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# “Role of Advertising in Brand Building” With reference to (Soft drink industry)

Sachin Joshi<sup>1</sup>, Dr. Amrita Jain<sup>2</sup>

<sup>1</sup>Galgotias University

<sup>2</sup>Assistant Professor

## I. HISTORY OF ADVERTISING

Advertising as a discrete form is generally agreed to have begun with newspapers, in the seventeenth century, which included line or classified advertising. Simple descriptions, plus price, of products served their purpose until the late nineteenth century, when technological advances meant that illustrations could be added to advertising, and colors was also an option.

An early advertising success story is that of Pears Soap. Thomas Barrett married into the famous soap making family and realized that they needed to be more aggressive about pushing their products if they were to survive. He launched the series of ads featuring cherubic children which firmly welded the brand to the values it still holds today. He took images considered as “fine art” and used them to connote his brand’s quality, purity (i.e. untainted by commercialism) and simplicity (cherubic children). He is often referred to as the father of modern advertising. World War I saw some important advances in advertising as governments on all sides used ads as propaganda. The British used advertising as propaganda to convince its own citizens to fight, and also to persuade the Americans to join. No less a political commentator than Hitler concluded (in *Mein Kampf*) that Germany lost the war because it lost the propaganda battle: he did not make the same mistake when it was his turn. One of the other consequences World War I was the increased mechanization of industry- and hence increased costs which had to be paid for somehow: hence the desire to create need in the consumer which begins to dominate advertising from the 1920s onward.

## II. INTEGRATED MARKETING COMMUNICATIONS(IMC)

Advertising in one of the tools of a concept named Integrated Marketing Communications. The concept of mixing various promotional tools has in the past ten years or so has become the new “concept” in the marketing industry. Although it is not new, the process of “using promotional tools in unified way so that a synergistic communications effort is created” is now referred to as Integrated Marketing Communication(IMC).IMC has gained greater recognition, sophistication, and popularity because of its ability to promote the product service, or corporation with greater effect than the sum of its parts. A result of the growing popularity of IMC in the advertising industry, advertisers now look to sales promotions, event sponsorships new media options and public relations as means to support and in hence the primary advertising effort. But promotional options such as event sponsorship, direct marketing, sales promotions, and public relations are drawing many firms away from traditional mass media advertising.

## III. DEFINITION OF ADVERTISING

The term advertising originates from the Latin word *advertere* which means “to turn the mind towards”. The dictionary meaning of the term advertising is “to give public notices or to announce publicity”. This suggests that advertising acts as a marketing vehicle and is useful for drawing the attention of people towards a specific product/ service/ manufacturer. Advertising is an activity or a process while advertisement is a specific piece of communication appearing in press, radio or TV. According to the American Marketing Association advertising is defined as “Any paid form of non –personal presentation and promotion of ideas, goods or service by an identified sponsor”.

According to David Potter

“The only institution we have for instilling new needs, for training to act as consumer for altering men’s values and thus for hastening their adjustment to potential abundance is advertising”.

This definition suggests that advertising is an institution which makes people aware of their needs and makes them vigilant consumers. Advertising also provides better understanding of life and brings their adjustment with potential abundance of goods and services.

According to Dunn and Barbon

“Advertising is paid, non-personal communication through various media by business non-profit organizations and individuals who are in some way identified in the advertising message and who hope to inform or persuade members of a particular audience.”

#### IV. FEATURES OF ADVERTISING

##### A. Advertising Provides Information

The basic purpose of advertising is to provide information about products, goods, services or ideas to perspective buyers. The details of products such as features, uses, prices, benefits, other instructions to be followed while using the product are given in the advertisements.

##### B. Advertising is a Paid form of Communication

Advertising may be in any convenient form such as sign, symbol, slogan, Illustration or message.

##### C. Advertising is a non-personal Presentation

Advertising is non-personal in character as against salesmanship which is personal (face to face communication) in character. In Advertising, the message is given to all and not to one specific individual. e.g. T.V., radio, etc.

##### D. Advertising is an Art, Science and Profession

It is an art as it needs creativity for raising its effectiveness. It is treated as science as it has its principles, rules, etc. Advertising is now treated as profession with its professional bodies and code of conduct for members.

##### E. Creativity-the Essence of Advertising

Advertising is a method of presenting a product in an artistic, attractive and agreeable manner. This is possible through the element of creativity which is the essence of Advertising of the present period.

##### F. Advertising is for Persuasion

Advertising is not only for giving information but also for appealing people to buy a specific product. It aims at persuasion of potential customers.

##### G. Advertising is Target Oriented

It is possible to make intensive Advertising by selecting a specific market or specific segment of consumers for the purpose of Advertising. This selection of specific market is called target market.

##### H. Advertising Is An Important Element In Marketing Mix

Advertising supports the sales promotion efforts of the manufacturer. It can make positive contribution in sales promotion provided other elements in the marketing mix are reasonably favorable. Brand plays an important role in promoting the product or the company, let the advertisement be the best if it won't have a particular it won't work out in the market.

#### V. GROWTH OF ADVERTISING IN INDIA

Advertising as we understand today has its origin in the early historical period. It has made steady progress over centuries. Its need or importance is growing along with the growth and expansion of business activities. Many significant changes have taken place during the process of evolution of advertising. Like other countries, advertising has a long history in India. However, advertising was officially recognized as a medium of mass communication only in the 18th century.

The first newspaper "BENGAL GAZETTE" was published in India in 1780. By 1786, there were four weekly newspapers and monthly magazines published in Calcutta. Advertising on radio started in India in 1950's. Advertising on radio proved to be a powerful medium useful for creating new markets. Commercial Broadcasting has informed and entertained people for more than 40 years. In 1928, two advertising agencies were started in India. They include the national advertising service started by J. Jain and J.W. Tompson (Now HTA). The importance of advertising started increasing only after the Second World War. The Association of Advertising Agencies of India (AAAI) was established in 1945.

The Audit Bureau of Circulation (ABC) was started in 1948. T.V. started in India in September 1959. In addition to DD Metro now we also many other channels on television like Zee T.V., STAR PLUS, COLORS, ETC. cable T.V. and many more such channels for advertising purpose. Introduction of satellite T.V. has made a revolution in the advertising field in India. The progress of advertising in terms of quality, creativity and coverage is extremely fasten India since 1950 due to the introduction of new advertising media. Ample of scope is available for advertising due to industrial growth.

## VI. ACTIVE PARTICIPANTS IN ADVERTISING

Advertising is a type of collective activity which needs the support and participation of certain individuals or organizations. They are called active participants in advertising. Such participants are called:

- 1) Advertisers
- 2) Advertising agency
- 3) Audience
- 4) Advertising media and finally
- 5) The government authorities

### A. Advertisers

Advertisers are the individuals/firms/organizations which desire to advertise their products or services. They support the whole advertising process as they provide finance by paying the advertising charges. They initiate entire advertising process. It is the advertiser who takes broad decisions about advertising. He decides the advertising budget, select the audience, media and agency for the purpose of advertising. He is the key participant in the entire advertising activity.

### B. Advertising Agencies

An advertiser can implement his advertising plan directly through his own sales or advertising department or may transfer the entire responsibility of advertising to a specialized professional agency called advertising agency. These agencies provide expert services to their clients that is advertisers.

They prepare advertising plan and execute them the same on behalf of their client. An advertiser can transfer his botheration about advertising to such advertising agency. Such agencies charge commission of 15% from media owners on the media bills. Such agencies offer benefit of their skills and experience to their clients. HTA, Lintas mudra, Everest, O and M are some leading advertising agencies operating in India.

### C. Audience

Advertising is for giving message about goods or services to readers, viewers or listeners. They constitute the audience. It is for their information and guidance that advertisements are given. An advertiser desires to cover his target audience/market for promoting sales.

Efforts are also made to make advertisements attractive and agreeable to the audience. Moreover, waste in advertising is possible when the advertising message is not received or accepted by audience.

### D. Advertising Media

Advertising media act as a connecting link between the advertiser and the audience. The media act as a channel of communication for giving message to two or more media for advertising purpose. Newspaper, magazine, radio and T.V. are some popular advertising media and are used extensively by advertisers.

In India T.V. advertising is popular but is equally costly. The advertising agency guides their clients in the selection of convenient advertising media that is media planning.

## VII. MEDIAS IN ADVERTISING

Advertising is basically for giving information about products and services to consumers. For a layman, all advertising belongs to one category. However, it is not so. Advertising can be classified into different categories on the basis of area coverage, audience, media, and functions and so on.

Product advertising, service advertising, financial advertising and so on are also the types of advertising though the basic purpose of all types is identical that is information and persuasion of consumers.

Advertising is a form of communication that typically attempts to persuade potential customers to purchase or to consume more of a particular brand of product or service. Every major medium is used to deliver these messages, including television, radio, cinema, magazines, newspapers, video games, the Internet, carrier bags and billboards. Advertising is often placed by an advertising agency on behalf of a company or other organization.

