannot ignore tire balancing and rotation and expect to get free new tires when the old ones quickly wear out. Disclaimer warranties notify consumers of potential hazards associated with products. Tobacco advertisements contain statements and images regarding the dangers of smoking and chewing tobacco. Disclaimers about offers specify the terms of financing agreements, as well as when bonuses or discounts apply. Claims identify the exact nature of the statement made in the advertisement. This includes nutritional claims as well as statements about serving sizes and other information describing the product.

After these steps have been completed, the creative brief is ready. From this point forward, the message and the media match, and actual advertisements can be produced. Effective creative briefs take the overall IMC message and tailor it to a specific advertising campaign. This, in turn, gives the company a better chance of reaching customers with messages that return measurable results and help guarantee success. Recent research suggests that campaigns designed in 2 months or less have the greatest likelihood of being "highly effective." Those that take longer tend not to be as effective. Marketers try to move forward without rushing. A campaign designed in 2 weeks or less is also likely to be ineffective.[24]

International Implications

Advertising management now involves major expenditures overseas. The top 100 global advertisers spent an average of 62 percent of advertising budgets outside the United States. Figure 11 compares the non-U.S. advertising budget to non-U.S. sales revenue for six major corporations. As illustrated, Coca-Cola spends 83.5 percent of company advertising dollars outside the United States, where 74.9 percent of its total revenues are generated. Colgate-Palmolive spends 85.6 percent of its advertising dollars on non-U.S. ads and generates 76.7 percent of its revenues outside the United States. Data for Ford, Mattel, McDonald's, and Procter & Gamble are also provided.[25]

Two major differences emerge when considering advertising management in an international perspective. The first is in regard to the process itself. The second concerns preparing international advertising campaigns.



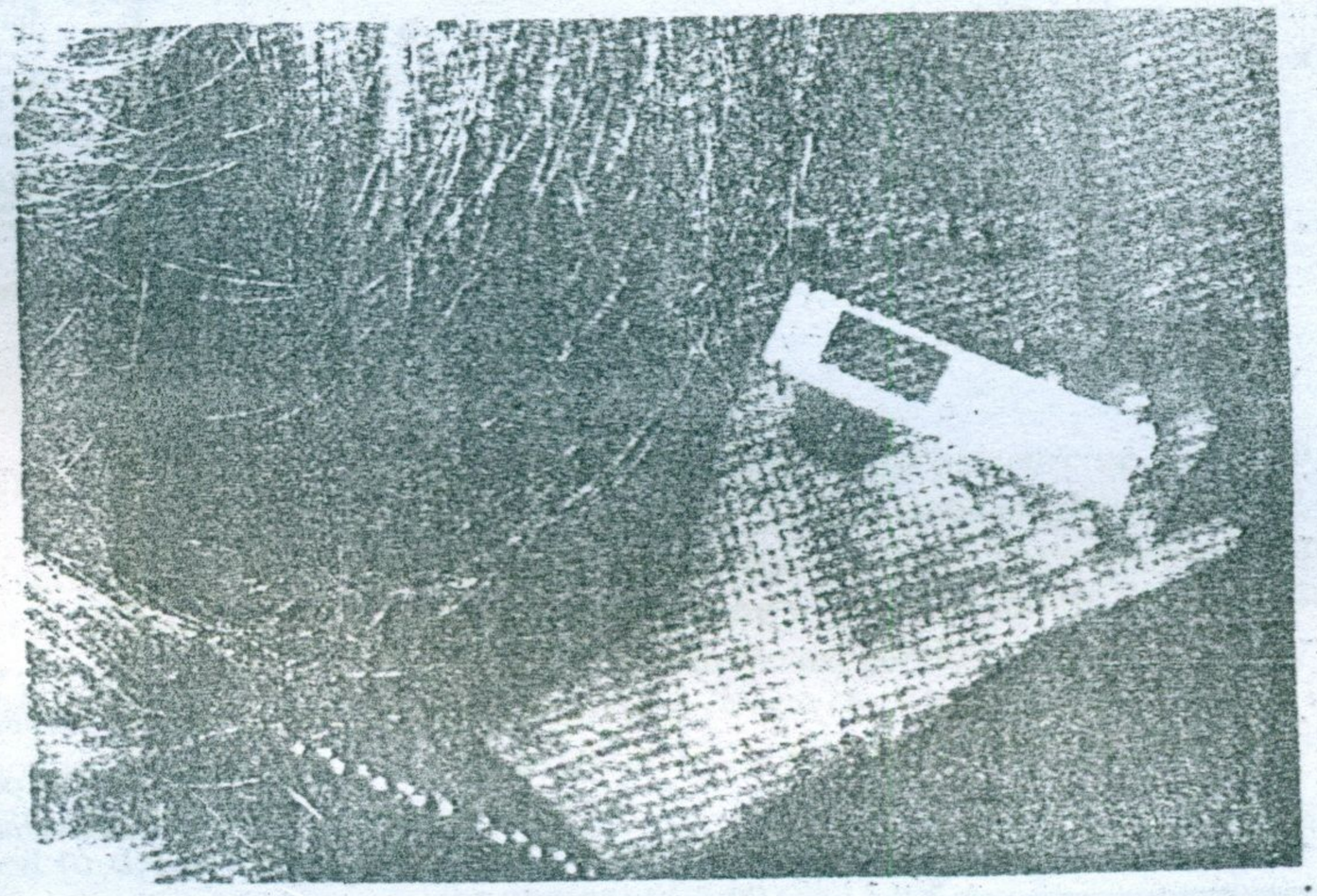
▲ **FIGURE 11**
Non-U.S. Ad Budgets and Sales Revenues for Major Corporations

