

An Examination of the Operational Effectiveness of Advertisements in Strategically Positioning Business Organisations: A Conceptual Approach

Julius Tumba Ndaghu¹, Haruna Mohammed Kiri², Helavalada Wajiga³,
Murtala Ibrahim⁴

^{1, 3, 4} Department of management Technology, School of Management and Information Technology, Modibbo Adama University of Technology Yola, Adamawa State Nigeria.

² Department of Banking & Finance, School of Management and Information Technology, Modibbo Adama University of Technology Yola, Adamawa State Nigeria.

Abstract: This Paper attempts to investigate the operational effectiveness of advertisements in strategically positioning business organizations. The effect of advertisement was examined and has brought to light that, advertisement makes a conscious effort by making smarter business organizations offering perceptible in order to influence consumer buying decision. Advertising by and large changes the way consumers think about a brand's name. The paper also draw attention to the fact that, the effect of advertising depends, to some extent, on its match with the consumer buying behaviours and nearly everyone today in the Nigerian business environment is influenced to some extent by advertisement. Thus, businesses whether public or privates have to learn that the ability to communicate effectively and efficiently with prospective consumer is critical to the success of their businesses. The work also revealed that when advertising is used appropriately, it could be a major tool in the hands of business organisations which would enable them to sell their products, services and ideas. The idea is to sell products to the consumers. This has been proved by the reality that businesses are investing a lot of time and resources into developing advertisement campaigns for their products. Furthermore, business minded organizations more often than not combine advertising with other media forms to communicate to consumers and other stakeholders. The major objective of advertising is to impact on consumer buying behaviour; however this impact on the brand is changed intermittently in consumers' memories, and they go through a process in deciding whether, what, when, where, how, and from whom to purchase. Advertising is therefore used to provide answers to the question of whether, what, when, where, how and from whom to purchase for. Most businesses also use advertising as a major competitive tool to attract, inform and persuade customers to patronize their offerings. Hence, the buying behaviour is strongly influenced by image of the product which is built by the advertising.

Keywords: Advertisement, communication, buying behaviour, business environment

I. Introduction

Advertising is one of the major tools used by sellers to stimulate consumers demand for goods and services. Advertising is a paid form of non-personal presentation and promotion of ideas, goods and services by an identified sponsor, Kotler, (2012). Advertisement is a process, it is a programme or series of activities necessary to prepare the message and get it to the intended market. The public knows who is behind the advertising because the sponsor is openly identified in the advertisement and also payment is made by the sponsor, (Cappo, 2003). The advertising agency occupies itself with devising messages to suit the potential consumers considered as a channel while the output is his decision to buy or not. The major goals of advertising are to communicate ideas or promote goods and services, its major objectives is to facilitate the work of a salesman by stimulating demand. Advertising is generally accepted as an essential service to the industry and the public. Its effectiveness depends largely on the audience; it is the way audience perceives the information that is very important.

According to the Oxford Advanced Learner's Dictionary, advertising simply means to make known to public, to inform, or to persuade. The dictionary limits the functions of the advertisement to that of the town crier who simply delivers the messages and has absolutely no concern about the meaning of the messages. However advertising executives are not modern day town criers, they are salesmen and sales force through printed and recorded media. Wright et al (2001) seek to establish the link between business communications and marketing which defined advertising "as a powerful communication force and a vital business tool" it interacts with numerous marketing concept including personal selling, product development, branding merchandize and research. Advertising has been identified as one of the most important tools of marketing. It therefore, offer businessmen a choice for investment, it is also described as a cost effective way to disseminate messages

whether it is to build brand preference all over the world or to motivate developing nations and potential consumers. Advertising make manufacturers to produce for mass consumption as a result of mass demand it creates. Advertising boost prospective consumers' interest to consume, which serves as an evidence for organizations to augment advertising budget which could in turn raise the consumption level, thus increasing the market share.(Ndaghu 2015)

Skimmer, (2000) opined that, advertising is an attempt to control human behaviours by appealing to human conscience and emotion. The production manager, skimmer contends, perceives advertising as having the impetus to provides and sustain the job. According to the advertising practitioners of Nigeria (APCON), advertising is a form of communication through mass media about products, services or idea paid for by an identified sponsor. A critical analysis of all the definition given above shows that each of them is concerned with a particular function or role of advertising.

