

SALES PROMOTION AND ADVERTISING IN INDIA

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ABSTRACT

This paper to improve skills in the research and analysis of customer segments, demand, and market potential. To utilize knowledge of the Buyer Behavior to enhance strategic decision-making. To analyze the Buying Behavior of the customer when selecting a particular brand. Bridging the gap between performance expectations of the customers and Most of the people looking for Mileage in cars and Next preference are given to the Style and Look of the product. Performance delivered to them will ensure customer delight. It is advised that the customers are educated about the services and employees updated on the expectations of the customers. Even the employees in the retail outlets have to be well trained to help the customers. The data for the study has been obtained from secondary sources i.e., from various books and journals fact sheets of different cars and websites. From this it can be seen that 96.77% of customers are satisfied with their products.

INTRODUCTION

Advertising is a persuasive communication attempt to change or reinforce ones' prior attitude that is predictable of future behavior. We are not born with the attitudes which we hold toward various objects in our environment. Rather, we learn our feelings of favorability or not favorability through information about the attitude object (e.g., advertising), or direct experience with the attitude object (e.g., tasting a new brand of beer), or some combination of the two.

Attitudes are not overt behaviors but rather are covert, or unobservable, internal reactions. Furthermore, once a certain type of attitudes are formed and repeatedly reinforced, the attitude toward objects is stored in consumers' memory as a form of either explicit or implicit memory. And those episodes of attitudes are retrieved automatically or strategically at the time of decision making, which generate certain types of reactions.

Given that attitudes have traditionally been viewed as evaluations that are stored in memory and persist over time, the constructs of memory and attitude are extremely valuable construct to understand how advertising work. Also, the discussion about the underlying mechanisms of forming attitude and memory should be addressed. Therefore, I suggest a framework of "how advertising works" which starts from how consumers perceive advertising stimuli to the very last step of the impact of advertising on consumers' behavior.

REVIEW OF LITERATURE

What is advertising?

Advertising is a non-personal form of promotion that is delivered through selected media outlets that, under most circumstances, require the marketer to pay for message placement. Advertising has long been viewed as a method of mass promotion in that a single message can reach a large number of people. But, this mass promotion approach presents problems since many exposed to an advertising message may not be within the marketer's target market, and thus, may be an inefficient use of promotional funds. However, this is changing as new advertising technologies and the emergence of new media outlets offer more options for targeted advertising.

Advertising also has a history of being considered a one-way form of marketing communication where the message receiver (i.e., target market) is not in position to immediately respond to the message (e.g., seek more information). This too is changing. For example, in the next few years technologies will be readily available to enable a television viewer to click a button to request more details on a product seen on their favorite TV program. In fact, it is expected that over the next 10-20 years advertising will move away from a one-way communication model and become one that is highly interactive.

CLASSIFICATION AND TYPES OF ADVERTISING

1. Product – Related Advertising

- A. Pioneering Advertising
- B. Competitive Advertising
- C. Retentive Advertising
- 2. Public Service Advertising
- 3. Functional Classification

1. Advertising Based on Demand Influence Level.

- A. Primary Demand (Stimulation)
- B. Selective Demand (Stimulation)

C. Institutional Advertising

D. Product Advertising

- A. Informative Product Advertising
- B. Persuasive Product Advertising
- C. Reminder-Oriented Product Advertising
- 4. Advertising based on Product Life Cycle

- A. Consumer Advertising
- B. Industrial Advertising
5. Trade Advertising
- A. Retail Advertising
- B. Wholesale Advertising
6. Advertising Based on Area of operation
- A. National advertising
- B. Local advertising
- C. Regional advertising
7. Advertising According to Medium Utilized

Sales promotion varies across countries too. According to Hallberg (n.d.) in the US, the most promotionally developed nation, there is a striking imbalance between the price buyers & the brand loyalist virtually across all the categories. The ratio is greater than 2:1! The price buyers will go in for any brand as long as it is the cheapest, as against brand loyalist who would consider

purchasing only one (their) brand. On the other hand in Germany where price promotion is not only very recent but also limited the ratio is 4:3. In the developing country like India the situation is just reverse. Brand loyalists outnumber price buyers by a margin of greater than 2:1. In the recent years sales promotions have emerged as a very prominent and effective means to attract consumers. 30% of television advertisement in India can be classified as sales promotion advertisements. Even in print media there has been a 25% increase in the sales promotion advertising from 2004 – 2006 (AdEx, India, 2006) (Fig. 1). There has been an increase in the advertisement spent on all types of promotional activities except the volume promotions (AdEx India, 2006) (Fig. 2). The increase in advertisement volumes suggests that marketers feel that the sales promotion tools are effective way to market products Ina developing country like India. While there have been numerous researches done abroad

