

Branding and promotion

2017-18

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- ▶ improve or develop the *image of the business*

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 - ▶ Example: businesses selling financial services (e.g., *your money is safe us*)

Media	Advantages	Disadvantages
Television	<ul style="list-style-type: none"> Huge audiences can be reached The use of products can be demonstrated Sound and movement can be used Scope for targeting groups with digital TV 	<ul style="list-style-type: none"> Very expensive Message may be short-lived Some viewers avoid TV ads Delay between seeing ads and shopping
Newspapers and magazines	<ul style="list-style-type: none"> National and local coverage Reader can refer back Ads can be linked to articles and features Vouchers and coupons can be used Scope for targeting with specialist magazines Relatively cheap 	<ul style="list-style-type: none"> No movement or sound Individual ads may be lost in a 'sea of ads'
Cinema	<ul style="list-style-type: none"> Big impact with a big screen Can be used for local and national advertising Specific age groups can be targeted Sound and movement can be used 	<ul style="list-style-type: none"> Limited audience Message may only be seen once Message is short-lived
Radio	<ul style="list-style-type: none"> Sound can be used Minority audiences allow targeting Cheap production Can target youngsters 	<ul style="list-style-type: none"> Not visual May be ignored May lack impact Can be intrusive when listening
Posters and billboards	<ul style="list-style-type: none"> Can produce national campaigns Seen repeatedly Good for short sharp messages Large posters can have big impact 	<ul style="list-style-type: none"> Posters can get damaged by vandals Only limited information can be shown Difficult to evaluate effectiveness
Internet	<ul style="list-style-type: none"> Can be updated regularly Can be targeted Hits and response can be measured Can be sent to mobile devices For goods available online, there is no delay between seeing ads and shopping for the product online 	<ul style="list-style-type: none"> Some ads such as pop-up ads are irritating Possible technical problems

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- ▶ **Exhibitions and trade fairs:**

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- ▶ *legal factors*: tobacco products not allowed to be advertised in EU

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- ▶ *generic brands*: products that only contain the name of the actual product category rather than the company or product name (e.g., aspirin, aluminium foil)

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- ▶ *reduced price elasticity of demand*: with a strong brand and lower price elasticity, price increases are more viable

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 - ▶ Note: importance of advertising is reflected in the amount that businesses spend in it

	Company	Ad spend (\$ billion)
1	Procter & Gamble	11.47
2	Unilever	7.91
3	L'Oréal	5.93
4	Toyota	3.44
5	General Motors	3.35
6	Volkswagen	3.23
7	Nestlé	3.12
8	Coca-Cola	2.9
9	McDonald's	2.86
10	Pepsi	2.74

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- ▶ Note: Building a brand is *continuous process*. Even strong brands will continue to invest in *reinforcing their brands*

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 - ▶ Example: Apple who wants to project a *cool* product image (e.g., people queue for hours to buy their product)

Mean percentage of marketing budget spent on social media



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