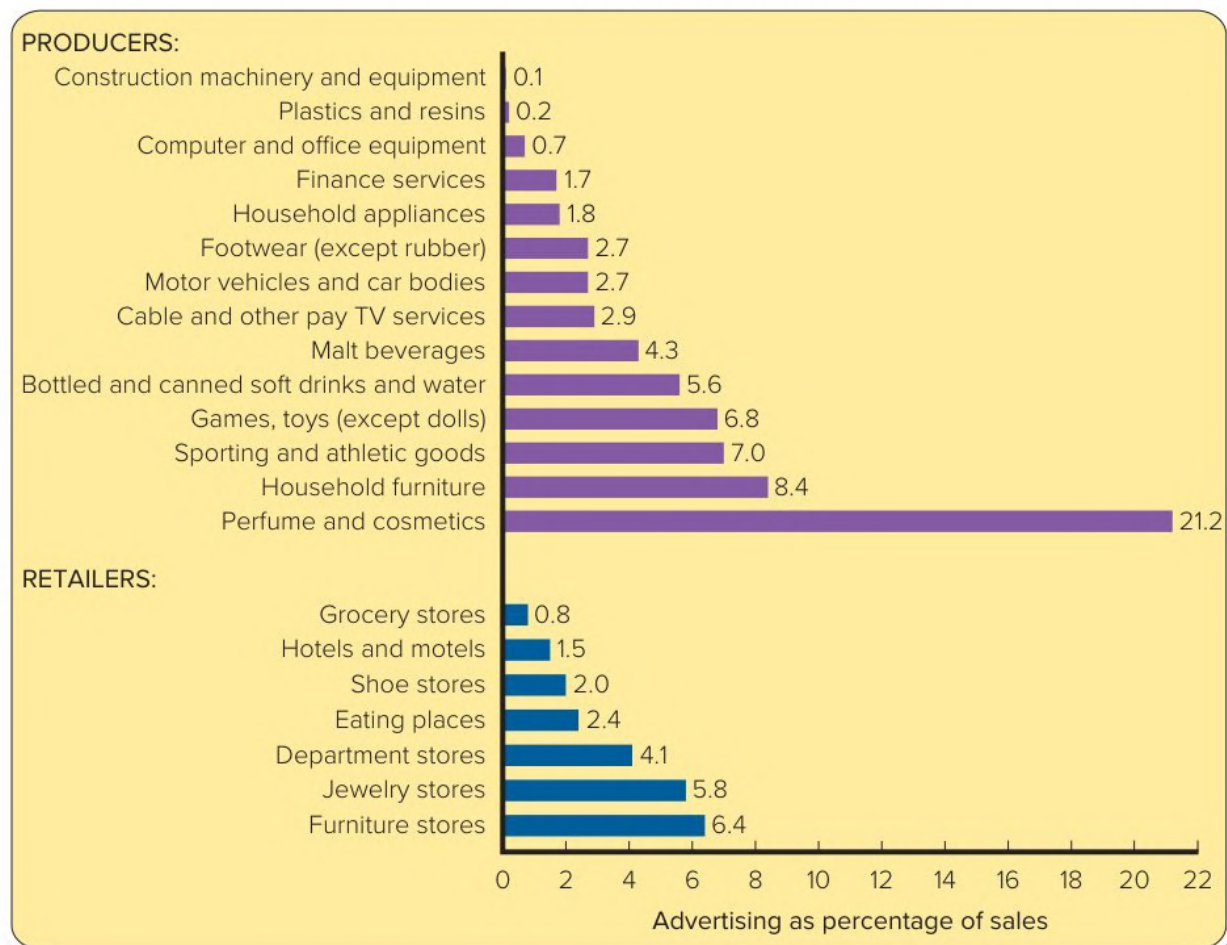


Advertising and Sales Promotion

Why Advertising Matters in Marketing – If you’ve ever scrolled through TikTok and suddenly craved a Taco Bell Crunchy Taco because of a quirky ad featuring a taco-shaped moon, congratulations — you’ve just experienced the power of advertising and sales promotion. Advertising isn’t just flashy billboards or Super Bowl commercials; it’s a strategic weapon that helps companies build awareness, persuade consumers, and drive sales. Sales promotion, on the other hand, is like the short-term hype that gets people buying right now. But it’s not all glamour; most of the work happens behind the scenes at advertising agencies, which are often small teams of specialists handling everything from strategy to digital execution. Full-service agencies manage big clients, while specialized ones focus on niches like digital or social media.