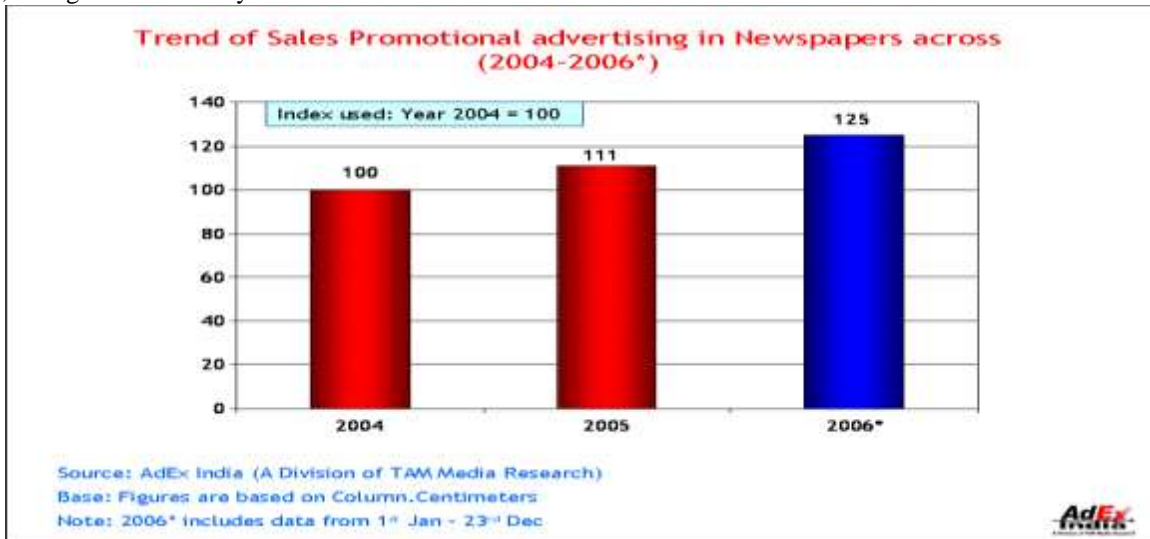


Fig. 1: Trend of Sales promotion advertising in the print media in India.

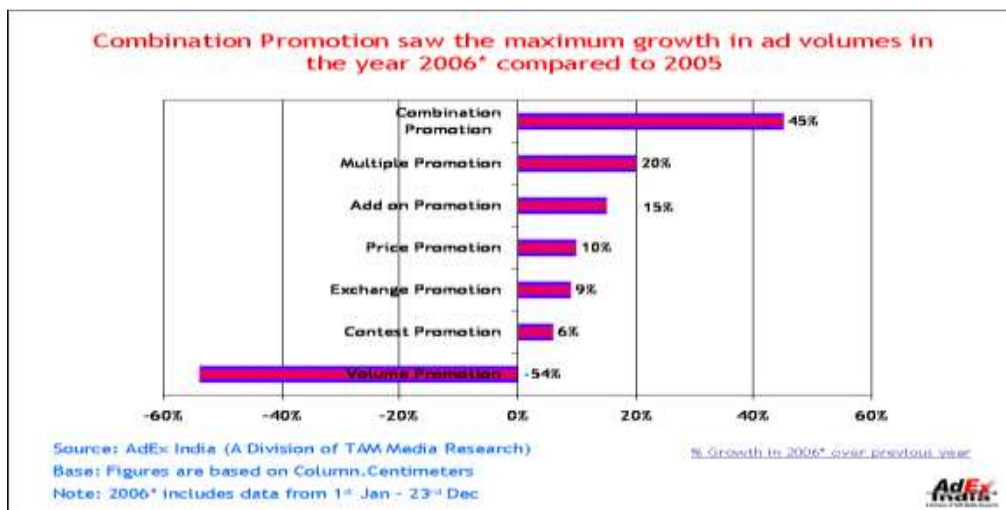


Fig 2: Growth in advertisement volume for different sales promotion tools in India.

which have provided insight into effectiveness of sales promotion, none of these have focused on Indian Consumers. This is the reason why we have chosen this as the topic of our research.

NEED OF THE STUDY

The current study intends to measure the impact of idea advertisements on consumer buying decisions. It is known fact that the recent idea advertisements which are endorsed by Abhishek Bachan has become very popular. In this context there is a need to understand how far the awareness created by these advertisements help company to increase its sales

OBJECTIVES OF THE STUDY

1. To measure the awareness levels of recent idea cellular advertisements
2. Which is the popular media channel
3. To measure how much influence these advertisements have on customer buying decision
4. To design media planning for idea cellular advertisements
5. To design future advertisement strategies.

SCOPE OF THE STUDY

Scope of the current study is limited to idea cellular customers and non-customers who are residing in Hyderabad and Secunderabad.

METHODOLOGY

SAMPLE METHOD

A random sampling method was used for the purpose of this study. Data were collected from both customers and non-customers of idea cellular.