### VIII. TYPES OF ADVERTISING

- 1) *Media*: Commercial advertising media can include wall paintings, billboards, street furniture components, printed flyers and rack cards, radio, cinema and television adverts, web banners, mobile telephone screens, shopping cart, skywriting, bus stop benches, human billboards, magazines, newspapers, town criers, sides of buses, banners attached to or sides of airplanes ("logo jets"), in-flight advertisements on seatback tray tables or overhead storage bins, taxicab doors, roof mounts and passenger screens, musical stage shows, subway platforms and trains, elastic bands on disposable diapers, stickers on apples in supermarkets, shopping cart handles, the opening section of streaming audio and video, posters, and the backs of event tickets and supermarket receipts. Any place an "identified" sponsor pays to deliver their message through a medium is advertising.
- 2) *Print Media*: In print media the advertising message is printed on paper. Newspaper and magazines are two important print media used extensively for advertising purpose. Even direct mail advertising can be classified as print media. This media has now acquired more importance due to increase in the number and pages of newspapers and magazines and also due to improvement in the quality of paper and printing technology used for communicating advertising message. Print media are useful for indoor advertising. Print media is the most widely used medium of advertisement used by corporate, households, manufactures, wholesalers, banks, financial institutions, automobile industry and many more. This medium of advertisement gives the advertiser the flexibility to select his target audience, his area of advertisement, his budget and the timings the ads have to be placed.
- 3) *Outdoor Advertising Media*: Along with print media, outdoor advertising media is also quite famous. They include posters, billboards, wall and skywriting, hoardings, vehicle advertising, neon signs and so on. These medias attract the attention of people when they are moving outdoor for different purposes. Outdoor media are now made attractive and appealing by using new techniques.
- 4) *Hoardings*: This form of advertisement is popular in metropolitan cities like Mumbai where the flow of traffic is heavy and the number of people traveling is countless. Since the traveling time of a person in the vehicle is lot the person is ought to see this form of advertisement which is placed on the tops of the buildings in a very attractive form. The ads cannot be unseen and shall catch your eye once you pass besides it.
- 5) *Mobile Billboards*: Mobile Billboards are truck- or blimp-mounted billboards or digital screens. These can be dedicated vehicles built solely for carrying advertisements along routes pre selected by clients, or they can be specially-equipped cargo trucks. The billboards are often lighted; some being backlit, and others employing spotlights. Some billboard displays are static, while others change; for example, continuously or periodically rotating among a set of advertisements. Mobile displays are used for various situations in metropolitan areas throughout the
- 6) *Broadcasting Media*: In this, the advertising message is announced through the advertising medium used. Radio and T.V. are two examples of broadcasting media which now operates throughout the day. T.V. as an advertising medium is more attractive and popular as compare to radio. This is because T.V. is audio-visual medium while radio is only audio medium. Broadcasting media are too costly but their coverage is also wide.
- 7) *Television Commercials*: The TV commercial is generally considered the most effective mass-market advertising format, as is reflected by the high prices TV networks charge for commercial airtime during popular TV events. The annual Super Bowl football game in the United States is known as the most prominent advertising event on television. The majority of television commercials features a song or jingle that listeners soon relate to the product. Virtual advertisements may be inserted into regular television programming through computer graphics.
- 8) *Celebrities*: This type of advertising focuses upon using celebrity power, fame, money, popularity to gain recognition for their products and promote specific stores or products. Advertisers often advertise their products, for example, when celebrities share their favourite products or wear clothes by specific brands or designers. Celebrities are often involved in advertising campaigns such as television or print adverts to advertise specific or general products. Increasingly, other media are overtaking television because of a shift towards consumer's usage of the Internet as well as devices such as T.V. Advertising on the World Wide Web is a recent phenomenon. Prices of Web-based advertising space are dependent on the "relevance" of the surrounding web content and the traffic that the website receives. E-mail advertising is another recent phenomenon. Unsolicited bulk E-mail advertising is known as "spam". CELEBRITY ENDORSEMENTS "A sign of a celebrity is that his name is often worth more than his services." Daniel J Boorstin

## IX. CELEBRITY ADVERTISEMENT

The motive behind total branding may be decocted as an attempt to amalgamate diverse activities to win customer preference. Apropos to this context, the topic “**Impact of celebrity endorsement on overall brand**”, is a significant one. The crescendo of celebrities endorsing brands has been steadily increasing over the past years. Marketers overtly acknowledge the power of celebrities in influencing consumer-purchasing decisions. It is a ubiquitously accepted fact that celebrity endorsement can bestow special attributes upon a product that it may have lacked otherwise. But everything is not hunkydory; celebrities are after all mere mortals made of flesh and blood like us. If a celebrity can aggrandize the merits of a brand, he or she can also exacerbate the image of a brand. “Any brand can get a celebrity. That is easy. But getting a celebrity consistent with the right brand, to the right degree, at the right time, for the right purpose and in the right way... that is not easy.”

Celebrity endorsements are impelled by virtue of the following motives:

- 1) Instant Brand Awareness and Recall.
- 2) Celebrity values define, and refresh the brand image.
- 3) Celebrities add new dimensions to the brand image.
- 4) Instant credibility or aspiration PR coverage.
- 5) Lack of ideas.
- 6) Convincing clients

The scope of a celebrity on the incumbent brand: Simply stating, a brand is a differentiated product and helps in identifying your product and making it stand out due to its name, design, style, symbol, color combination, or usually a mix of all these. Before we can scrutinize the effects of celebrity endorsement on the overall brand, we have to ferret the implicit nuances that act as sources of strong brand images or values:

- a) Experience of Use: This encapsulates familiarity and proven reliability.
- b) User Associations: Brands acquire images from the type of people who are seen using them. Images of prestige or success are imbibed when brands are associated with glamorous personalities.
- c) Belief in Efficiency: Ranking from consumer associations, newspaper editorials etc.
- d) *Brand Appearance*: Design of brand offers clues to quality and affects preferences.
- e) *Manufacturer's name & Reputation*: A prominent brand name

(Sony, Kellogg's, Bajaj, Tata) transfers positive associations The celebrity's role is the most explicit and profound *in incarnating user associations* among the above-mentioned points.

The realm of the celebrity's impact is confined to bestow a distinctive identity and provide AV to the brand; the celebrity does not have the power to improve or debilitate the efficiency and features of the core product. Thus, we are gradually approaching an evident proposition claiming, “The health of a brand can definitely be improved up to some extent by celebrity endorsement. But one has to remember that endorsing a celebrity is a means to an end and not an end in itself.”

An appropriately used celebrity can prove to be a massively powerful tool that magnifies the effects of a campaign. But the aura of cautiousness should always be there. The fact to be emphasised is that celebrities alone do not guarantee success, as consumers nowadays understand advertising. They know what advertising is and how it works. People realize that celebrities are being paid a lot of money for endorsements and this knowledge makes them cynical about celebrity endorsements. Compatibility of the celebrity's persona with the overall brand image A celebrity is used to impart credibility and aspirational values to a brand, but the celebrity needs to match the product. A good brand campaign idea and an intrinsic link between the celebrity and the message are musts for a successful campaign. Celebrities are no doubt good at generating attention, recall and positive attitudes towards advertising provided that they are supporting a good idea and there is an explicit fit between them and the brand. On the other hand, they are rendered useless when it comes to the actual efficiency of the core product, creating positive attitudes to brands, purchase intentions and actual sales.

### A. Sonam Kapoor Endorsing Loreal

Certain parameters that postulate compatibility between the celebrity and brand image are:

- Celebrity's fit with the brand image.
- Celebrity—Target audience match
- Celebrity associated values.

- Costs of acquiring the celebrity.
- Celebrity—Product match.
- Celebrity controversy risk.
- Celebrity popularity.
- Celebrity availability.
- Celebrity physical attractiveness.
- Celebrity credibility.
- Celebrity prior endorsements.
- Whether celebrity is a brand user.
- Celebrity profession.

Successful celebrity endorsements for a brand- *An Indian perspective* The latter part of the '80s saw the burgeoning of a new trend in India— brands started being endorsed by celebrities. Hindi film and TV stars as well as sportspersons were roped in to endorse prominent brands. Advertisements, featuring stars like Tabassum (Prestige pressure cookers), Jalal Agha (Pan Parag), Kapil Dev (Palmolive Shaving Cream) and Sunil Gavaskar (Dinesh Suitings) became common. Probably, the first ad to cash in on star power in a strategic, long-term, mission statement kind of way was Lux soap. This brand has, perhaps as a result of this, been among the top three in the country for much of its lifetime.

In recent times, we had the ShahRukh - Santro campaign with the objective of mitigating the impediment that an unknown Korean brand faced in the Indian market. The objective was to garner faster brand recognition, association and emotional unity with the target group. Star power in India can be gauged by the successful endorsement done by Sharukh for three honchos- Pepsi, Clinic All Clear and Santro. Similarly, when S Kumars used Hrithik Roshan, then the hottest advertising icon for their launch advertising for Tamarind, they reckoned they spent 40 - 50 per cent less on media due to the sheer impact of using Hrithik. Ad recall was as high as 70 per cent, and even the normally conservative trade got interested. In the Indian context, it would not be presumptuous to state that celebrity endorsement can aggrandize the overall brand. We have numerous examples exemplifying this claim.

A standard example here is Coke, which, till recently, didn't use stars at all internationally. In fact, India was a first for them. The result was a ubiquitously appealing Aamir cheekily stating *Thanda matlab Coca Cola*. The recall value for Nakshatra advertising is only due to the sensuous Aishwarya. The Parker pen brand, which by itself commands equity, used Amitabh Bachchan to revitalize the brand in India. According to Pooja Jain, Director, Luxor Writing Instruments Ltd (LWIL), post Bachchan, Parker's sales have increased by about 30 per cent. India is one country, which has always idolized the stars of the celluloid world. Therefore it makes tremendous sense for a brand to procure a celebrity for its endorsement. In India there is an exponential potential for a celebrity endorsement to be perceived as genuinely relevant, thereby motivating consumers to go in for the product. This would especially prove true if the endorser and the category are a natural lifestyle fit like sportspersons and footwear, Kapil-Sachin and Boost or film stars and beauty products.