Exhibit 15–2 Advertising Spending as Percentage of Sales for Illustrative Product Categories



Advertising has an important economic role. In the U.S., businesses spend billions annually on ads — about 2-3% of sales for many product categories, like 10% for cosmetics but just 0.5% for industrial goods (see Exhibit 15-2 above). This spending fuels jobs in creative industries and informs consumers, making markets more efficient.

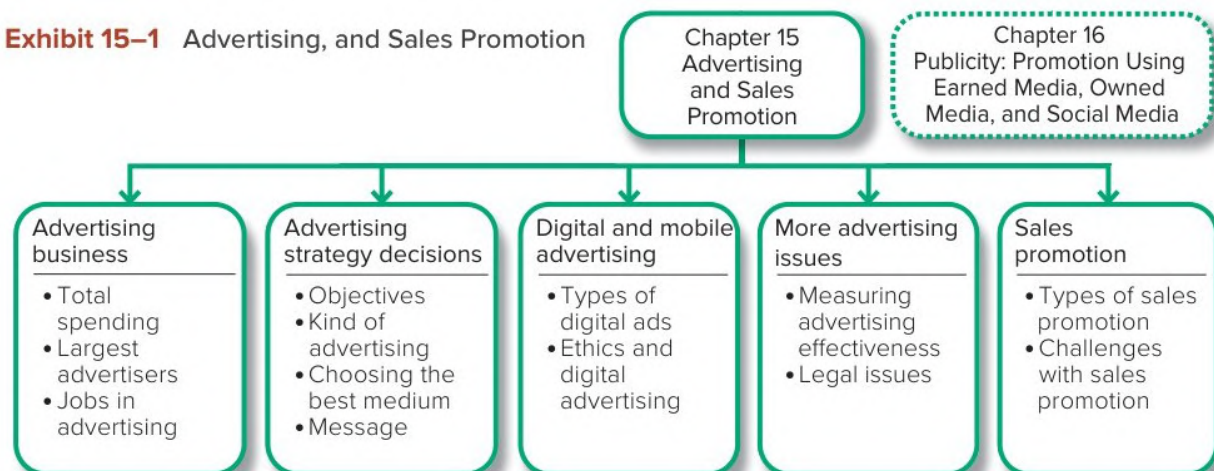
Globally, advertising adapts to cultures — think **KFC Vietnam** adapts to the local culture. KFC came to Vietnam in 1997. At first, it failed to understand the local market and was seen as too expensive and out of touch with the Vietnamese palate. Over time, it adapted its menu for local tastes, including the items shown; advertising told customers about its menu. KFC is now the country’s most popular fast food chain.



Setting Objectives: Strategy Behind the Buzz

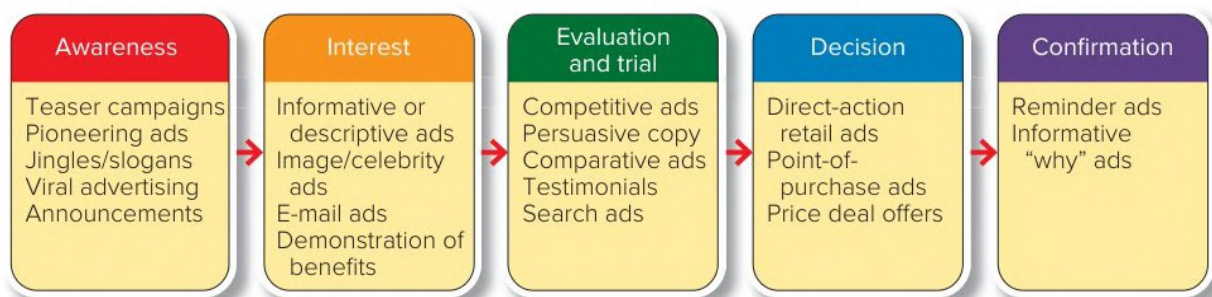
Before throwing money at ads, smart marketers set specific, measurable objectives tied to the promotion strategy (Exhibit 15-1 below). These aren’t vague goals like “sell more stuff”; they’re timed and targeted, such as “increase brand awareness by 20% among 18-24-year-olds in six months via social media.”