Source: Adapted from Laurel Wentz and Bradley Johnson, "Top 100 Global Advertisers Heap Their Spending Abroad," *Advertising Age*, http://adage.com/print?article_id=140723, November 30, 2009.

The general processes used to prepare advertising campaigns remain fairly uniform. Some of the most important differences are in the areas of availability of qualified advertising agencies and how those agencies are selected. For example, in many Asian cultures the beginning of a face-to-face meeting would include an exchange of gifts. Also, business cards have differing uses and meanings across cultures. In some countries, cards are only presented to highly trusted allies. In others, they are freely passed out. The marketing team in any company should carefully study the nuances of business meetings, including the use of formal titles, eye contact, who speaks first, and other variables, before beginning a relationship with an advertising agency in another country.

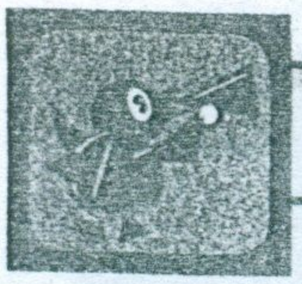
Agencies in other countries might not follow typical procedures such as a shootout or the preparation of a creative brief. Forms of preplanning research may also vary. In some countries, it is not possible to conduct the same types of research as in the United States and other Western cultures.

Advertising campaigns designed for an international audience require an understanding of the various languages and cultures that might be involved. In Europe, French, Spanish, Portuguese, Italian, and other languages need translation and back-translation of advertising themes and messages to make certain the idea can be clearly presented in various countries. Media-selection processes may also require adjustment; some countries have state-run television networks and others place restrictions on what can be shown in an advertisement.



Author Supplied Image.

▲ The Surgeon General's warning is an example of a constraint.



INTEGRATED CAMPAIGNS IN ACTION

Progressive Bank

Banks operate in a competitive market. Make one standout can be difficult, especially through an advertising campaign. For a local bank, it becomes even more challenging. French Creative advertising agency accepted this challenge with Progressive Bank. The agency developed a unique campaign that not only highlighted some of the bank's strengths but also brought a human into the campaign to make the bank personal.

Information about the Philadelphia Cream Cheese campaign and the Progressive Bank campaign is available at the Pearson Instructor's Resource Center (www.pearsonhighered.com). The campaigns feature PowerPoint presentations outlining the details of the campaigns and examples of the collaterals developed by each of the advertising agencies.



▲ One part of the Progressive campaign focused on the local community and the involvement of its employees.

MyMarketingLab

Go to **mymktlab.com** to complete the problems marked with this icon ★.



SUMMARY

Effective advertising requires matching the mess age with the appropriate media. Effective advertising occurs when the firm has a well-defined mission statement and targets its energies in the direction of creating goods or services to meet the needs of a target market.