#### 1) Some Global Examples

Globally, firms have been juxtaposing their brands and themselves with celebrity endorsers. Some successful ongoing global endorsements are as follows:

- a) Celebrity endorsements have been the bedrock of Pepsi's advertising. Over the years, Pepsi has used and continues to use a number of celebrities for general market and targeted advertising, including Shaquille O'Neal, Mary J. Blige, Wyclef Jean, and Busta Rhymes, who did a targeted campaign for their Mountain Dew product.
- b) George Foreman for Meineke. He has also sold more than 10 million Lean Mean Fat-- Reducing Grilling Machines since signing with the manufacturing company.
- c) James Earl Jones for Verizon and CNN.
- d) Nike golf balls, since the company signed Tiger Woods in 1996, have seen a \$50 million revenue growth. Nike's golf line grossed more than \$250 million in annual sales. In 2000 he renegotiated a five-year contract estimated at \$125 million.
- e) Other successful endorsements like Nike—Michael Jordan, Dunlop—John McEnroe, Adidas—Prince Naseem Hamed, and so on.
- f) Venus Williams, tennis player and Wimbledon champion has signed a five-year \$40 million contract with sportswear manufacturer Reebok International Inc.

## 2) *Advantages of a Celebrity Endorsing a Brand*

Brands have been leveraging celebrity appeal for a long time. Across categories, whether in products or services, more and more brands are banking on the mass appeal of celebrities. As soon as a new face ascends the popularity charts, advertisers queue up to have it splashed all over. Witness the spectacular rise of Sania Mirza and Irfan Pathan in endorsements in a matter of a few months. The accrument of celebrity endorsements can be justified by the following advantages that are bestowed on the overall brand:

- a) *Establishment of Credibility:* Approval of a brand by a star fosters a sense of trust for that brand among the target audience- this is especially true in case of new products. We had the Shah Rukh-Santro campaign. At launch, Shah Rukh Khan endorsed Santro and this ensured that brand awareness was created in a market, which did not even know the brand.
- b) *Ensured Attention:* Celebrities ensure attention of the target group by breaking the clutter of advertisements and making the ad and the brand more noticeable.
- c) *PR Coverage:* Is another reason for using celebrities. Managers perceive celebrities as topical, which create high PR coverage. A good example of integrated celebrity campaigns is one of the World's leading pop groups, the Spice Girls, who have not only appeared in advertisements for Pepsi, but also in product launching and PR events. Indeed, celebrity-company marriages are covered by most media from television to newspapers (e.g. The Spice Girls and Pepsi)
- d) *Higher Degree of Recall:* People tend to commensurate the personalities of the celebrity with the brand thereby increasing the recall value. Golf champion Tiger Woods has endorsed American Express, Rolex, and Nike. Actress Catherine Zeta- Jones is used by T-Mobile and Elizabeth Arden. 007 Pierce Brosnan promotes Omega, BMW, and Noreico.
- e) *Associative Benefit:* A celebrity's preference for a brand gives out a persuasive message - because the celebrity is benefiting from the brand, the consumer will also benefit.
- f) *Mitigating a Tarnished Image:* Cadbury India wanted to restore the consumer's confidence in its chocolate brands following the high-pitch worms controversy; so the company appointed Amitabh Bachchan for the job. Last year, when the even more controversial pesticide issue shook up Coca-Cola and PepsiCo and resulted in much negative press, both soft drink majors put out high-profile damage control ad films featuring their best and most expensive celebrities. While Aamir Khan led the Coke fight back as an ingenious and fastidious Bengali who finally gets convinced of the product's 'purity,' PepsiCo brought Shah Rukh Khan and Sachin Tendulkar together once again in a television commercial which drew references to the 'safety' of the product indirectly.
- g) *Psychographic Connect:* Celebrities are loved and adored by their fans and advertisers use stars to capitalize on these feelings to sway the fans towards their brand.
- h) *Demographic Connect:* Different stars appeal differently to various demographic segments (age, gender, class, geography etc.).
- i) *Mass Appeal:* Some stars have a universal appeal and therefore prove to be a good bet to generate interest among the masses.
- j) *Rejuvenating A Stagnant Brand:* With the objective of infusing fresh life into the stagnant chyawanprash category and staving off competition from various brands, Dabur India roped in Bachchan for an estimated Rs. 8 crore.

Celebrity endorsement can sometimes compensate for lack of innovative ideas.

## 3) *Disadvantages of a Celebrity Endorsing a Brand*

The celebrity approach has a few serious risks:

- a) *The Reputation of the celebrity may derogate after he/she has endorsed the Product:* Pepsi Cola's suffered with three tarnished celebrities - Mike Tyson, Madonna, and Michael Jackson. Since the behaviour of the celebrities reflects on the brand, celebrity endorsers may at times become liabilities to the brands they endorse.
- b) *The Vampire Effect:* This terminology pertains to the issue of a celebrity overshadowing the brand. If there is no congruency between the celebrity and the brand, then the audience will remember the celebrity and not the brand. Examples are the campaigns of Dawn French—Cable Association and Leonard Rossiter—Cinzano. Both of these campaigns were aborted due to celebrities getting in the way of effective communication. Another example could be the Castrol commercial featuring Rahul Dravid.
- c) *Inconsistency In The Professional Popularity Of The Celebrity:* The celebrity may lose his or her popularity due to some lapse in professional performances. For example, when Tendulkar went through a prolonged lean patch recently, the inevitable question that cropped up in corporate circles - is he actually worth it? The 2003 Cricket World Cup also threw up the Shane Warne incident, which caught Pepsi off guard. With the Australian cricketer testing positive for consuming banned substances and his subsequent withdrawal from the event, bang in the middle of the event, PepsiCo - the presenting sponsor of the World Cup 2003 - found itself on an uneasy wicket



- d) *Multi Brand Endorsements by the same Celebrity Would lead to Overexposure*: The novelty of a celebrity endorsement gets diluted if he does too many advertisements. This may be termed as *commoditization of celebrities*, who are willing to endorse anything for big bucks. Example, MRF was among the early sponsors of Tendulkar with its logo emblazoned on his bat. But now Tendulkar endorses a myriad brands and the novelty of the Tendulkar-MRF campaign has scaled down.
- e) *Celebrities Endorsing one Brand and using Another (Competitor)*: Sainsbury's encountered a problem with Catherina Zeta Jones, whom the company used for its recipe advertisements, when she was caught shopping in Tesco. A similar case happened with Britney Spears who endorsed one cola brand and was repeatedly caught drinking another brand of cola on tape.
- f) *Mismatch Between the Celebrity and the Image of the Brand*: Celebrities manifest a certain persona for the audience. It is of paramount importance that there is an egalitarian congruency between the persona of the celebrity and the image of the brand. Each celebrity portrays a broad range of meanings, involving a specific personality and lifestyle. Madonna, for example, is perceived as a tough, intense and modern women associated with the lower middle class. The personality of Pierce Brosnan is best characterized as the perfect gentlemen, whereas Jennifer Aniston has the image of the 'good girl from next door'.

In India, Bollywood and sport personalities like Amitabh Bachchan, Shahrukh Khan, Fardeen Khan, Saif Ali Khan, Sachin Tendulkar, Saurav Ganguly, Virender Sehwag and Bhaichung Bhutia rule the mind-space and airwaves.

It is interesting to see Amitabh 'touching' our hearts with Nerolac; making a fervent pitch for peace in the public service message released after the Gujarat riots; playing the matrix for Reid & Taylor; doting grandfather in the new Cadbury's commercial, and so on. As an endorser, he fulfills all the FRED objectives, namely, Familiarity (target market is aware of him, finds him friendly, likeable and trustworthy); Relevance (which says that there should be a link between the endorser and the product as well between the endorser and the audience); Esteem (the polio endorsement, for example, is successful as the masses see him as a credible name-face-voice); Differentiation (in all his projections, he is seen to be one among the masses, and yet he towers above them. He is different). His appeal is universal, lesser mortals merely cater to specific niches...

So, which celebrity should one go with? Who should be the spokesperson for your product? Who caters to which niche? Does it always happen by trial and error? Should a corporate organisation pay for individual research to find logical fits for their needs/brands? US has a popular index, called the Q score, that summarises various perceptions and feelings that consumers have in the form of 'likeability' measurements.

It measures familiarity and appeal of performers, characters, personalities, etc. So, how about developing an index in India that would aid companies in reaching out to their respective audiences? The index could be classified on the basis of demographics, psychographics, and geographical demarcations. It would have to be relevant to advertisers and brand managers (who have used any of the known celebrities as endorsers; they could check out the measurable value addition), representatives from respective fraternities/domains, peers, media, etc.

### B. Katrina Kaif Endorsing Kodak Camera

The celebrity trap:

Once into a celebrity, it is hard to get out of it. If the brand has done even moderately well after the break of a celebrity campaign, it becomes difficult to separate the role of message and the role of the celebrity in selling the brand. And hence, the celebrity becomes an addiction for the marketing team. And the task to find substitutes becomes more and more difficult. Interestingly, celebrity is a disease that is seen to spread across a marketing department. Once one brand manager gets into it, others tend to follow, not wanting to be left behind! With the surfeit of celebrities on screen and in the newspapers, there are two new drawbacks emerging for celebrity usage.

Celebrity credibility is coming under question. Consumers are getting more and more advertising savvy and are beginning to voice opinions, even in small towns, like "He has been paid to sell the product."

Clearly celebrity endorsement is no longer as credible as it was a few decades ago.

Unless category and celebrity are closely linked (like Nike and sports stars), the power of a celebrity's word is questionable.

The trustworthiness of public figures, which celebrities tended to bring in the past, is bound to disappear if a celebrity begins to appear and endorse a brand in every conceivable category! Celebrity clutter. With each celebrity endorsing multiple products and multi brands in a category, resorting to different celebrities, the consumer is left confused. And reluctant to get into 'this celebrity is bigger than that comparison' to make brand choices.

Santro is endorsed by Shah Rukh Khan and Palio by Sachin Tendulkar... does the consumer buy the brands because of the star pull? ... a question worth pondering about. It ends up making brand parity rather than giving brand differentiation, often one of the key aims of using a celebrity.