Exhibit 15–1 Advertising, and Sales Promotion



Objectives guide everything from message to media. They align with the adoption process — how consumers move from unaware to loyal fans (Exhibit 15-3 below). Early on, in the awareness stage, you might use teaser campaigns or pioneering ads to introduce a new product, like Apple’s first iPhone reveal. As interest builds, informative ads or celebrity endorsements (think influencers demoing skincare) kick in. For evaluation and trial, competitive or comparative ads shine, pitting your brand against rivals (e.g., “Coke vs. Pepsi” taste tests). Reminder ads keep the buzz going post-purchase, while direct-action ads push for buys, like “Buy one, get one free” at checkout.

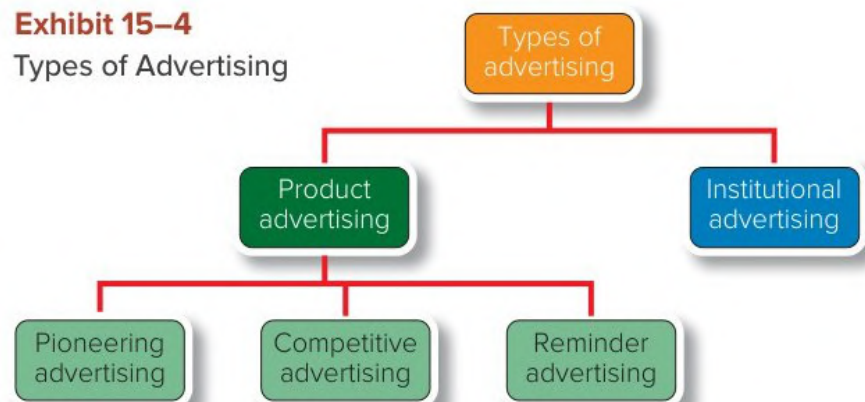
Exhibit 15–3 Examples of Different Types of Advertising over Adoption Process Stages



Channel coordination is key too. Manufacturers often share costs with retailers through cooperative advertising or allowances, ensuring consistent messaging from factory to store shelf. This builds a brand’s personality — Progressive’s quirky Flo character makes insurance fun, while State Farm’s “Like a good neighbor” evokes trust.

Types of Advertising: From Pioneering to Reminder

Exhibit 15–4
Types of Advertising



Ads aren’t one-size-fits-all; the chapter breaks them into types based on goals (Exhibit 15-4 right). Product

advertising focuses on specific goods, while institutional advertising hypes the company itself to build goodwill — like GE’s “Imagination at work” campaigns.

Within product ads:

- Pioneering ads educate on new ideas, common for innovative tech.
- **Competitive ads** highlight advantages, like Louisiana restaurant **Izzo's Illegal Burrito** is “faster than Chipotle” or Oroweat boasting whole-grain superiority.
- **Reminder ads** reinforce loyalty, keeping Lego top-of-mind for parents with playful toy ads.
- **Institutional ads** remind us of a company's prestige, fostering long-term favor.

The choice depends on where your target is in the adoption curve. For mature brands, reminders dominate; for challengers, competitive ads fight for share.

Picking the Right Medium: Reaching Your Audience

Now, how do you deliver the message?

Choosing the “best” medium balances promotion objectives, target market traits, and budget. Funds are finite — big brands dominate TV, but startups lean digital.



*Regular size chicken burrito only. No extras. Not valid with any other offer. Limited time only. Offer only at participating locations.