Advertising management begins with deciding whether an in-house department should develop advertisements or whether an external advertising agency should be retained. When choosing an external agency, the company's leaders establish clear steps to lead to the selection of optimal agency. The steps include: spelling out and prioritizing organizational goals, establishing quality selection criteria, screening firms based on those criteria, requesting references from firms that are finalists, performing background checks; requesting creative pitches, making on-site visits to get to know those in the agencies, and offering and finalizing a contract.

Common selection criteria used in selecting agencies include: the size of the agency matching the size of the company, relevant experience, no conflicts of interest, production capabilities, quality creative capabilities, suitable media-purchasing skills, other services that can be rendered as needed, client retention rates, and a good chemistry between those in the company and those in the agency. Carefully utilizing these criteria increases the odds of a successful match between the company and the agency will exist, which increases the chance of success.

Within the advertising agency, the account manager performs the functions of soliciting accounts, finalizing contracts, and selecting creatives to prepare advertising campaigns. Account executives are go-betweens who mediate between the agency and the client company. Account executives also help client organizations refine IMC messages and programs.

Creatives prepare advertisements and are guided by the creative brief. The document spells out: the objective of the promotional campaign, the target audience, the message theme, the support, and the constraints. The message theme presents an outline of the key idea(s) that the program seeks to convey. The constraints include logos, warranties, disclaimers, or legal statements that are part of various advertisements.

The creative, account executive, and company should agree about which media to use in a campaign. Media are selected based on costs, types of messages, target market characteristics, and other criteria. The creatives then complete the final elements of the ad, and the campaign is prepared.

Advertising management constitutes an important ingredient in the success of an integrated marketing communications program. A quality ad that garners the attention of people in the target audience, makes a key memorable point, and moves buyers to action is difficult to prepare. At the same time, company officials and market account executives know that designing effective ads with tangible results is a challenging but necessary activity. Every step of the process should be examined carefully to help the company achieve its short and long-term marketing goals.

Key Terms

message theme An outline of key idea(s) an advertising campaign conveys.

leverage point The key element in the advertisement that taps into, or activates, a consumer's personal value system (a value, idea, or concept).

appeal The approach used to design the advertisement that attracts attention or presents information to consumers, through the use of humor, fear, sex, logic, or emotions.

executional framework The method used to deliver the advertising message.

advertising management program The process of preparing and integrating a company's advertising efforts with the overall IMC message.

crowdsourcing The process of outsourcing the creative aspect of an advertisement to the public.

advertising campaign management The process of preparing and integrating a specific advertising program in conjunction with the overall IMC message.

product-specific research Research that identifies key product characteristics that become selling points.

consumer-oriented research Research used to understand the context of a product's use.

focus group A set of consumers or businesspeople who are retained to talk about a particular topic, product, or brand.

top-of-mind brands The brands that quickly come to mind when consumers are asked to identify brands from a product category.

top choice The first or second pick when a consumer reviews his or her evoked set of possible purchasing alternatives.

promotional campaign The process of combining advertisements with other marketing efforts into a larger, more integrated effort revolving around a central idea or theme.

pulsating schedule of advertising Featuring continuous advertising with bursts of higher intensity (more ads in more media) during the course of the year.

flighting schedule of advertising A schedule whereby companies present ads only during specific times and not at all during other times of the year.

continuous campaign schedule of advertising An advertising program in which the company advertises in level amounts throughout the year.

support The facts that substantiate the unique selling point of a creative brief.

constraints The company, legal, and mandatory restrictions placed on advertisements which include legal protection for trademarks, logos, and copy registrations.

Review Questions

1. Describe the following terms: message theme, leverage point, appeal, and executional framework.
2. Define advertising management. What are the four main steps involved?
3. What four main company activities are involved in the advertising management process?
4. What is the relationship between advertising and the overall IMC process?
5. What factors influence the decision of whether to use an in-house advertising group or an external advertising agency?
6. Besides advertising agencies, what other types of organizations play roles in the communication process?
7. What steps should be taken in selecting an advertising agency?
8. What evaluation criteria should be used in selecting an advertising agency?
9. What is a creative pitch?
10. Describe the role of an advertising agency account executive.
11. Describe the role of the advertising creative.
12. Describe the role of a traffic manager.
13. Describe the role of an account planner.
14. What are the steps of an advertising campaign management process?
15. What are the two main forms of research for the purposes of creating advertisements?
16. What is a focus group, and how can such a group help to create more effective advertisements?
17. Describe the terms top-of-mind and top choice.
18. What elements are included in a creative brief?