DATA COLLECTION

For the purpose of the study data has been collected through two sources among that

- 1) Primary source
- 2) Secondary source

PRIMARY SOURCE:

For the primary source data is collected through structured questionnaire,

SECONDARY SOURCE:

For the secondary source I collected information from the company websites, company brochures, from journals and articles about the company

TOOLS AND TECHNIQUES

Data has been analyzed using frequency tables, cross tabulations, pie diagrams and bar charts.

LIMITATIONS

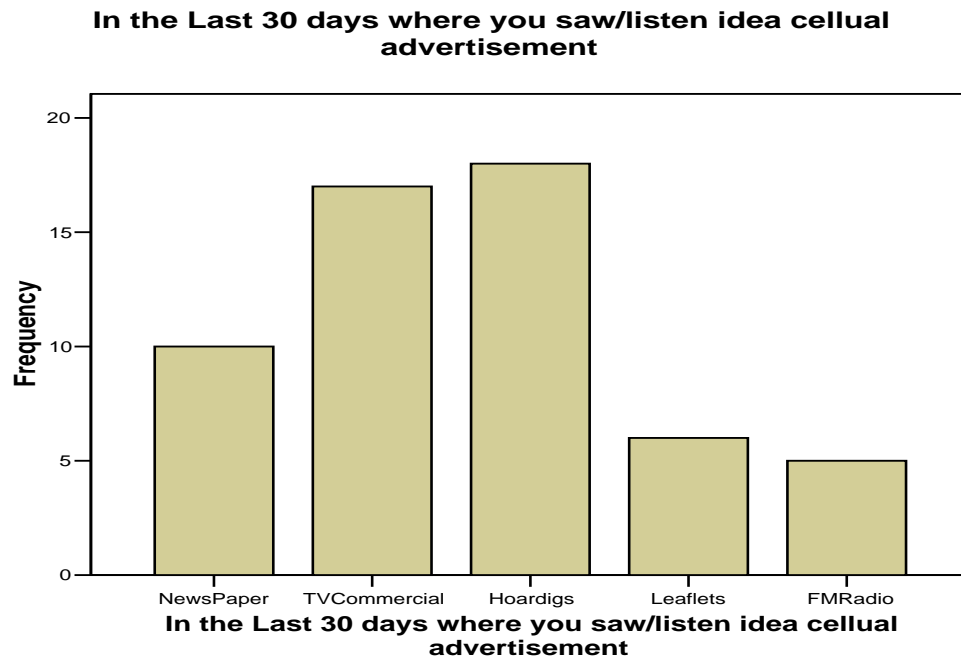
- Questionnaires were administered at idea cellular show rooms and a few public places.
- As the data has been collected from the existing customers of idea cellular, their previous experience with the company may have influenced current opinions.
- Non customers of idea cellular may be the users of other cellular service providers, so the experience with their current service provider may have influenced their opinions.
- Timing of questionnaire administration may have influenced the data.

DATA ANALYSIS & INTERPRETATION

DATA ANALYSIS AND INTERPRETATION

Table .1: In the Last 30 days where you saw/listen idea cellular advertisement

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Newspaper	10	17.9	17.9	17.9
	TV Commercial	17	30.4	30.4	48.2
	Hoardings	18	32.1	32.1	80.4
	Leaflets	6	10.7	10.7	91.1
	FM Radio	5	8.9	8.9	100.0
	Total	56	100.0	100.0	



INTERPRETATION

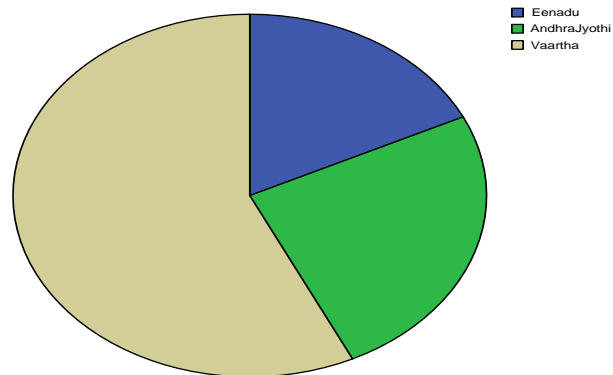
Majority of the respondents in the survey said that they are looking at hoarding placed in Hyderabad and Secunderabad. This is followed by TV commercials. 30%

of the respondents were watching idea cellular ads in televisions. Newspapers contribute to 18% of the total. FM radio is at the least.