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Key factors:

- **Match market to media:** Gen Z? TikTok or Instagram. Boomers? Print or TV.
- **Promotion goals:** Awareness needs broad reach (TV); persuasion suits targeted digital.
- **Audience waste:** Advertisers pay for the whole audience, so avoid mismatches (e.g., kids' cereal ads on late-night TV).
- **Retail media growth:** Amazon and Walmart ads target shoppers mid-cart.

U.S. ad spending shifts dramatically — digital now leads at over 50%, followed by TV (Exhibit 15-6 from eMarketer). Traditional media like newspapers fade, but connected TV (e.g., Hulu) bridges the gap.

Digital and Mobile Advertising: The Modern Frontier

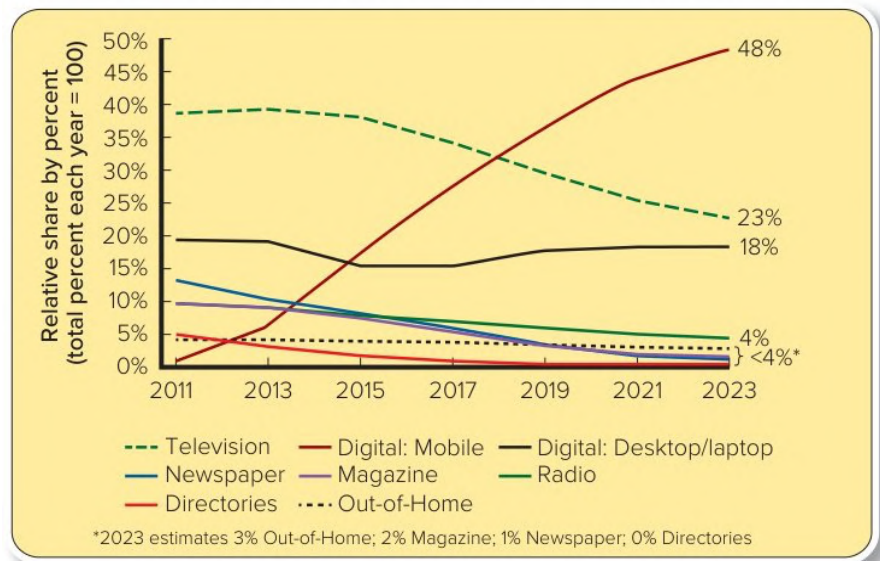
Digital ads are game-changers, differing from old-school media in interactivity and data smarts. Customers spend hours online, so pay-per-click (PPC) models charge only for clicks, not impressions. Programmatic advertising uses AI to buy ad space in real-time, targeting based on behavior. **Retargeting haunts you with ads for that abandoned cart**, while geolocation hits you with nearby deals (e.g., Starbucks app coupons when you're close).

Types of digital ads include:

- Search ads (Google or Duck Duck Go search results).
- Banner ads (website sidebars).
- Social media / influencers (sponsored posts).
- Mobile ads (app push notifications).
- Directories / classifieds (Craigslist vibes).

But ethics challenges loom large. Click fraud bots fake engagement, ad-blockers kill revenue, and influencer deception blurs paid vs. organic (FTC requires paid ad disclosures). **Data tracking including allegedly monitoring for keywords in our mobile conversations raises privacy flags.** We dislike it (hate it?), but very few people

Exhibit 15-6 Share of Ad Spending in the United State by Medium



Source: eMarketer Inc.

are willing to give up social media or have a separate social media use phone just for privacy. So digital's precision makes it indispensable for marketers. Customers who are always online means brands follow.



This TikTok ad for the Ford Maverick pickup truck is an example of how advertising uses AIDA. The copy thrust—including the music, words, text, and images—grabs attention and holds interest.

