



AN ANALYTICAL STUDY OF THE ROLES OF ADVERTISING IN THE BUSINESS ORGANISATIONS

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Abstract

The research article entitles “An Analytical Study of the Role of Advertising in the Business Organisation” is a wide study of advertising and its relation with corporate business organisations. The article is based on a through content analysis of various secondary data along with the analysis of the primary data which was collected through sample survey and random sampling. The study reflects the effectiveness of advertising in corporate business, its role in marketing communication and how it helps to maintain the corporate reputation. The article helps to justify that advertising playing a key role in the marketing communication and acting as a key of success in the modern corporate business. It shows that the primary objective of advertising is to inform the consumer and attracts them to buy the product or service, which helps to maintain the sale volume of the products and keep a steady economical flow in the market. The concept, analysed how advertising is propagating information about the product, goods and service among the consumers. The article also focus on corporate reputation and shows that advertising promote corporate reputation in its own way by creating brand image, brand identity and goodwill.

KEY WORDS: Advertising, Business Organisations, Marketing, Marketing Mix, Information, Corporate Reputation, Corporate Social Responsibility, Brand Awareness

INTRODUCTION:

Advertising is a creative work of art through which an advertiser advertises his goods, product or service. In 1948 American Marketing Association (AMA) developed a significant definition of advertising, according to them “Advertising is any paid form of non personal presentation and promotion of ideas, goods, or service by an identified sponsor”. Sandra Moriarty, Nancy Mitchell and William Well in their book ‘Advertising: Principle and Practice’ define advertising as “Advertising is any paid message by a sponsor that is designed to promote ideas, goods or services for exchange”. However in the age of information, advertising has become an integral part for almost every business organisations. The success of every business organisations depends to a major extent on the effectiveness of the advertising. Almost every business organisations are now using advertising for the success of their business. Every year they are spending a heavy amount of money for the production of an effective advertising as advertising are playing multipurpose roles for these business organisations. It is acting as a perfect marketing tool which helps them in various marketing functions. Primarily advertising helps in wide dissemination of information related to goods and service offer by the organisation in a well persuasive manner, along with these advertising also helps in achieving several other marketing goals. Among these other goals - creation of corporate reputation or goodwill, formation of brand, increase sell volume and guiding the consumers are most vital. The functions of advertising in a business organisation are enormous and significant. In most cases advertising are used for promotional tools but in few cases it is also use for the public

service.

In the recent days advertising has become a sensitive issue for every business organisation as competition rises between brands and organisations. Each organisation and each brand trying to get the upper hand in the market. They are using various advertising technique in a sensible way to pursue the consumers. Through advertising they are propagating information and data about the product, goods or service to the consumers, creating brand and brand awareness, developing corporate reputation and guiding the consumers about what to buy from the market. However it was observed that advertising are playing a significant role in modern business organisations. It is helping business organisations from various sides and easily promoting the business.

OBJECTIVES OF THE RESEARCH/ ARTICLES:

The research or the article put the light on wide range of objectives. They are as follow:

1. Role of Advertising in corporate business.
2. How marketing system is getting benefitted from advertising?
3. Is advertising acting as wide information?
4. Advertising is successful in maintaining Corporate Reputation?

RESEARCH METHODOLOGY:

The paper “An analytical study of the roles of advertising in business” is based on a through content analysis of various secondary data along with the analysis of the primary data which was collected through sample survey and random sampling.

RESULTS:

The analysis of various data and case study related to advertising in this article justified that advertising are playing various significant roles in business organisations. Various case study and data reflect that advertising is a major tool of information dissemination and marketing through which business organisation delivering various information and data related to the product, good or service to the consumers and suggesting them to purchase it. The marketing of a business getting a boost through the use of advertising and help to sell the product, goods or service more easily. In this context the advertising is also serving as a guide to the consumers. The analysis also revealed that advertising is a perfect tool which helps to form brand and enhance the corporate reputation of a business organisation.