Table 02: In which Telugu Newspaper you find more idea cellular ads.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Eenadu	10	17.9	17.9	17.9
	Andhra Jyothi	14	25.0	25.0	42.9
	Vaaritha	32	57.1	57.1	100.0
	Total	56	100.0	100.0	

In which Telugu Newspaper you find more idea cellular ads



INTERPRETATION

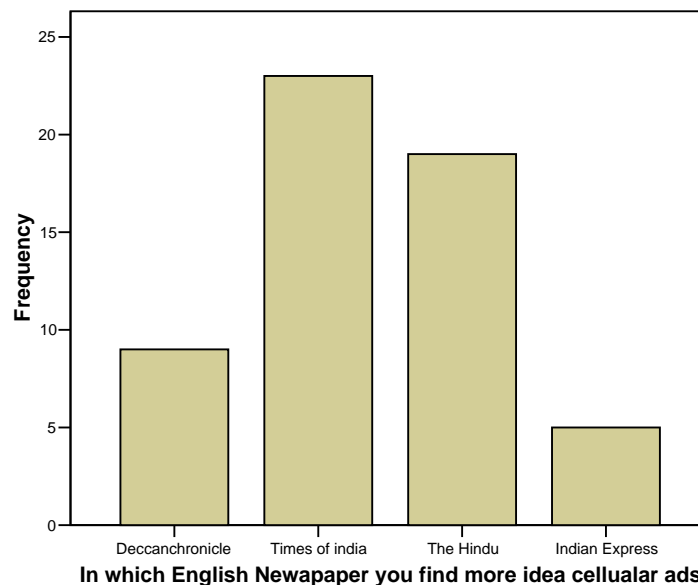
To our surprise majority of the respondents saw print ads in vaartha newspaper. Eenadu is in the third place with

18% of the respondents' advertisements in it. Andhra Jyothi is occupying 25 % of the respondents' views.

Table 3: In which English Newspaper you find more idea cellular ads

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Deccan chronicle	9	16.1	16.1	16.1
	Times of India	23	41.1	41.1	57.1
	The Hindu	19	33.9	33.9	91.1
	Indian Express	5	8.9	8.9	100.0
	Total	56	100.0	100.0	

In which English Newspaper you find more idea cellular ads



INTERPRETATION

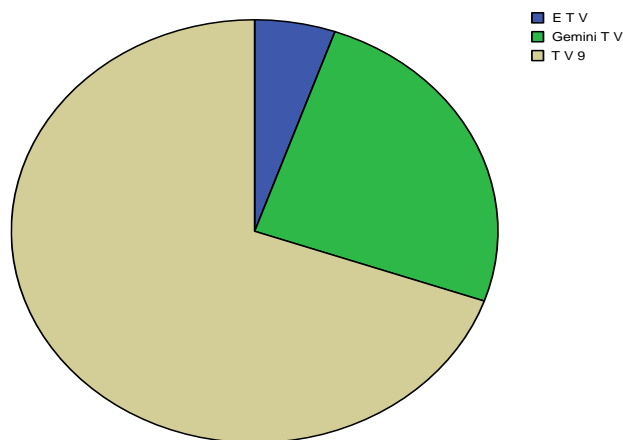
When asked about in which English newspaper they saw more idea cellular advertisements, 41% of the respondents

said that they saw in Times of India. Second rating was given to the Hindu paper. Indian express stood last.

Table 4: In Which Telugu T V Channel you find more idea cellular ads

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	E T V	3	5.4	5.4	5.4
	Gemini T V	14	25.0	25.0	30.4
	T V 9	39	69.6	69.6	100.0
	Total	56	100.0	100.0	

In Which Telugu T V Channel you find more idea cellular ads



INTERPRETATION

T V 9 is the most viewed channel of idea cellular ads. Almost 70% of the respondents said that they saw idea

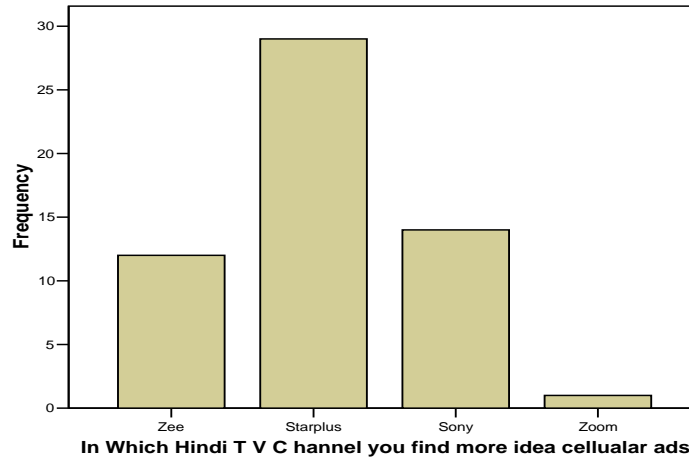
cellular ads in T V 9. 25 % of the respondents watched this ad in Gemini T V. Here again ETV stood last.