When Palmolive used Kapil Dev in the '80s, his line 'Palmolive da jawaab nahin' became famous -- it is remembered even today.

Pataudi gave Gwalior suitings a strong competitive edge and pushed it to Number 2 in perceptions in the suitings market. Even Sridevi made Cema bulbs and tubes memorable by dancing in a bulb! The advertisements by themselves were fairly non-descript; the celebrities gave the brand the differentiation. Celebrity advertising were few and far in between in those days. The days of 'pure' celebrity working for the brand seem to be over.

Today, it is back to the power of an idea and an insight. No simple solutions exist any longer. Unless there is something powerful in the idea, the celebrity is just another cost. Aamir Khan and Coke is the ultimate example of the same.

As long as the brand depended on his star value and wove interesting stories around him, it just didn't cut ice with the consumer -- until 'Thanda Matlab Coca-Cola' happened. Could it have worked as well without a celebrity? One will never know as the brand has entered the celebrity trap.

## X. CONCLUSION FOR CELEBRITY ENDORSEMENTS

Despite the obvious economic advantage of using relatively unknown personalities as endorsers in advertising campaigns, the choice of celebrities to fulfill that role has become common practice for brands competing in today's cluttered media environment.

There are several reasons for such extensive use of celebrities. Because of their high profile, celebrities may help advertisements stand out from the surrounding clutter, thus improving their communicative ability. Celebrities may also generate extensive PR leverage for brands.

For example, when Revlon launched the "Won't kiss off test" for its Color stay lipsticks in 1994 with Cindy Crawford kissing reporters, the campaign featured on almost every major news channel and equally widely in the press. A brief assessment of the current market situation indicates, that **celebrity endorsement** advertising strategies can, under the right circumstances, indeed justify the high costs associated with this form of advertising. But it would be presumptuous to consider celebrity endorsement as a panacea for all barricades. Celebrity endorsement if used effectively, makes the brand stand out, galvanizes brand recall and facilitates instant awareness.

To achieve this, the marketer needs to be really disciplined in choice of a celebrity. Hence the right use of celebrity can escalate the Unique Selling Proposition of a brand to new heights; but a cursory orientation of a celebrity with a brand may prove to be caustrophobic for the brand. A celebrity is a means to an end, and not an end in himself/herself

## XI. MAKING A CONSTRUCTIVE OR AN EFFECTIVE ADVERTISEMENT

This is an important aspect of advertising as advertisement published by a company should be attractive, impressive as well as effective. It should give positive results in terms of consumer loyalty, sales, promotion and competitive capacity. For creativity in advertising, attention needs to be given to all components of an advertisement. They include copy, illustration, layout, slogan, headline and art work. For effective advertising, services of experts are necessary.

An advertising agency maintains such expert copywriters and others for preparing attractive advertisements for their clients. Construction of an advertisement means to prepare a copy of an advertisement which is combination headline, slogan, illustration and advertising message adjusted in proper layout. It is a specialized job which needs proper education, training, experience and maturity.

Advertising agency maintain such creative staff for preparation of an advertisement. It may also be noted that advertising is a means for supplying information, for making an appeal and for sales promotion. These purposes or objectives will be achieved only when the advertisement prepared or constructed is effective.

This means it prove to be attractive, appealing and agreeable to readers or viewers. In short, advertising must be effective purposeful or result oriented. Construction of such advertisement needs intelligence, knowledge and imagination.

New ideas must be developed, an element of creativity must be included and effective appeal must be made to target consumers. For effective advertising, attention needs to be given to copy and visual which are two basic elements of an advertisement. Construction of an advertisement is a lengthy process which includes different steps. An effective advertisement can be created only when all such steps are completed in an orderly manner.

## XII. BRAND AND BRAND BUILDING

Branding is a major issue in product strategy. Creating a brand loyal market is the main aim of any marketer. At the same time, developing a branded product requires a great deal of long-term investment, especially for advertising & promotion.

### A. *What is a Brand?*

Perhaps the most distinctive skill of professional marketers is their ability to create, maintain, protect & enhance brands. Branding is the art & cornerstone of marketing. The American Marketing Association {AMA} defines a brand as; “a name, term, sign, symbol, or design, or a combination of them, Intended to identify the goods or services of one seller or group of sellers to differentiate them from those of competitors”. Thus a brand identifies the seller or maker. Brands differ from other assets such as patents, copyrights that have expiration dates.

According to Kevin Keller “what distinguishes a brand from its unbranded commodity counterparts is the consumer’s perceptions & feelings about the product’s attributes & how they perform. Ultimately, a brand resides in the minds of consumers.”

Marketers must decide at which level(s) to anchor the brand’s identity. Scott Davis suggests visualizing a brand pyramid in constructing the events of a brand. At the lowest level are the brand attributes, at the next level are the brand’s benefits, and at the top are the brand’s beliefs & values.

*Example:* Thus marketers of dove soap can talk about its attribute of one- quarter cleansing cream; or its benefit of softer skin; or its value, being more attractive. The attribute is the least desirable level. First, the buyer more interested in benefits. Second, competitors can easily copy attributes. Third, the current attributes may become less desirable.

### B. *Brand Building Through Events*

A brand can be better positioned by associating its name with a desirable benefit. Some successful brand positioning examples are Volvo (safety), hallmark (caring), Harley-Davidson (adventure), Nike (performance) & Lexus (quality). If the brand evokes a strong set of beliefs & values, the company must be careful not to stray from this. Thus Mercedes stands for high technology, performance & success. Mercedes must project these qualities in its brand strategy.

### C. *Brand Essence And Attributes*

There must be some link or fit with the property's offering and the sponsor's offering They should share similar attributes, such as high quality, well built, expensive, high prestige Complementary Values must exist between sponsor's product(s) property. An example is, prestige, quality and expensiveness would be present in an event associated with Mercedes or BMW. You would not expect to find both supporting an event associated with Kmart.

### D. *Brand Building Identity*

Building brand identity requires additional decisions on brand’s name, logo, colors, tagline & symbol. At the same time, a brand is much more than a name, logo, colors, and tagline of symbol. These are marketing tools & tactics. A brand is essentially a marketer’s promise to deliver a specific set of features, benefits & services consistently to the buyers. The marketer must establish a mission for the brand & a vision of what the brand must be & do. The marketer must think that he is offering a contract to customer regarding how the brand will perform. The brand contract must honest.

### E. *Brand Equity*

Brands vary in the amount of power & value they have in the market place. At one extreme there are brands that are not known by most buyers. Then there are brands for which buyers have a fairly high degree of brand awareness. Beyond this are brands with a high degree of brand acceptability. Then there are brands that enjoy or high degree of brand preference. Finally, there are brands that command or high degree of brand loyalty. High brand equity provides a number of competitive advantages.

- 1) The company will have more trade leverage in bargaining with distributors & retailers because customers expect them to carry the brand.
- 2) The company can charge on higher price than its competitors because the brand has higher perceived quality.
- 3) The company can more easily launch extensions because the brand name carries high credibility.
- 4) The brand offers the company, some defense against price competitive.

#### *F. Managing Brand Equity*

A brand needs to be carefully managed so that its equity does not depreciate. This requires maintaining or improving brand awareness, perceived quality & functionality, & positive associations. These tasks require continuous research & development investment, skillful advertising & excellent trade & consumer service.

#### *G. Brand Building Tools*

A common misconception is that brands are basically built by advertising. It is true that TV stations & people watched the comedies, dramas, & ads with almost equal interest. Now, viewers may be watching one of the dozens of TV stations & many are zapping or ignoring the commercials. In fact many more are simply not watching TV. They are busy on their computers or engaged in recreational activities. Marketers are therefore turning to other tools for attracting attention to their brands. Among the most important are:-

- 1) Public relations & press releases: Brands can gain a lot of attention from well-placed newspapers & magazine stories, etc.
- 2) Sponsorship: Brands are frequently promoted in sponsored events such as world famous bicycle & car races.
- 3) Clubs & consumer communities: Brands can form the center of a customer community, such as Harley-Davidson motorcycle owners or Bradford plate collectors.
- 4) Factory visits: Hershey's & Cadbury's, two candy companies, have built theme parks at their factories & they invite visitors to spend a day.
- 5) Trade shows: trade show creates a great opportunity to built brand awareness, knowledge & interest.
- 6) Event marketing: Many automobile companies make an event out of introducing their new car models.
- 7) Public facilities: Perrier, the bottled water company, etched its identity in the public parks to promote healthful lifestyles.
- 8) Social cause marketing: Brands can achieve a following by donating money to charitable causes. Ben & jerry's ice cream turns over 7% of its profits to charity.
- 9) High value for the money: Some brand creates positive word of mouth by offering exceptional value for the money. Examples include IKEA & southwest airlines.
- 10) Founders or celebrity personality: A colorful founder, such as Richard Branson, or a celebrity personality, such as Michael Jordan, can create positive affect for a brand.

### **XIII. BRAND ASSET MANAGEMENT**

Although print and broadcast advertising have played a large role in building strong brands, other forces are now playing an increasing role. Customers come to know a brand

through a range of contacts & touch points: personal observation & use, word of mouth, meeting company personnel, telephone experience, seeing a web page, receiving invoices, live events & so on. Any of these experiences can be positive or negative.

Companies must balance their communication expenditures among the main communication media these include the following seven communications vehicles: advertising, public relations, trade and sales promotion, consumer promotions, direct marketing, event marketing & internal employee communications. Companies are increasingly moving their brand building budgets to public relations, direct marketing, event marketing & employee training.