Critical Thinking Exercises

DISCUSSION QUESTIONS

1. Pick up a magazine that you read on a regular basis. Examine five advertisements and identify the major selling point in each. Was the major selling idea clear, or was it difficult to ascertain?
2. Look through the ads in this chapter. Which ad to you like the best? Why? Which ad is the least appealing to you? Why? Discuss what makes a print ad appealing and what creates the opposite effect.
3. Review the responsibilities of each of the jobs under "Roles of Advertising Personnel." Which one most appeals to you? Why? Which is least appealing? Why?
4. Print off or open the textbook to the list of advertising goals. Create a table with three columns. In the first column, you will record the brand being advertised. In the second column, you will write down which advertising goal you think the ad was designed to meet. In the third column, you will assign a score based on your evaluation of each ad's effectiveness, with 10 being effective and 1 being completely ineffective. Once you have created the table, watch a 30 minute television program and record and evaluate every commercial you see. When you are finished, write a paragraph discussing which goals were used the most and which ads were the most effective at accomplishing their goal.
5. Follow the instructions given in Question 4, but instead of a television program gather a group of five advertisements from a magazine. Make sure the ads are in a sequence and not ones that you randomly picked or chose.
6. Follow the instructions given in Question 4, but instead of a television program gather a group of five banner ads

from the Internet. Make sure the ads are in a sequence and not ones that you randomly picked or chose.

7. Choose one of the following. Using the information in this chapter, prepare a creative brief. You can pick a brand from within the product category.
   a. Energy drink
   b. Frozen apple juice
   c. Fast-food restaurant
   d. Museum
   e. Dress shoes

Integrated Learning Exercises

1. Making the decision to use an external advertising agency as opposed to an in-house program for advertising or some other aspect of the advertising function is difficult. Access the American Association of Advertising Agencies Web site at www.aaaa.org. From the "News and Views" section, examine articles that might help identify benefits of using an advertising agency. What type of information is available at this Web site?
2. A number of agencies assist business organizations with integrated marketing communication programs. Whereas some firms try to provide a wide array of services, others are more specialized. Access the following association Web sites. What type of information is available on each site? How would the information provided be useful in building an IMC program?
   a. International Social Media Association (**www.ismaconnects.org**)
   b. Promotion Marketing Association (**www.pmalink.org**)
   c. Outdoor Advertising Association of America (**www.oaaa.org**)
   d. Direct Marketing Association (**www.the-dma.org**)
3. Part of a communication marketing analysis includes understanding the media usage habits of consumers and their attitudes toward various media. An excellent source of information in Canada is the Media Awareness Network at www.media-awareness.ca. Review the types of information available at the Web site. Examine the news articles. What type of information is available at this Web site and how could it be used in developing an advertising campaign?
4. Many advertisers direct ads toward the right side of the brain and develop advertisements based entirely on emotions, images, and pictures. Companies often advertise auto parts and tools with a scantily clad woman to attract the attention of men. The woman has nothing to do with the product, but garners attention. The rationale for using a sexy woman is that if consumers like her, they will like the product and then purchase that brand. Effective advertisements integrate elements from both the left side of the brain as well as the right. They contain elements that appeal to emotions but also have rational arguments. A laundry detergent can be advertised as offering the rational benefit of getting clothes cleaner but also contain the emotional promise that your mother-in-law will think of you more favorably. For each of the following Internet sites, discuss the balance of left-brain versus right-brain advertising appeal.
   a. Pier 1 Imports (**www.pier1.com**)
   b. Pig O' My Heart Potbellies (**www.potbellypigs.com**)
   c. Volkswagen of America (**www.vw.com**)
   d. Discount Cheerleading.com (**www.discountcheerleading.com**)
   e. Backcountry.com (**www.backcountry.com**)
5. You have been asked to select an advertising agency to handle an account for Red Lobster, a national restaurant chain. Your advertising budget is $30 million. Study the Web sites of the following advertising agencies. Follow the selection steps outlined in the chapter. Narrow the list down to two agencies and justify your decision. Then choose between the two agencies and justify your choice.
   a. The Richards Group (**www.richards.com**)
   b. Leo Burnett (**www.leoburnett.com**)
   c. BBDO Worldwide (**www.bbdo.com**)
   d. Lucas Design & Advertising (**www.aladv.com**)
   e. mcgarrybowen (**www.mcgarrybowen.com**)
   f. DDB Worldwide Communications Group (**www.ddb.com**)
6. A marketing manager has been placed in charge of a new brand of jeans to be introduced into the market. The company's corporate headquarters are in Atlanta, and the firm's management team has already decided to use one of the local advertising agencies. Two primary objectives in choosing an agency are: the agency must have the capability to develop a strong brand name, and the agency must be able to help with business-to-business marketing to place the jeans into retail stores. Type "advertising agencies in Atlanta" into a search engine. Identify an initial list of six ad agencies. Follow the steps outlined in the chapter to narrow the list to two agencies. Then design a project for the agencies to prepare as part of an oral and written presentation to the company's marketing team.