Table 5: In Which Hindi T V C channel you find more idea cellular ads

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Zee	12	21.4	21.4	21.4
	Star plus	29	51.8	51.8	73.2
	Sony	14	25.0	25.0	98.2

	Zoom	1	1.8	1.8	100.0
	Total	56	100.0	100.0	

In Which Hindi T V C hannel you find more idea cellular ads



INTERPRETATION

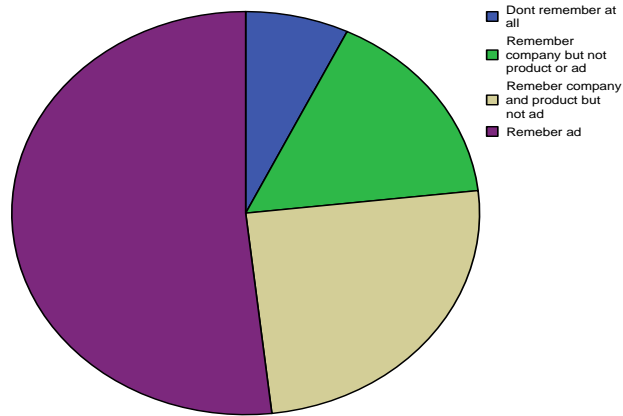
Fifty two percent of the respondents saw idea advertisement in star plus tv channel. Zoom tv stood last

with only one viewer. Many of the respondents watched this ad in Sony and zee t v also.

Table 6: How well do you remember the recent advertisement of idea cellular ?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Don't remember at all	4	7.1	7.1	7.1
	Remember company but not product or ad	9	16.1	16.1	23.2
	Remember company and product but not ad	14	25.0	25.0	48.2
	Remember ad	29	51.8	51.8	100.0
	Total	56	100.0	100.0	

How well do you remember the recent advertisement of idea cellular ?



INTERPRETATION

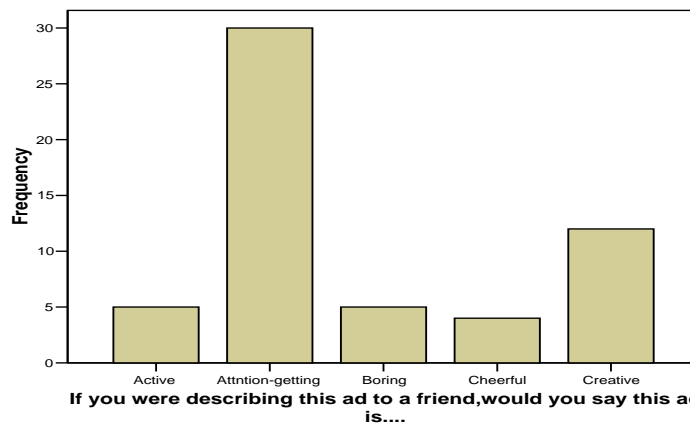
The recent advertisement of idea cellular of frequency 7.1% don't remember at all , and 16.1% remember

company but not product or ad .Remember company and product but not ad is 25%,the recent advertisement of idea cellular of frequency 51.8% remember ad.

Table 7: If you were describing this ad to a friend, would you say this ad is....

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Active	5	8.9	8.9	8.9
	Attention-getting	30	53.6	53.6	62.5
	Boring	5	8.9	8.9	71.4
	Cheerful	4	7.1	7.1	78.6
	Creative	12	21.4	21.4	100.0
	Total	56	100.0	100.0	

If you were describing this ad to a friend,would you say this ad is....



INTERPRETATION

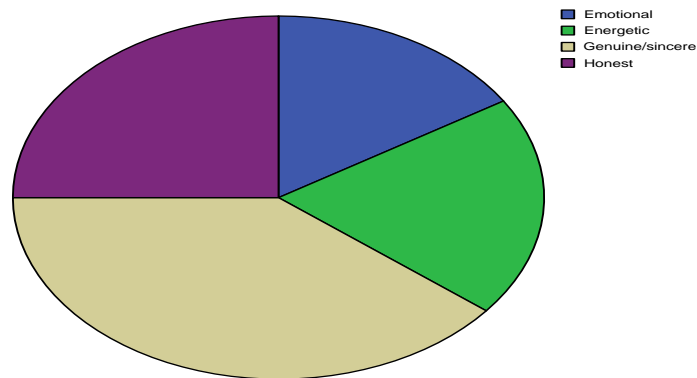
To our surprise majority of the respondents describing this ad in frequency is 8.9% active,53.6% of attention

getting and 8.9% of boring, describing this ad in frequency is 7.1% cheerful,21.4% is creative would find

Table 8: If you were describing this ad to a friend, would you say this ad is.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Emotional	9	16.1	16.1	16.1
	Energetic	11	19.6	19.6	35.7
	Genuine/sincere	22	39.3	39.3	75.0
	Honest	14	25.0	25.0	100.0
	Total	56	100.0	100.0	

If you were describing this ad to a friend,would you say this ad is...