DISCUSSION:

● The Significance of the Advertising in Business:

Advertising and business organisations are closely related with the each other. Almost every business organisations are now using the advertising for generating goodwill and to inform the consumer about the products, goods and service. It is a form of information or data about a product, goods or service that disseminated by some agency on behalf of some company or organisation for the promotional use. Advertising is a persuasive communication process and a part of marketing communication. In a persuasive way it reveals information and data about product and service in front of the consumers. Advertising an effective tool of marketing communication, this is used by almost every corporate industry rapidly in the recent days. Its primary objective is to convince the consumers or the viewers to purchase the product or the service which is displayed. Their primary task is to reach target customers and influence their awareness, attitudes and buying behaviour.

Business organisations are using advertising as a tool of promotion and information dissemination. Through advertising they are promoting not only their product and service but also the name and the identity of the company. It is helping to transform the companies and their products into a brand. The information, message structure and the communication strategy serve a vital role in advertising production which attract the consumer and motivate them to buy the product or service.

DISCUSSION:

- **The Role of Advertising in Marketing:**

Marketing is a broad concept which entirely focused on modern business and its market expansion strategies. Jerome. E. McCarthy tries to explain marketing through his Four P's of Marketing Mix- (Product, Price, Place and Promotion). Advertising along with public relation, publicity and sales promotions are the component of Promotional Mix. Advertising is an important component of promotional mix which helps to inform, expose and give recognition to a brand or a company on the one hand while on the other it culminate adverse or negative publicity and deal with crisis and negative issues. Marketing has shown us tough competition among the multinational industries. Competitors and rivals companies use adverse publicity, propaganda and comparative advertisement for their own up-lift and for the downfall of the others. In such cases well planned advertising always plays positive role to hold reputation and survival. The competition between India's two popular health drink Horlicks and Complan is a clear example of rivalry and use of advertising for popularity in marketing. The competition of supremacy between the two brands begins during 1960's and both brand used various comparative advertisement. In 2008 the maker of Horlicks, Glaxo Smithkline Consumer Healthcare (GSK) and the maker of complain, Heinz India tried to solve the issue with the help of Advertising Standards Council of India(ASCI) but it remain unsolved. Later September 2008 Heinz India move to Bombay High Court against Horlicks advertisement and GSK moved to Delhi High Court in December 2008 against Complan advertisement. Both the group used various publicity tools and advertising against each other to counter adverse publicity and advertising.

In marketing, advertising shows a wide dimension. The marketing technique of using various forms of advertising for the success of business is excellent. Advertiser and advertising agencies are choosing new ways for advertising. Companies like Coca Cola, Pepsi, Vodafone, Oppo sponsoring various games, giving advertising on field and putting level on the T Shirt of the players. Several telecommunication companies such as Vodafone, Idea, and Reliance Jio setting up temporary stall on the road side along with flex and banner. The case study of Oppo has beautifully revealed how advertising and promotional activities help in marketing. The Chinese smart phone company Oppo has signed a four years contract with ICC to become official global partner for mobile category. It has invested around 100 crore in offline and online promotion during 2016 ICC T20 champion trophy. In India Oppo has a slower beginning in 2014 but now India has become its prime market. With the beginning of 2016 Oppo focus on marketing and promotion of its brand in India through advertising. They entered Bollywood and make Hrithik Roshan and Sonam Kapoor as its South Asian region brand ambassadors. The branding system of OPPO through advertising increased the sale volume of the product.

The Role of Advertising in Information Dissemination:

Advertising is an information or data about a product, goods or service disseminated by some agency on behalf of some

company for promotional use. It is a part of marketing communication. Corporate companies are using the advertising as a tool of information dissemination and for the promotion. They are promoting not only their product and service but also promoting the name and the identity of the company through the advertisement. It is transforming the companies and their products into a brand. The information, message structure and the communication strategy serve an important role in advertising which attract the consumer and motivate them to buy the product or service. It is acting as a persuasive communication process that reveals information about the products in front of the consumers.

Advertising can be classified under various categories among them Social and Public service Advertising highlight the significance of information in utmost level. These advertising are mainly publishes important information for the benefit and welfare of society, their main aim is to create awareness among the public. These advertising are necessary for the development of a healthy society. Modern multinational corporate companies are also using public service advertising for the dissemination of various social messages.