#### *A. Brand Building A Part Of Event Marketing*

Event marketing's popularity is a relatively recent phenomenon, which evolved to reach an increasingly cynical consumer activity. Events overwhelmed by media clutter and promotional activity. Events offered marketers close, personal contact with consumers. Like traditional advertising and promotions, events can be selected to fit demographic requirements. Events offer the opportunity to connect with consumers one-on-one. When event marketing is done properly, it can generate sales and increase traffic. Even alter brand personality trades through association with the qualities of the event; associate companies with customer lifestyles; create opportunities to build personal relationships with customers that many eventually positively affect sales; create an imprint, not just an impression. extend impact through advertising media coverage and outreach to people attracted to the event because of personal interests; allow for niche marketing because the marketer can manage demographics, psychographics, time and location; extend the value of advertising campaigns by creating a dynamic, interactive environment that makes key messages more relevant and personal. Associate a company(brand, product) with the qualities of the event itself while simultaneously projecting the company's personality, values and style; position a company to be in touch with people's interests and responsive to their preferences, lifestyles and attitudes.

Event marketing is an important part of any integrated communications plan because it extends the impact of other elements (advertising promotion, etc.) in an environment where consumers are more open and receptive. Event marketing involves canvassing for clients and arranging feedback for the creative concepts during and after the concept initiation so as to arrive at a customized package for the client, keeping the brand values and target audience in mind. Marketing plays an important role in pricing and negotiation as well as identifying opportunities to define and retain event properties by gathering marketing intelligence with regard to pricing, timing, etc. In fact, ideally, event marketing involves simultaneous canvassing and studying the brands prints; understanding what the brand stands for, its positing and values, identifying the target audience and liaison with the creative conceptualizes to create an event for a perfect mesh with the brand's personality.

Events literally bring products to participants in an innovative and personally involving manner. For example, when Camlin was interested in introducing active school students to its new product line of Artoons sketch pens, in addition to advertising in the expected magazines and TV options; it sponsored drawing competitions at premier city schools.

It offered product giveaways and demonstrated the product's features and benefits through a huge float and effectively, reinforces the brand image of the product or service in the interest of the consumer through an event association using celebrities, locations and/or acknowledged industry leaders. In 1998, soft drinks manufacturer Coca-Cola India acted as the title sponsor of part of the Asha Bhonsle Live Concert Tour organized by UNIRAPPORT Events, a division of UTV. The concert was an elaborate tour of 10 cities. The audience had the opportunity to watch Asha Bhonsle live in concert.

Coke obtained the opportunity to present the event and use tickets for the show as giveaways, thus effectively tying a brand building exercise with increasing customer traffic in its retail outlets as well as a sales promotion campaign.

Events therefore offer innumerable opportunities for the sponsors to extract every possible mileage available in the marketing lexicon. Though sponsoring of a big event like a rock show, an Olympic Games or a cricket tournament invariably means sharing the limelight with other companies and other brands, the customization of events totally serves the communication agenda of a company. Communication through live media integrates the functions of advertising, sales promotions and public relations.

Events vie for a very small share of the marketing budget pie as of now. But as the importance of events as a marketing tool builds up, it will eat into a larger portion of the marketing budget pie vis-à-vis other currently popular modes of marketing communication such as television advertising and Internet banner ads. It will thus become a part and parcel of the integrated campaign. This is so because events help in addressing the diverse marketing needs of a company. Value creation is paramount in building long term relationship. The sponsorship that was created is a mutual exchange between you and the sponsor. Both are expected to benefit simultaneously. To ensure this you need to manage the relationship. This calls for a plan strategy, an action or implementation process and a feedback, check or evaluation process. Your sponsor should be in agreement with the procedures outlined in obtaining the objectives of the sponsorship. The check or evaluation process calls for some form of measurement of results on a time line basis. Here is one last tip. When you are making your objectives make sure they are not arbitrary. Make sure they are specific, quantitative, realistic, measurable and attainable. Marketing involves sales, costs of sales, and sales and marketing expenses, all of which affect profitability and cash flow. Financial objectives are different from marketing objectives and are in most cases easier to measure. Marketing objectives are mostly based on sales revenue and market share and awareness level depending on the visibility of the sponsor. Sales are much easier to measure and track. Market share and awareness are more difficult because it may require research to determine these accurately. As you develop objectives it is much better to develop the measuring system within the objectives itself

#### *B. Branding-Importance in Marketing Strategy*

The American Marketing Association (AMA) defines a brand as a "name, term, sign, symbol or design, or a combination of them intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of other sellers.

Therefore it makes sense to understand that branding is not about getting your target market to choose you over the competition, but it is about getting your prospects to see you as the only one that provides a solution to their problem.

#### *C. The Objectives That A Good Brand Will Achieve Include*

- 1) Delivers the message clearly
- 2) Confirms your credibility
- 3) Connects your target prospects emotionally
- 4) Motivates the buyer
- 5) Concretes User Loyalty

To succeed in branding you must understand the needs and wants of your customers and prospects. You do this by integrating your brand strategies through your company at every point of public contact. Your brand resides within the hearts and minds of customers, clients, and prospects. It is the sum total of their experiences and perceptions, some of which you can influence, and some that you cannot.

A strong brand is invaluable as the battle for customers intensifies day by day. It's important to spend time investing in researching, defining, and building your brand. After your entire brand is the source of a promise to your consumer. It's a foundational piece in your marketing communication and one you do not want to be without.

#### XIV. TYPES OF BRANDS

There are two main types of brand – manufacturer brands and own-label brands.

##### A. *Manufacturer Brands*

Manufacturer brands are created by producers and bear their chosen brand name. The producer is responsible for marketing the brand. The brand is owned by the producer.

By building their brand names, manufacturers can gain widespread distribution (for example by retailers who want to sell the brand) and build customer loyalty (think about the manufacturer brands that you feel “loyal” to).

##### B. *Own Label Brands*

Own-label brands are created and owned by businesses that operate in the distribution channel – often referred to as “distributors”. Often these distributors are retailers, but not exclusively. Sometimes the retailer’s entire product range will be own-label.

However, more often, the distributor will mix own-label and manufacturers brands. The major supermarkets (e.g. Tesco, Asda, Sainsbury’s) are excellent examples of this. Own-label branding – if well carried out – can often offer the consumer excellent value for money and provide the distributor with additional bargaining power when it comes to negotiating prices and terms with manufacturer brands.

Three other important terms relating to brands:

- 1) *Brand Equity*: “Brand equity” refers to the value of a brand. Brand equity is based on the extent to which the brand has high brand loyalty, name awareness, perceived quality and strong product associations. Brand equity also includes other “intangible” assets such as patents, trademarks and channel relationships.
- 2) *Brand Image*: “Brand image” refers to the set of beliefs that customers hold about a particular brand. These are important to develop well since a negative brand image can be very difficult to shake off.
- 3) *Brand Extension*: “Brand extension” refers to the use of a successful brand name to launch a new or modified product in a new market. A successful brand helps a company enter new product categories more easily.

For example, Fairy (owned by Unilever) was extended from a washing up liquid brand to become a washing powder brand too.

##### C. *Brand Positioning*

Positioning can be defined as follows:

“Positioning is how a product appears in relation to other products in the market.”

Brands can be positioned against competing brands on a perceptual map. A perceptual map defines the market in terms of the way buyers perceive key characteristics of competing products.

The basic perceptual map that buyers use maps products in terms of their price and quality, as illustrated below:

##### D. *Brands and Products*

Brands are rarely developed in isolation. They normally fall within a business’ product line or product group. A product line is a group of brands that are closely related in terms of their functions and the benefits they provide. A good example would be the range of desktop and laptop computers manufactured by Dell.

A product mix relates to the total set of brands marketed by a business. A product mix could, therefore, contain several or many product lines. The width of the product mix can be measured by the number of product lines that a business offers.

For example Hewlett-Packard (“HP”) has a broad product mix that covers many segments of the personal and business computing market.

Managing brands is a key part of the product strategy of any business, particularly those operating in highly competitive consumer markets.

### Principles

A good brand name should:

- Be protected (or at least protect able ) under trademark law
- Be easy to pronounce
- Be easy to remember
- Be easy to recognize
- Be easy to translate into all languages in the markets where the brand will be used
- Attract attention

Suggest product benefits (e.g.: Easy-Off) or suggest usage(note the tradeoff with strong trademark protection)

- Suggest the company or product image
- Distinguish the product's positioning relative to the competition.
- Stand out among a group of other brands -like that one compared to the others.
- Brands -Building a Brand

Professor David Jobber identifies seven main factors in building successful brands, as illustrated in the below:

- 1) *Quality*: Quality is a vital ingredient of a good brand. Remember the “core benefits” – the things consumers expect. These must be delivered well, consistently. The branded washing machine that leaks, or the training shoe that often falls apart when wet will never develop brand equity. Research confirms that, statistically, higher quality brands achieve a higher market share and higher profitability than their inferior competitors.
- 2) *Positioning*: Positioning is about the position a brand occupies in a market in the minds of consumers. Strong brands have a clear, often unique position in the target market. Positioning can be achieved through several means, including brand name, image, service standards, product guarantees, packaging and the way in which it is delivered. In fact, successful positioning usually requires a combination of these things.
- 3) *Repositioning*: Repositioning occurs when a brand tries to change its market position to reflect a change in consumer’s tastes. This is often required when a brand has become tired, perhaps because its original market has matured or has gone into decline. The repositioning of the Lucozade brand from a sweet drink for children to a leading sports drink is one example. Another would be the changing styles of entertainers with above-average longevity such as Kylie Minogue and Cliff Richard.
- 4) *Communications*: Communications also play a key role in building a successful brand. We suggested that brand positioning is essentially about customer perceptions – with the objective to build a clearly defined position in the minds of the target audience. All elements of the promotional mix need to be used to develop and sustain customer perceptions. Initially, the challenge is to build awareness, then to develop the brand personality and reinforce the perception.
- 5) *First-mover Advantage*: Business strategists often talk about first-mover advantage. In terms of brand development, by “first-mover” they mean that it is possible for the first successful brand in a market to create a clear positioning in the minds of target customers before the competition enters the market. There is plenty of evidence to support this. Think of some leading consumer product brands like Gillette, Coca Cola and cello tape that, in many ways, defined the markets they operate in and continue to lead. However, being first into a market does not necessarily guarantee long-term success. Competitors – drawn to the high growth and profit potential demonstrated by the “market-mover” – will enter the market and copy the best elements of the leader’s brand (a good example is the way that Body Shop developed the “ethical” personal care market but were soon facing stiff competition from the major high street cosmetics retailers.
- 6) *Long-term Perspective*: This leads onto another important factor in brand-building: the need to invest in the brand over the long-term. Building customer awareness, communicating the brand’s message and creating customer loyalty takes time. This means that management must “invest” in a brand, perhaps at the expense of short-term profitability.
- 7) *Internal Marketing*: Finally, management should ensure that the brand is marketed “internally” as well as externally. By this we mean that the whole business should understand the brand values and positioning. This is particularly important in service businesses where a critical part of the brand value is the type and quality of service that a customer receives.