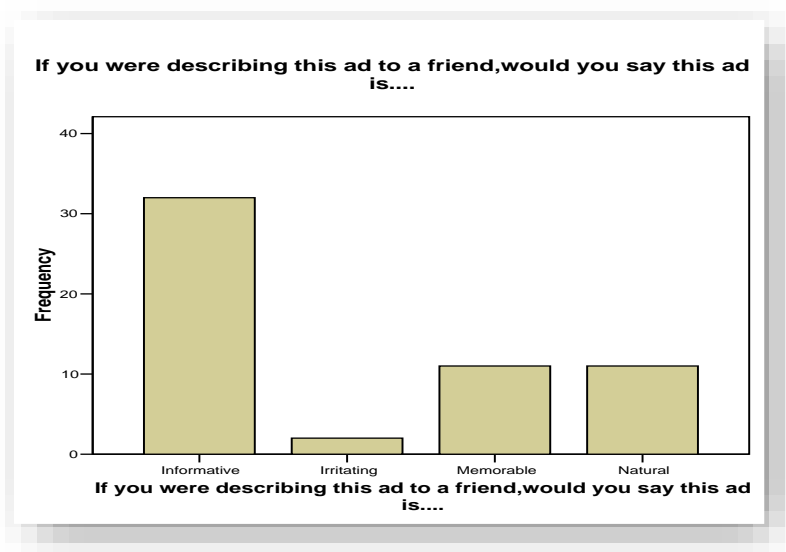
INTERPRETATION

Majority of the respondents feel that this ad is genuine.16.1% in the emotional,19.6% Energetic and

Genuine/sincere is describing ad to a friend at 39.3%,and finally frequency of honest is 25.0%.

Table 9: If you were describing this ad to a friend, would you say this ad is.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Informative	32	57.1	57.1	57.1
	Irritating	2	3.6	3.6	60.7
	Memorable	11	19.6	19.6	80.4
	Natural	11	19.6	19.6	100.0
	Total	56	100.0	100.0	



INTERPRETATION

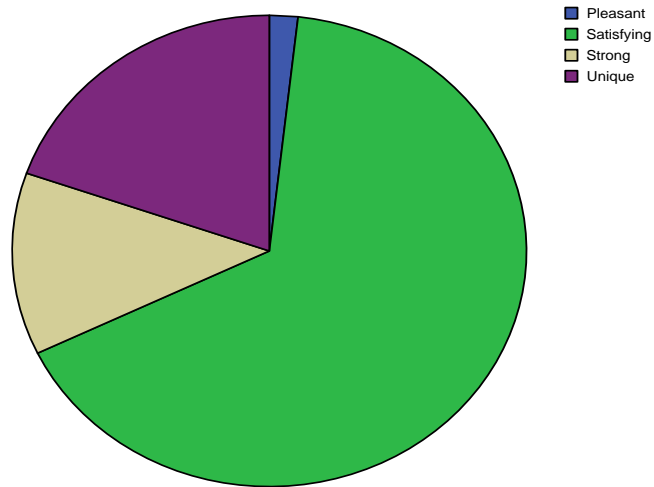
Fifty seven percent of the respondents feel that the ad is informative and 20% feel that it is memorable, 3.6% of the

respondents feel that the ad is irritating, 19.6% of the respondents feel that the ad is memorable and natural.

Table 10: If you were describing this ad to a friend, would you say this ad is

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Pleasant	1	1.8	1.8	1.8
	Satisfying	37	66.1	66.1	67.9
	Strong	7	12.5	12.5	80.4
	Unique	11	19.6	19.6	100.0
	Total	56	100.0	100.0	

If you were describing this ad to a friend,would you say this ad is



INTERPRETATION

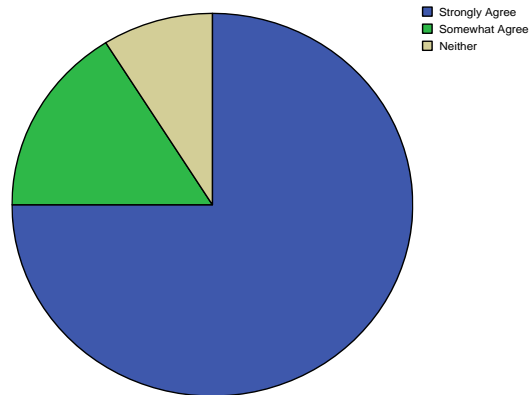
When asked about how they describe this advertisement, 37 respondents said that the ad is satisfying. 20% of the respondent

it said that the ad is unique, and 12 % said the ad is strong in communicating the message.

Table 11: The ad Message is understandable.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	42	75.0	75.0	75.0
	Somewhat Agree	9	16.1	16.1	91.1
	Neither	5	8.9	8.9	100.0
	Total	56	100.0	100.0	

The ad Message is understandable.