(all): Ford Motor Company

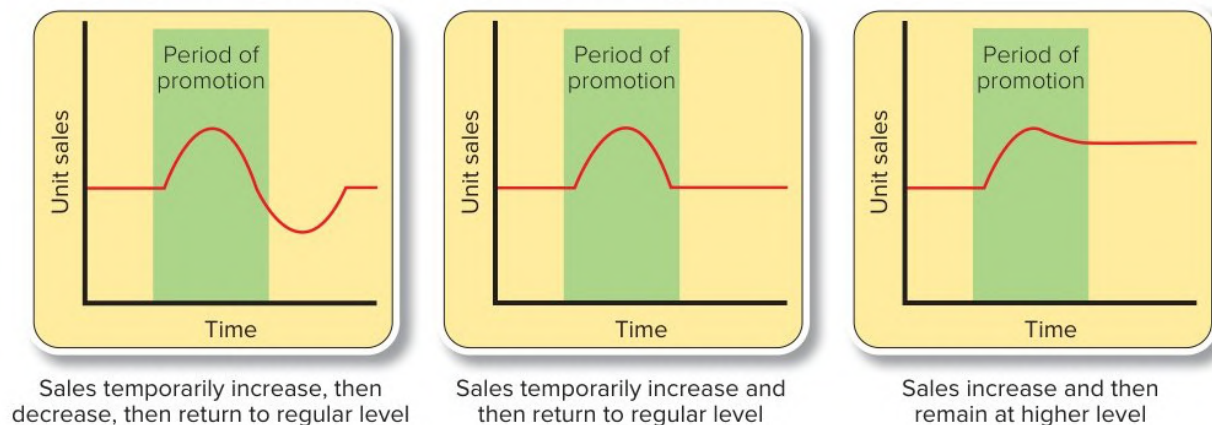
Crafting the Message: Attention, Interest, Desire, Action (AIDA) and Copy Thrust

Great media flops without a killer message. Enter AIDA: getting **Attention**, holding **Interest**, arousing **Desire**, and obtaining **Action**. Grab them with bold visuals or humor like **Ford Maverick TikTok ad: revving engine and fun music**. Hold interest with stories or benefits. Stoke desire via testimonials or scarcity. End with a call-to-action, like “Swipe up to test drive.”

The “**copy thrust**” is the ad’s core idea — jingle, slogan, or viral hook. “**Ad copy**” is the persuasive content in an advertisement designed to grab attention, convey a message, and prompt action from the audience, such as making a purchase or signing up for a service. While it often **starts as written text** for print, display, or digital ads, it extends beyond

that to include spoken elements like scripts for audio, radio, video, or TV commercials. In essence, ad copy encompasses both the written words that appear on-screen or in print and the verbal scripts voiced over in multimedia formats, as long as the goal is to influence behavior. For example, **a radio spot's dialogue or a YouTube ad's narration would qualify as ad copy, just as much as the headline on a billboard.**

Exhibit 15–9 Some Possible Effects of a Sales Promotion on Sales



Sales Promotion: The Quick Sales Boost

Ads build long-term equity; sales promotions ignite short-term fire. Aimed at consumers, retailers, or salespeople, **they're tactical tools like coupons, contests, samples, or trade shows.** Consumer favorites: free tacos on #TacoMoon or BOGO deals (see Taco Bell's TikTok ad on the next page). Trade promos: price allowances or merchandising aids. Sales force: bonuses or training.

Effects vary (Exhibit 15-9 above): Promotions can spike sales temporarily (post-deal drop-off), sustain a lift (habit-forming), or just pulse without lasting change. Time it right — overuse erodes loyalty, training deal-hunters over brand fans.

Managing promotions is tricky: They're hard to control (competitors copy fast), face legal hurdles (no deceptive lotteries), and risk brand erosion (constant discounts cheapen image). Not for amateurs — pros use data to avoid promotion addiction.

Wrapping Up: Promotion in Action

Advertising and sales promotion aren't silos; they sync with personal selling, publicity, and customer service. Real-world tie-in: That **Taco Bell moon ad**? It grabbed attention with whimsy, held interest via freebie lure, built desire for fun eats, and drove action to stores. Does it appeal? If you're a broke student, heck yes — free food wins. As you study, remember: Promotion is about connecting, not just selling. Nail the strategy, and you'll promote like a pro.