Student Project

CREATIVE CORNER

Use the following creative brief for this exercise.

Product:	Porsche
Objective:	To change consumers view that the Porsche can be driven every day
Target Audience:	30 to 55-year-old consumers, slightly more male, college educated, with annual incomes of approximately $100,000. Psychographically, the targeted market is a group known as individualists. They tend not to buy mainstream products. In automobile selection, they place greater emphasis on design elements, distinctiveness, and utility. Social status is important.
Background Information:	Market research found that potential customers balked at the idea of buying a car just to sit around. When asked what kept them from driving the car every day, they said, "I don't feel comfortable driving in city traffic. It doesn't have the technology that I need to manage my everyday life. It doesn't have space for passengers."
Message Theme:	The Porsche can be driven every day for normal activities. It does not have to sit in the garage and only driven on weekends. It has the newest technology and can comfortably carry passengers
Constraints:	All ads must contain the Porsche logo.

1. As an account executive for an advertising agency, discuss the creative brief in terms of the completeness of the information provided and whether the objective is realistic. What additional information should Porsche provide before a creative can begin working on the account?
2. The media planner for the Porsche account suggests a media plan consisting of cable television, print advertising, Internet ads, and network advertising on *Family Guy*, *CSI*, *Monday Night Football*, *Big Bang Theory*, and *American Idol*. Evaluate this media plan in light of the creative brief's objectives. Can these shows reach the target audience? What information does a creative and the account executive want from the media planner before starting work on actual commercials?
3. From the viewpoint of the creative assigned to this account, do the creative brief and the media plan (see Question 2) contain sufficient information to design a series of advertisements? What, if any, additional information is necessary?
4. Using the information provided in the creative brief, prepare a magazine advertisement. Which magazines might match the target audience?

CASE 1 ADVERTISING JEANS TO TEE

If there is one nearly common denominator among teens around the world, it may be the desire to impress peers and potential romantic partners. A variety of enticing adornments assist in the process, including choices regarding hair style, cosmetics, jewelry, and clothing. In many cultures, designer jeans allow younger consumers to look sleek and sassy.

In the United States, top name designer jeans include Citizens of Humanity, Rockstar, Bluelab, Superfine, Dylan George, Stitch's, Current/Elliot, Red Engine, Rich and Skinny, Chip & Pepper, Mavi, Monarchy, HA-67, and Diesel. These companies compete with more established Lee and Levi jeans. In Brazil, Butt Lift products have gained an edge in the marketplace, competing with Moleton and Blue Monster. French products include 2Leep and German companies sell Trewano.