INTERPRETATION

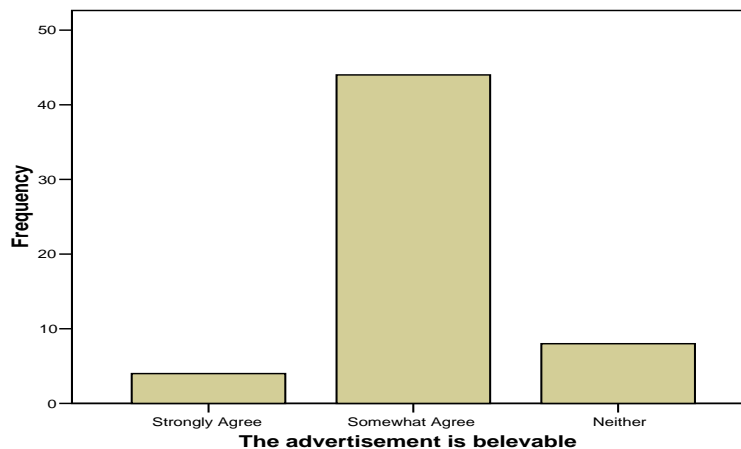
75% of the total respondents agree that the message given in the advertisement is understandable. Nine of the

total respondents said that they somewhat agree with the understandable nature of the advertisement. 16.1% said somewhat agree, and 8.9% responds neither of frequency.

Table 12: The advertisement is believable

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	4	7.1	7.1	7.1
	Somewhat Agree	44	78.6	78.6	85.7
	Neither	8	14.3	14.3	100.0
	Total	56	100.0	100.0	

The advertisement is believable



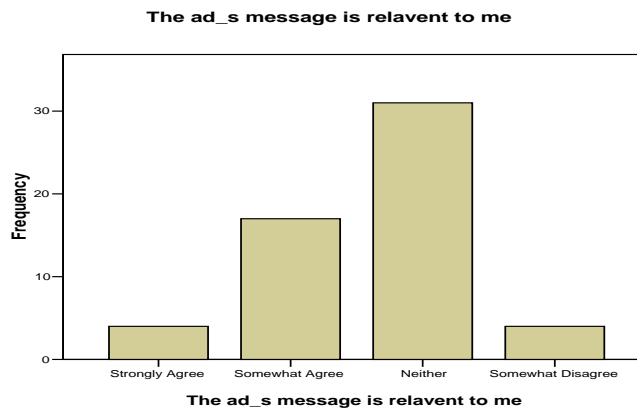
INTERPRETATION

Of the total respondents 79 % said that the advertisement is believable. None of the respondents said that they disagree with the ads.78.6%of frequency somewhat

agree,7.1% strongly agree.14.3% were neither of ad is believable.

Table 13 The ads message is relevant to me

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	4	7.1	7.1	7.1
	Somewhat Agree	17	30.4	30.4	37.5
	Neither	31	55.4	55.4	92.9
	Somewhat Disagree	4	7.1	7.1	100.0
	Total	56	100.0	100.0	



INTERPRETATION

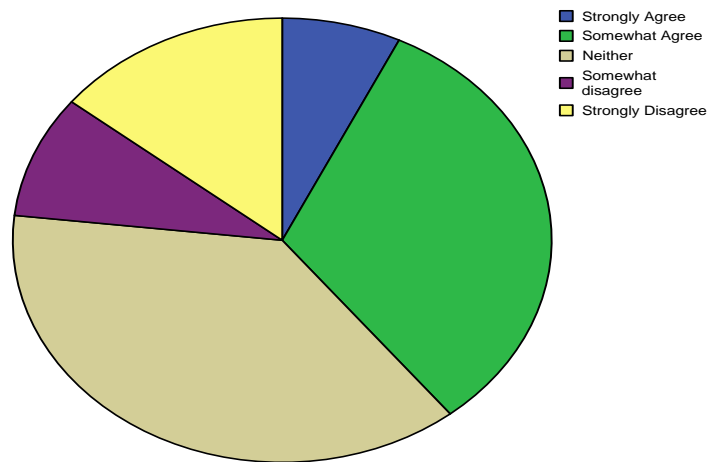
Thirty percent of the respondents feel that the message conveyed in the advertisement is relevant to

them. Majority of surveyed people (55%) where unable to decide how far the message is helpful to them. A good sign is that only 7% of the respondents said that the message is irrelevant to them.