Think of the brands that you value in the restaurant, hotel and retail sectors. It is likely that your favorite brands invest heavily in staff training so that the face-to-face contact that you have with the brand helps secure your loyalty.

## XV. BRAND MANAGEMENT

This involves managing the tangible and intangible aspects of the brand. For product brands the tangibles are the product itself, the packaging, the price, etc. For service brands (see Service Brands), the tangibles are to do with the customer experience -the retail environment, interface with salespeople, overall satisfaction, etc. For product, service and corporate brands, the intangibles are the same and refer to the emotional connections derived as a result of experience, identity, communication and people. Intangibles are therefore managed via the manipulation of identity, communication and people skills.

### A. *Understanding Brand Management*

Brand management is a process of used in marketing; in fact it comes under one of the 4Ps of the marketing mix. This means that the brands of the company have to be managed so as to create a positive image about the brand and the company in the minds of the customers. This is a difficult task and one that has to be handled delicately. The other purpose of brand management is to build customer loyalty by means of creating an emotion bond between the customers and the brand itself. People in the company responsible for brand management are the brand managers who naturally must have an understanding of the market and customers. Brand managers are responsible for creating a promise through a particular brand; the promise could be healthy food and healthy lifestyle or something on those lines. For the brand to be successful and for brand management also to be successful, it is important that the promise is met and satisfied, else it is going to seriously damage the brand image. This is what brand management is all about.

### B. *Tips for Brand Management*

Here are some tips that should help in brand management: Consistency – where brand management, brand building or branding is concerned there should always be consistency, and it should be consistent with the ideologies of the brand itself. People should be consistently be able to identify with the brand.

Brand Equity – an important aspect of brand management is brand equity. This is the monetary value of the brand. Think of brand management as creating brand equity and making it grow. Be aware of other brands – one idea used in brand management is to use sub-brands, while this is good, you do not want to confuse the customer with too many brands under one brand name.

Do not be sidelined by profits – most companies work in a manner where they employ different product managers, who have to work on target basis. It is important for them to make profits, but brand managers have to be careful so as to not get sidelined by the money and compromise the brand image.

Be Dynamic – an important aspect of brand management is to avoid stagnation and to be continuously changing or dynamic. There is no place for stagnation in the corporate world or the marketing world. Brands should continuously do something new to keep things fresh and the customers interested.

### C. *Why Should Businesses try to build Their Brands?*

There are many advantages to businesses that build successful brands. These include:

- 1) Higher prices
- 2) Better distribution
- 3) Customer loyalty

Businesses that operate successful brands are also much more likely to enjoy higher profits. A brand is created by augmenting a core product with distinctive values that distinguish it from the competition. This is the process of creating brand value.

All products have a series of “core benefits” – benefits that are delivered to all consumers. For example:

- a) Watches tell the time
- b) CD-players play CD's
- c) Toothpaste helps prevent tooth decay
- d) Garages dispense petrol.

Consumers are rarely prepared to pay a premium for products or services that simply deliver core benefits – they are the expected elements of that justify a core price.

Successful brands are those that deliver added value in addition to the core benefits.

These added values enable the brand to differentiate itself from the competition. When done well, the customer recognizes the added value in an augmented product and chooses that brand in preference.



For example, a consumer may be looking for reassurance or a guarantee of quality in a situation where he or she is unsure about what to buy. A brand like Mercedes, Sony or Microsoft can offer this reassurance or guarantee.

Alternatively, the consumer may be looking for the brand to add meaning to his or her life in terms of lifestyle or personal image. Brands such as Nike, Porsche or Timberland do this. A brand can usefully be represented in the classic “fried-egg” format shown below, where the brand is shown to have core features that are surrounded (or “augmented”) by less tangible features.

## XVI. BRAND PROTOTYPING PROCESS

When we translate this thought into building a brand we can conclude that it provides a solid basis for developing a strong brand identity. By using the concept of the archetypes brand will protect themselves from creating a fancy brand identity which is inconsistent and unclear. Using archetypes makes it possible to develop a meaningful relationship with the consumer because it fulfills an ambition and aspiration.

Based on the concept of archetypes high value has developed so called brand prototyping process. This method makes its possible to create a strong brand identity based on an archetype and enables brands to stay relevant and vital.

## XVII. DETERMINING THE RELEVANT ARCHETYPE

Creating a meaningful relationship starts with understanding the (hidden) ambition consumer and the brand. For example, fun is a dominant and relevant aspiration in the ice cream category, where control seems to be more relevant in other words the ambition and aspirations in a category determine the possible.

### A. Determining the Desired Brand Prototype

In essence there are only 12 possible identity options available on which a brand identity can be developed. However with in these directions there is an enormous variety of sub identity possible.

The next step for the brand is to translate the archetypal brand into a brand specific identity. The so called brand prototype for example brands like Pepsi, Nivea, Starbucks and Hallmarks are different in terms of look and feel and identity. In the same time they all possess the archetypal characteristics of the caregiver brand. In other words brand prototyping offers the opportunity to create and own a unique brand identity with in generic and universal archetype.

### B. Keeping the Desired Brand Prototype Vital

An identity is not static. The opposite is true strong identities are able to continuously adopt themselves to the actual context without losing their roots and heritage. This is visible with brands like IKEA, NIKE, APPLE, which over a longer period are able to create the consistent brand image, while they understand actual trends and developments in their markets and fulfill contemporary ambitions and aspirations of their consumer. The third step in the brand prototyping process focuses on keeping the brands relevant and vital. By doing this one of the biggest challenges in contemporary branding will be realized namely continuously change to the ambitions and aspirations of consumers and in the mean time staying the same. A good example of this is NIKE. This hero brand is every time able to translate their winning concept in a relevant way. For many years their advertising was relatively aggressive. A commercial was shown where football superstar playing a 3 on 3 game on a ship and the losing team was dropped off the ship. Now a days their never grow up executions are more friendly but still in line with their winning identity.

### C. To Conclude

In the last years little attention has been paid to building a strong identity. The brand prototyping process provides a solid basis for developing a strong brand identity. This process starts from the archetypes and forces the brand to choose a universal identity. This identity is so called blue print is the starting point to keep the brand vital and dynamic by fulfilling the actual ambitions and aspirations of their consumers and without losing or diluting its roots. The brand prototyping process is crossing the bridge in one of the most complex challenges in contemporary branding it provides continuity in a world of discontinuity.

## XVIII. HISTORY OF SOFT DRINKS

The history of soft drinks began with the end of the last century. Its history dates back to the civil war in USA in 1860. At the time people were suffering from many diseases.

Problem at that was how to cure all these diseases since no remedy was present at that time. It was a big question for American people. So in 1885 Mr. J. H. Palmerton, who lived in Antigua, made a drink and registered it as

FRENCH WINE COLA. In the beginning the drink was made with mixture of cocaine and alcohol but later on it was converted and changed into a soft drink. Now it is named as Coca-Cola. A new brand named Pepsi-Cola came in the year 1887.

Around 1984 the first branded soft drink came in the Indian market. This soft drink was named as “Gold Spot”. Parle Exports Pvt. Ltd. was the first Indian Company to introduce a lemon soft drink, this drink was known as “Limca” and it was introduced in the 1970s. However, before this drink had introduced “Cola Pepino” which was withdrawn in face of tough competition.

In the year 1977 Coca-Cola left Indian market and this brought in an opportunity for various Indian companies to show their caliber. At this time a new soft drink was introduced by Parle Products and this was named as “Thums-Up”.

This was a Coca-Cola drink which had a burnt sugar color. This drink was introduced with a mighty “Happy days are here again”. There was another company named Pure Drinks which introduced the soft drink named “Campa Cola” along with orange and lemon flavor. Just after this many more companies entered the Indian soft drink market. A soft drink named “Double-7” had been introduced by a company Modern Bakers. Another company, Mohan Meakins also came with a soft drink named “Marry & Puck-Up”. McDowell came with “Thrill, Rush, Spirit”.

#### A. Soft Drink Market In Indian Scenario

Previously there was no competition in the Indian soft drink market but with all these companies coming in the Indian market a huge competition was taking place with high voltage advertisement. But in the year 1988 Pepsi-Cola was given permission to sell its soft drinks in the Indian market by the Government of India. Coca-Cola also came back in 1993.

Indian soft drink industry is witnessing a boom time. Its growth rate is around 30%. With such a high growth rate, volume could reach billion crates within 10 years. Two major multinational companies are fighting to grab a major chunk of business from Indian markets. These are Pepsi-Cola & Coca-Cola. Both of these companies have seen an enormous potential in this country. Consequently, by world standard, Indian per capita consumption of soft drinks, is still very low.