- **The Role of Advertising in Building Corporate Reputation:**

Advertising directly help in the promotion of Corporate Reputation. Corporate business organisations cannot exist without a formal good reputation. Reputation and goodwill act as an asset for the organisation as it help to run business swiftly and for the long run. Corporate business organisations are always in hurry to create corporate reputation. They are investing huge amount of money in every financial years to maintain reputation and image of the organisation. Corporate reputation is actually generates from the amalgamation of corporate culture, corporate image, and goodwill, Corporate Social responsibilities (CSR), Public Relation and advertising. Advertising is serving an essential role in development of corporate reputation. Corporate organisations are using various forms mass media and advertising to propagate their information about their house, products , various corporate social responsibilities which they perform, Product branding, House programme, Annual Programme, Information of their tie up with other companies, etc. Advertising is highlighting the company among the public and to the society at large. The organisation's exposure through mass media and advertising is creating a corporate image, and building the reputation among the consumers and the public.

- **The Role of Advertising in Guiding the Consumer:**

The major influence of advertising on business is the ability to influence buyer decisions. Advertising are serving as a guide to the consumers. Advertisers introduce their product or service in a credible and influential manner to educate their potential customers. It tells the consumers about the various products which are obtainable in the market. Its gives a vivid descriptions about the products and their special feature which helping the consumers in decision making process. Advertising highlight how the consumers will get benefit from the product or from the service which the company is providing. This information about the products and the companies are serving as a guide to the consumers. The uniqueness of the product or service is presented in a motivational and persuasive way. It tells the consumers why they will buy the product or service. It will develop among the consumer an urge to purchase. It generates interest among the consumers about the product, goods or service which ultimately motivate them to buy the product.

The Role of Advertising in Creation of Brand Awareness:
Advertising help to create brand and brand awareness and

builds trust among the potential customers. The Term Brand awareness suggests how familiar target consumers are with a particular brand or how they recognise the brand or better we can say how they are aware with the brand. Brand awareness consists of two components: brand recall and brand recognition. Several studies have shown that these two components operate in fundamentally different ways as brand recall is associated with memory retrieval, and brand recognition involves object recognition. Both brand recall and brand recognition play an important role in consumers' purchase decision process and in marketing communications. Brand awareness is closely related to concepts such as the evoked set and consideration set which include the specific brands a consumer considers in purchasing decision. Brand awareness is incredibly important for business success and overall marketing goals. Brand awareness establishes brand trust. Brand awareness among your audience and the general public doesn't happen overnight. It also doesn't happen from only a simple marketing campaign. Strong brand awareness is a result of multiple simultaneous efforts that extend beyond trying to get paying customers and advertising plays a significant role in it.

CONCLUSION:

Advertising are deeply attached with socio economical system of the nation. They are providing a wide support in the development of national economy as they are directly connected with the business and society. Advertising are playing various significant roles in business organisations and beautifully shifting the society to modernity, by showing the consumers about the latest technology and the new product available in the market. It gives a wide description about the latest products and services available and tells the consumer how it will provide benefit to them. Advertising is acting as a bridge that fills the gap between companies and consumers. It is actually a creative work of art through which an advertiser advertises his goods, product or service. It is the most modern form of displaying technique; it is a technique through which an advertiser displays his product, goods or service in front of the consumers. It is the process through which an advertiser or a business industry tries to deliver information about their manufactured goods and service in a persuasive way to attract consumer's attention which ultimately persuade them to buy the product or service.

In modern business organisations, advertising are playing an important role not only in selling the product but also serving in various other purposes. It is directly enriching the marketing process which ultimately enhancing the success of the business. It helping widely in the creation of brand and brand awareness along with it advertising are also enhancing corporate reputation which is a vital intangible asset for every business organisations. Advertising is important for every aspect of a business. It plays a significant role for both manufacturers and consumers. Advertising is important for the business on the whole as it lets the business gain more consumers, which help to increase the profit of the business. Advertising is the key of success in modern business. In a nutshell the role of advertising in business organisations are extraordinary and significant.

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