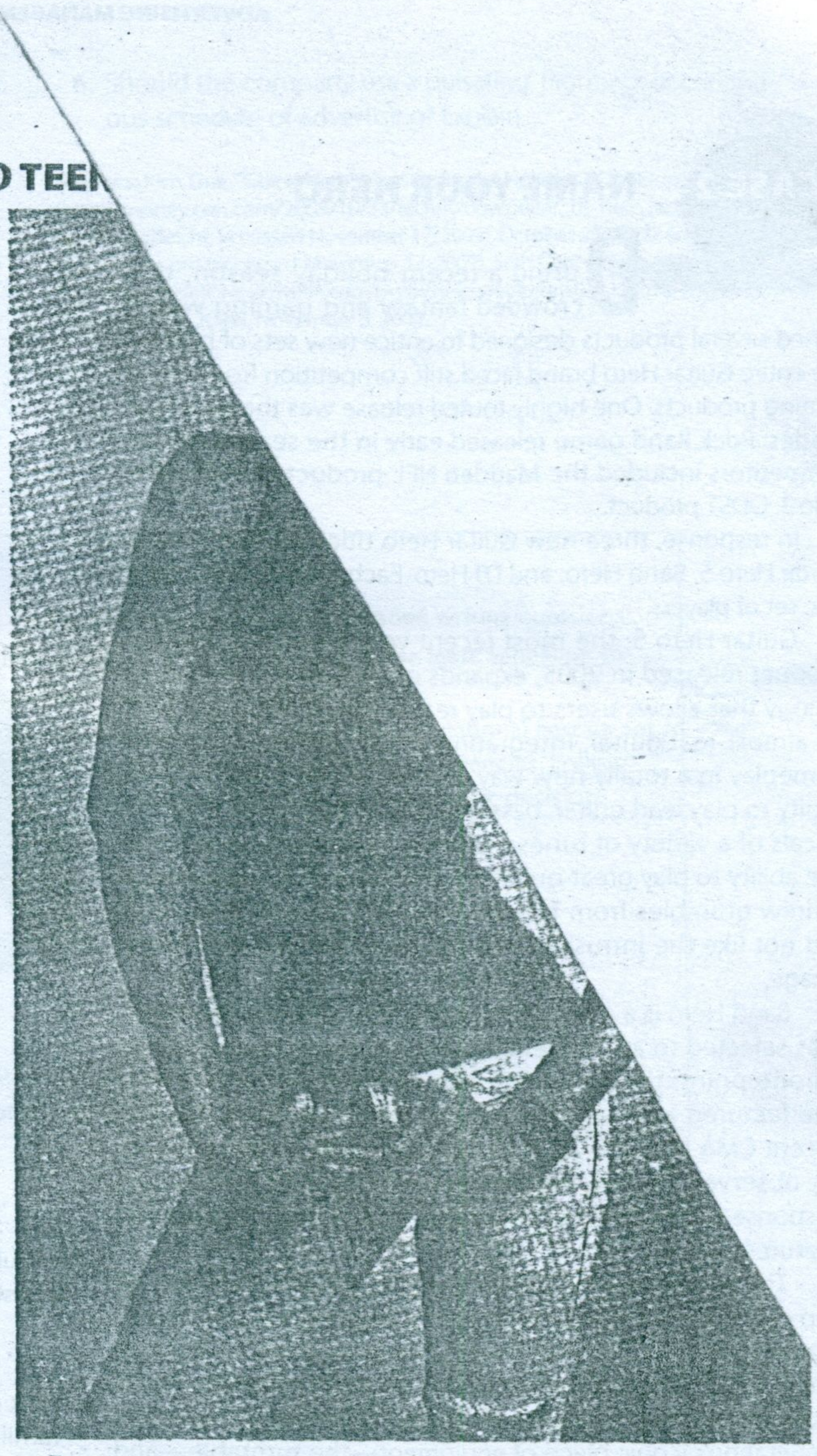
The market for jeans remains lucrative. Teens with disposable income may spend a great deal of time and effort choosing the brand they will wear. Influences include the price and fit, but also social and peer pressure, jeans worn by celebrities, and parental limitations. Social media allows them to consider a variety of brands, discussing the options with friends while seeking to discover the most popular new hot item.

Each year, jean styles change. The elements in jeans may move from looking old and torn, to those stitched with special designs, and then to multi-fabric entries. Length can be Capri, full, straight-legged, or flared. Pockets may be small or large. They may be closed using zippers or buttons. Trend-setters dictate the new fads and fashions.

To complicate matters further, jeans may be worn for style or for work. Besides teenagers, young children and older adults also buy these items. Some marketers, such as Levi and Lee try to develop brands and lines with staying-power. Others focus solely on one segment, such as young women or work jeans for older men.

You have just been placed in charge of the advertising program for a jean company. It can be one of the firms mentioned in this case or one of your own. Select the type of jean you will try to sell and then complete the following creative brief.

Product:	Designer blue jeans for ....
Objective:	
Target Audience:	
Background Information:	
Message Theme:	
Constraints:	



▲ Teens are an attractive market for brands of jeans.