Therefore these soft drinks giants feel that capital consumption can only grow up. Soft drink industry has already seen an estimated sale of around 200 million cases in 1997 (1 case=24 bottles) which is 30 million crates higher than last year's sale 170 million in 1996. The main reason for such a high growth rate is heightened competition between Pepsi-Cola & Coca-Cola, being a new entrant is far behind. India is actually more vivid in taste and preference than any other country market. Delhi for instance, accounts for about 20% of total soft drinks consumption in terms of sales. There are about 6,50,000 soft drink retailers in India and their number is increasing day by day. This actually means that there is just one soft drink retailer on a population of 34,000 approximately which is far below the international standard. Whereas Philippines has one soft drink retail counter over a population of 150 people i.e. 6,50,000 outlets on a population of 60 million.

#### B. The Indian Cola Scenario

The cola market in India is dominated by global players Pepsi-Cola and Coca-Cola. Pepsi entered the Indian market in 1993.

World wide beverage business is bright and Pepsi's life, its only business. Deep blue Pepsi, is broad based food and beverages company deriving more than 60% of its sales and operating profit from its snacks food and operating profits from its snacks food restaurant business. Both Pepsi food and Coca-Cola India have hit upon same strategy create awareness by increasing noise levels reduce prices to incite trials and later increase price once consumer trial have begun.

Pepsi-Cola has taken the more capital intensive route of owning and running its own bottling plants (Company Operated Bottling Operations or COBO), alongside those of its franchisees.

Coca-Cola is mainly franchisee driven operations with the company supplying its soft drink concentrate (that sector portion) to its bottles around the world (Franchisee Operated/Owned Bottling Operations or FOBO)

1) *Pepsi-Cola*: India figures amongst the top three focus countries on Pepsi's horizon sharing the honors with China and Russia. The Indian PepsiCo has pumped in Rs.300 crore would be investing the similar amount of money in near future. In 1994, Pepsi bought over Dukes in Bombay, which was bought over lock, stock and brand, Rs. 45 crore, COBO account for half of Pepsi's total soft drink sales. Pepsi-Cola has single mindedly focused on brand Pepsi and has become virtually a one brand company.

2) *Coca-Cola*: Coca-Cola re-entered in India after 17 years in 1993.

By striking a \$40 m deal with Parle it got an instant access to the vast Indian soft drink market.

Coca-Cola is having a multi brand strategy and is looking for a great volume opportunity in India.

Coca-Cola spending on advertisement and recently sponsored the Wills World Cup cricket service.

Coca-Cola is about to invest Rs.2,400 crores for setting up two subsidiaries in India. Within its classic Coca-Cola speak “focus, focus, focus and stem roll ahead”

### **XIX. OBJECTIVE OF RESEARCH**

The several objectives are been taken to conduct the research and they are as follows :

- 1) To study how advertising works.
- 2) To study the effect of advertising for creating brand building.
- 3) To find which brand of Pepsi-Cola is more popular at consumer level
- 4) How celebrity is important in advertising.
- 5) The study is also aimed at reviewing the attractiveness and effectiveness of the advertisement of Pepsi-Cola and Coca-Cola.

### **XX. RESEARCH METHODOLOGY**

Research methodology is a way to systematically solve the research problem involving a study of various steps that are generally adopted by a researcher in studying his research problem.

This Includes

- 1) Defending the research problem
- 2) Sampling design
- 3) Research design
- 4) Method of data collection
- 5) Analysis & Interpretation

#### **A. Defining The Research Problem**

Problem under the study was finding out the effect of advertising on soft drinks industry on brand preference, packaging and quality in Greater Noida City.

#### **B. Sampling Design**

Probability sampling design i.e. Random sampling was adopted as a definite plan for obtaining a sample from the population. The selection technique was a Stratified random sampling a restricted probability sampling.

The satisfied random sampling included homogeneous sub population groups i.e. five markets starts from these strata's in the Greater Noida Institutional area with an equal sample size of 100 area.

#### **C. Research Design**

An overall Rigid descriptive research design has been used focusing attention on:-

- 1) Formulation of objectives to the study
- 2) Designing methods for the data collection
- 3) Selecting the sample size
- 4) Collecting the data
- 5) Processing and Analysis of data
- 6) Reporting the finding

#### **D. Method Of Data Collection**

##### **1) Primary source of Data Collection: Collection of data by means of**

- a) Well framed questionnaire & E.D.S sheet.
- b) Direct interaction with the retailers.
- c) Direct interaction with dealers and distributors.

2) **Secondary Source Of Data Collection:** Catalogues of company are studied in order to have a complete knowledge about the different brands available in the market. Different magazines and news papers are studied to collect the information about present scenario of cold drink market.

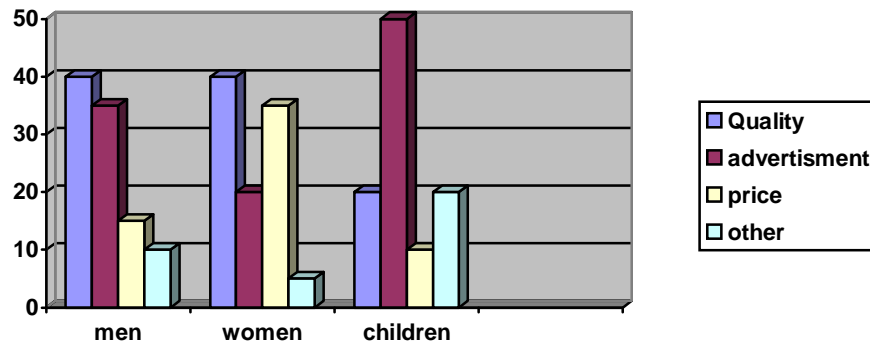
#### **E. Data Analysis And Interpretation**

In a price sensitive country like India with a slow economic growth but ever so global players in many industries have been targeting the continent as which the region demonstrates in the decades. According to the National Council of Applied

Economic Research Study in 1996 puts one million household in the Rs. 2.15lakhs and above income category in 1994-95, which expected to be 2.6 million in 2001-02. The effective demands of C.S.D come from this category and higher class.

In the area of survey the data revealed that:

- Pepsi-Cola's brands Mountain Dew, Mirinda (Orange), Slice hold a good grip over the market.
- The market share of Pepsi has declined rapidly due to less gas and sweeten taste.
- Mountain Dew found to have good market coverage in Greater Noida Institutional area.
- Schemes and offers do not reaches to the entire retailers honestly.
- There is good demand of 2Lt. PET in Greater Noida Institutes
- The demand in the market among the consumers in mostly skewes towards Thums-up(Coca-Cola products).
- Pepsi-Cola is sending lavishly on SGA's and signage which is one of the main reason of its strengthening group on the market in comparison to Coca-Cola is sending quite less.

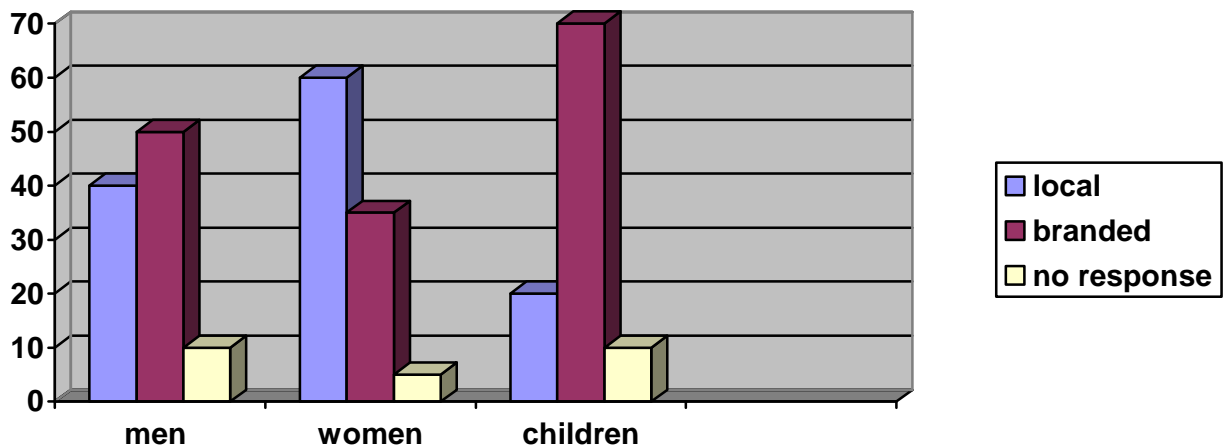


Your favorite brand name ,because of

(Data show in percentage)

*Interpretation:* Many brands become more popular among the children through the advertisement ,but the many other brands become popular because of their product quality among the men and women.

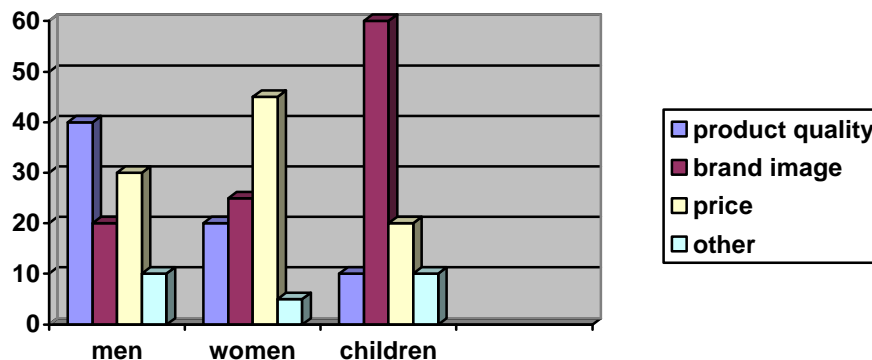
1) Which Company's Product do you Purchase?