Table 14: The benefits described in the ad are believable to me

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	4	7.1	7.1	7.1
	Somewhat Agree	18	32.1	32.1	39.3
	Neither	21	37.5	37.5	76.8
	Somewhat disagree	5	8.9	8.9	85.7
	Strongly Disagree	8	14.3	14.3	100.0
	Total	56	100.0	100.0	

The benifits described in the ad are belevable to me



INTERPRETATION

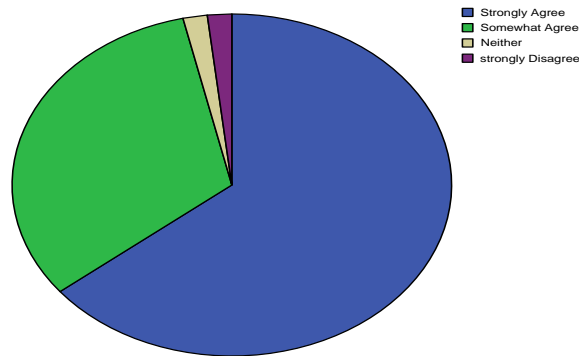
Thirty eight percent of the respondents were not able to say whether they believe the information provided

in the advertisement. This shows that the ad failed in building the confidence among the target audience. Around 24 percent of the respondents said they disagree with the benefits described in the ad.

Table 15: After viewing this ad, I would consider purchasing the product.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	36	64.3	64.3	64.3
	Somewhat Agree	18	32.1	32.1	96.4
	Neither	1	1.8	1.8	98.2
	strongly Disagree	1	1.8	1.8	100.0
	Total	56	100.0	100.0	

After viewing thid ad, I would consider purchasing the product.



INTERPRETATION

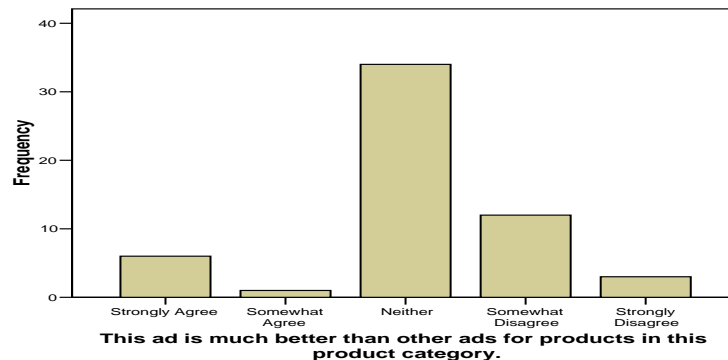
Thirty six of the total sample said that they will purchase idea cellular connections. They agree that idea

advertisement has influence on their buying decision. This is a positive to the company. Again, 32% of the respondents said that they somewhat agree for the influence of ad on their buying decision.

Table 16: This ad is much better than other ads for products in this product category.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	6	10.7	10.7	10.7
	Somewhat Agree	1	1.8	1.8	12.5
	Neither	34	60.7	60.7	73.2
	Somewhat Disagree	12	21.4	21.4	94.6
	Strongly Disagree	3	5.4	5.4	100.0
	Total	56	100.0	100.0	

This ad is much better than other ads for products in this product category.



INTERPRETATION

When asked about how better idea cellular ad is when compared to other cellular service provider ads, majority of the respondents (61%) said that they can't differentiate between cellular ads publicized by these

companies. 21 % of the respondents were are opinion that idea cellular ads are not better than competitors ads. Only ten percent of the respondents were said that idea ads are better than other cellular companies' ads.

FINDINGS

- 1) When compared to other cellular service provider ads, majority of the respondents (61%) said that they can't differentiate between cellular ads publicized by these companies. 21 % of the respondents were of opinion that idea cellular ads are not better than competitors ads.
- 2) They agree that idea advertisement has influence on their buying decision. This is a positive to the company.
- 3) Around 24 percent of the respondents said they disagree with the benefits described in the ad
- 4) Majority of surveyed people (55%) were unable to decide how far the message is helpful to them.
- 5) 75% of the total respondents agree that the message given in the advertisement is understandable
- 6) Particular Brand ambassador for particular targeted and segmented audiences need to be there to avoid lingual misrepresentations and misperceptions in the minds of target audiences.

SUGGESTIONS

- Company should concentrate on giving more reliable information to the customers.
- Ads need to be placed in leading newspapers and TV channels
- Focus should be given for F M radios
- Frequency and attractiveness of ads in print media has to be increased
- Advertising through billboards, with brand ambassadors or idea need to be improved to attain even more wider attraction.
- New trends in advertising through 3d animation and 2d animation must be adapted.
- Advertising through popular serials of popular channels must be taken up.
- More money must be invested in promotional activities.

- Social and personal life aspects of people in connection to telecommunication must be highlighted more for more attraction.
- Idea internet services ads must be taken seriously and appropriate measure must be taken to make it reach the target audience.
- Online advertising of idea should come up like Television advertising in a vast way to reach and attract potential buyers of services.

CONCLUSIONS

- The new advertisement campaign of the idea cellular has a positive impact on customers. From the survey it can be concluded that the ad created a desire in the customers to buy idea cellular connection.
- It is also identified that the respondents feel that the ad is unique and genuine. They also feel that the ad is informative and believable.
- However, few of the respondents didn't find any difference between this ad and other ads of the competitors. Few also expressed an opinion that the information given in the ad is not believable.
- The good sign is that after watching this ad customers are willing to purchase new connections.

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