1. What companies provide the primary competition for your jeans?
2. Which media will you select for the next campaign, given the information provided in the creative brief?
3. How do you plan to deliver the message theme in the advertising campaign?
4. Describe your advertising program in detail.
5. What tagline will you choose for your advertisements?

CASE 2 NAME YOUR HERO

During a recent holiday season, the crowded fantasy and gaming world gained several products designed to entice new sets of buyers. The entire Guitar Hero brand faced stiff competition from other gaming products. One highly touted release was the new The Beatles: Rock Band game released early in the season. Other competitors included the Madden NFL product line and the Halo 3: ODST product.

In response, three new Guitar Hero titles were released: Guitar Hero 5, Band Hero, and DJ Hero. Each focused on a specific set of players.

Guitar Hero 5, the most recent version of the original product released in 2005, expands on the innovative technology that allows users to play real songs, real chords, and an almost-real guitar, integrating music, interactivity, and gameplay in a totally new way. The game offers the opportunity to play lead guitar, bass guitar, or drums or to sing the vocals of a variety of tunes. The primary attraction remains the ability to play great guitar riffs from the past. Guitar Hero 5 drew grumbles from Nirvana and Kurt Cobain fans, who did not like the intrusion into the band's well-established image.

Band Hero is a more family-oriented product. The music was selected to attract females and younger "tween" users. At one point, the opening page of the Guitar Hero Web site featured a music video by the youthful Taylor Swift, a recent CMA Music Awards "Best Artist" winner. Many industry observers believe that Band Hero's design is an obvious response to The Beatles: Rock Band, which has many similar features.

The final new entry, DJ Hero, seeks to capture the hip-hop/rap connoisseur. The game features a turntable. According to Game Hero CEO Dan Rosensweig, "It's really cool. It's got 100 songs and 94 mixes that no one has ever mixed before. This is going to be one of those transformational games. You have this generation's iconic piece of equipment—the turntable—and some fantastic mixes that really give you a chance to release your inner DJ. I think that's going to be one of the hottest selling games this holiday season."

Additional trends should also be considered. When asked about mobile gaming on handheld devices, Rosensweig replied, "We're going to focus on making sure that our consumers can access games wherever it makes sense for them to access it—mobile is one of those environments which is always with you. And obviously, we're taking a look at that."

Part of the challenge in promoting both ongoing and new games is finding ways to capture the attention of the target audience. In the case of the Guitar Hero brand, consumers have somewhat differing viewing and media habits. Guitar Hero 5's audience is likely to be more of a classic music, hard rock crowd; Band Hero needs to reach younger females and families; and DJ Hero should find ways to access the hip-hop crowd.



laurent hamels / Fotolia

▲ Guitar Hero allows users to play real songs, real chords, and an almost real guitar.

Rosensweig notes, "Like anything else, we have to continue to remain fresh. You have to really understand that technology makes the game more interesting, more expansive, and more fun." He believes the future is bright. "I think we have an opportunity to redefine the way people interact with music. They want to listen to music, they want to play music, they want to contribute music, they want to create music. The more people and consoles are connected, the more opportunity we have to remain in consumers' lives."

1. Should Guitar Hero retain an advertising agency or develop its own ads in-house? Justify your answer.
2. If Guitar Hero's marketing team retains an advertising agency, what type should it be, and which decision variables should guide the choice?

3. Search online for five advertising agencies that you think would be a good fit for Guitar Hero. Choose the best one. Justify your choice.
4. What type of advertising planning and research should be used for each Guitar Hero product?
5. Should the marketing team develop one set of advertisements for each Guitar Hero product, or an overall campaign for the entire company?
6. Should the company use a pulsating, flighting, or continuous schedule of advertising? Explain.

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MyMarketingLab

Go to **mymktlab.com** for Auto-graded writing questions as well as the following Assisted-graded writing questions:.

1. Look through the ads in this chapter. Which ad to you like the best? Why? Which ad is the least appealing to you? Why? Discuss what makes a print ad appealing and what creates the opposite effect.
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   c. BBDO Worldwide (www.bbdo.com)
   d. Lucas Design & Advertising (www.aladv.com)
   e. mcgarrybowen (www.mcgarrybowen.com)
   f. DDB Worldwide Communications Group (www.ddb.com)
3. Mymktlab Only—comprehensive writing assignment for this chapter.

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