(Data show in percentage)

- *Interpretation:* 70% Children's purchase the branded product as compare to men and women, they only purchase the 50% &60% respectively, but the maximum of men and women purchase the local products.

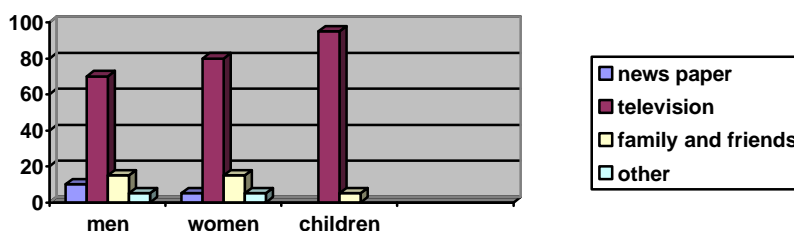
2) Why do you Purchase the Particular Company's Product, Because of There ?



(Data show in percentage)

- *Interpretation:* Maximum number of children that is 60% purchase the product only because of brand image and only 20% to 30% people purchase the product because of this men's purchase the product because of quality of product, but the women purchase according to the price of the products.

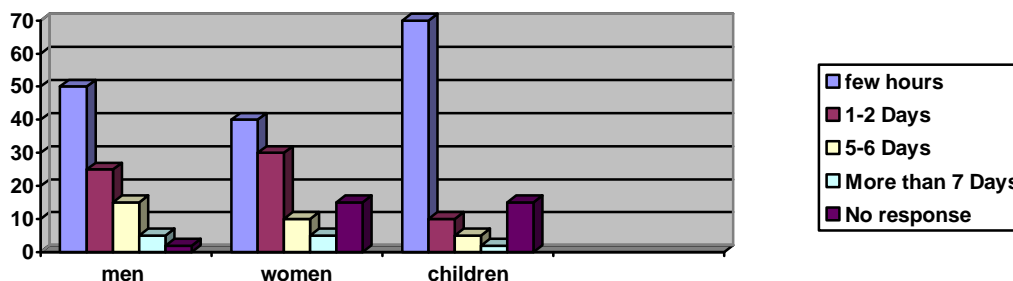
3) From the Which Media you got the Information about Products or Services?



(Data show in percentage)

- *Interpretation:* At maximum number (70% to 95%) of times people got the information about the products and services though the electronic media especially from the television, as compare to other media i.e. print media and other family and friend.

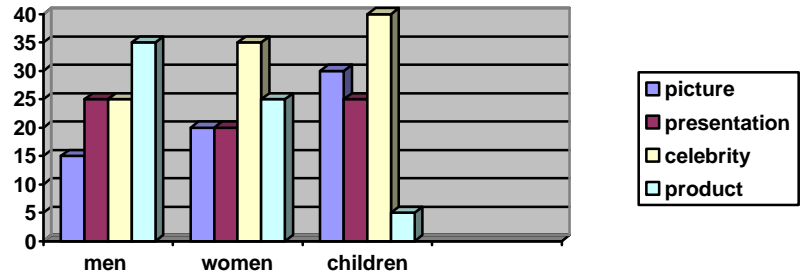
4) How Long you Retain the Advertisement?



(Data show in percentage)

- *Interpretation:* 30% women's can retain the advertisement 1-2 days but the men's and children's only retain them up to 25% children have good memory for retaining the advertisement for few hour i.e. 70% these figure are higher than the figure of men and women .

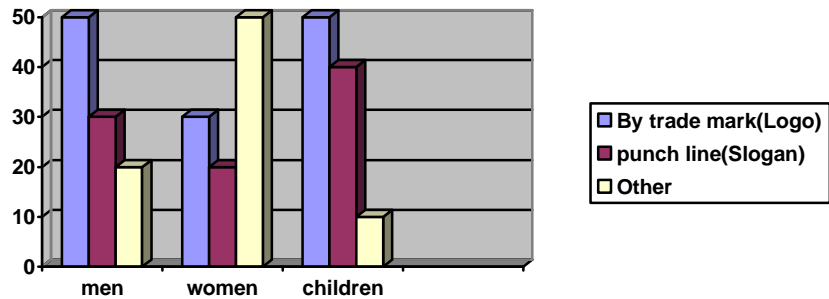
5) Which part of the Advertisement you like Most?



(Data show in percentage)

- Interpretation: 40% children like the celebrities in the advertisements they purchase the product because of them but men and women focused on the product not on the picture presentation & celebrities.

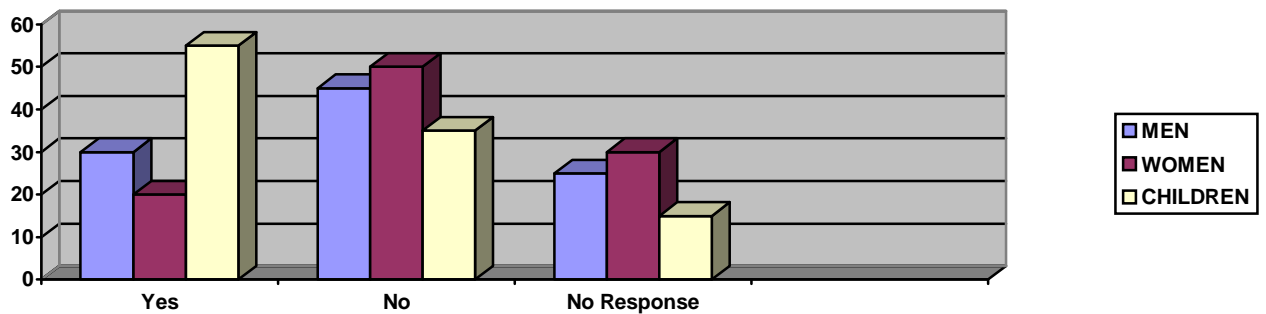
6) How do you Recognize the Brand?



(Data show in percentage)

- Interpretation: 50% of children recognize the brand through trade mark (Logo) but the 40% of the children recognize the brand through punch line (Slogan).

7) Are the Slogans of Advertisement made affect your Habit of Purchase?



(Data show in percentage)

- Interpretation: Slogan affects the habit of purchase of 55% children but slogan not affect the habit of purchase up to 45% of Men and Women.

## XXI. FINDINGS

### A. Findings

After conducting the market survey of retailer in Greater Noida city, I analyze that,

- 1) Celebrities are only vehicles to carry the brands building message.
- 2) Habit of purchase of people is affected by advertising.
- 3) Celebrities affect the sale of products and services of the companies.
- 4) People purchase branded products as compare to local products.
- 5) Schemes and offers do not reaches to the entire retailers honestly.
- 6) Advertising become influential because of following:
  - High level consumption.
  - Allocation of resources.

## XXII. CONCLUSION

The objectives of this whole project is to understand the role of advertising in building brand and the study of different aspect like

- 1) Why do we have advertising?
- 2) How advertising works?
- 3) When is advertising too influential?
- 4) Role celebrities in advertising
- 5) That creates the impact on brand building in FMCG sector.

After conducting the market survey of retailer in Greater Noida Institutional area, I analyze that advertising have great role to selling Pepsi-Cola in comparison Coca-Cola in the sale of PET. After analyzing the market and calculate the weight age, the result comes out that Mountain Dew is the leading product of Pepsi-Cola. Retailers have problem in display material

Most of the place like Grocery, cinema hall and educational institutions are dominated by Pepsi-Cola Retailers have complaint regarding the PET, that more better quality bottle should be used. People purchase the product according to survey 48% people influence by the celebrity Retailers have a demand of some offers and free gifts.

In the market there is only a retailer on which the sale of the different product of different company depends.

## XXIII. RECOMMENDATIONS

- 1) For creating awareness about the products & services among the people ad. Agency not only use the electronic media (T.V.), they use the print media at large.
- 2) Advertising have somber logic, so they easily understand by all.
- 3) Advertising agencies must create the emotional touch in the advertisement like coca-cola (sar utha kar piyo)
- 4) Many retailers complained regarding irregularly in visit by the executives. They also said that executive give very bad response to their complaints. It is necessary that executive should make frequent visit to cover each outlet and try to provide them best.
- 5) Pouches, foreign particles were found in few bottles, so proper quality control measures should be implemented as company's reputation are at stake
- 6) There is a great market of soda (1 Lit.) but the supply of this pack is very poor, so the supply should be made possible quickly
- 7) Quality of PET bottle should be improved so that most problems can be minimized.
- 8) Soft drinks is still considered a treat virtually a luxury, so it possible company should cut down its price especially of cans.
- 9) Supply of posters, glow-sing boards, tin boards, banners and sun pack sheets etc should be made at regular interval.
- 10) Claim should be provided to the deserving retailers.
- 11) Wall painting should be made regularly in the area, as it is a good medium of advertisement.
- 12) Proper attention should be given to the retailer's problem so that they take interest to increase the sale.

## XXIV. SUMMARY & SUGGESTION

After the study of role of advertising on brand building with reference to soft drink industry it is clear that advertising have greater role in building brand of any soft drink industry. Advertising create a better image in the mind of consumer about the brand of any soft drink industry products. We can increase the demand of any particular brand of soft drink industry product with the help of advertising. So advertising have great value to brand building of soft drink industry product.



A. *Suggestion*

- 1) Use of particular media for advertising your products.
- 2) Never try to over promising at the time of advertising.
- 3) Give better quality of your soft drink industry products.
- 4) Use of print media for advertising your products in rural and urban area.
- 5) Choose media for advertising your products who is matching according to your products.
- 6) Give best packing & packaging of your products so that you can attract customer towards your soft drink industry products.

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