The definition of advertising given by some authors such as Smith, Skimmer, Wright et al and that of APCON can be criticized in one way or the other. This is because they both emphasis only on advertising as communication and as an attempt to control human behaviour, this is owing to the fact that advertising has gone beyond that in today's business environment, even if the advertising definition given above were successful in those days, they might not be applied successful in the contemporary business environment due to the fact that, the business environments is dynamic and keeps changing overtime.

II. Classification Of Advertisement

Advertisement can be classified into three categories, that is, persuasive advertising, institutional advertising and informational advertising.

Persuasive advertising: This is also known as "hard sell" advertising. It is the most obvious kind which surrounded us in our daily activities, urging us to buy all manner of products or services.

Institutional advertising: This is also known as prestige or corporate Advertising. This form of advertising is design to create a proper understanding towards the seller and to build goodwill, rather than to sell a specific product or services.

Informational advertising: This form of advertising is designed to inform consumers about the existence of a product or services and to inform the consumers of any change in price, quantity or packaging. Moreover, there are many special and specific reasons why advertising is used. The following would be able to offer a broader idea to the versatility and value of advertising. To announce a new product or services: here prospective buyers presented with details of a new product and this usually mean a costly and dramatic launch for the particular product. Some large advertisers prefer to test a new medium rather than accept or reject the claims made by space salesman. The promotional aspect of advertising is not only restricted to business organization. Non-business organization also undertakes some form of advertising. Government organization such as ministry of information educates the public on government activities, ministry of health also advertises to educate people on issues concerning their health. Advertising is also used by philanthropic organizations to raise funds for social welfare projects. Therefore, it can be seen that advertising cuts across all aspect of social, political and economic life.

III. Consumer's Perception And Buying Behaviour.

Nearly everyone today is influenced to some extent by advertising. Organizations both public and private have learned that the ability to communicate effectively and efficiently with their target audience is critical to their success.

Cobb-Walgren, Ruble, and Donthu, (1995) propose a model of antecedents and consequences of advertising, in which consumers form perceptions about the physical and psychological features of a brand form various information sources. These perceptions contribute to the meaning or value advertising gives the consumer, such as brand equity. Advertising then influences consumer preferences and purchase intentions and ultimately brand choice. According to Fan (2000), marketing strategies such as advertising could control consumers' psychology, which influences buying intentions, leading to buying behaviour and increases brand value. Irwin M. H. (2001) pinpointed that, advertising is needed to help raise the standard of living by communicating about products that can satisfy needs and wants. It also encourages competition among producers and this serves as a yardstick which could stimulate the economy. The role of advertising is very crucial in the contemporary economy, because it lowers the cost of product by simplifying or replacing expensive personal selling as means of contacting the market. Advertising also serves as a means of moving products through the distribution channel more quickly hence these help consumers to satisfy their day-to-day desires.

IV. Advertising and Influences on Consumer Buying Behaviours.

Advertising's effect depends, to some extent, on its match with the consumer buying behaviours. For example, a match between product characteristics and a celebrity endorser's image has a positive impact on product and advertising evaluations; however, incongruence reduces these evaluations (Kamins, 1990). According to Zita and Anyionu, (2009), a consumer's brand attitude, as formed by advertising, influences purchase intentions. To confirm this process, Wu (2006) performed an empirical test and determined that the consumer's attitude toward the advert positively influences buying intentions. Some other aspects relevant to the empirical analysis are the integration of advertisements in the consumer behaviours, prominence of the advertisements and the interest and purchase intention of the consumers. Integration: Seamless integration is crucial for successful advertising, (Lewis and Porter 2010). Consumers usually view an advertisement as a part of the hobby if it is combined tightly with their life styles. Their interest can have a positive effect on the advertising and the advertised product.

Prominence: The primary consideration for consumers is often the size of advertising (Rouse, 1991). Large advertisements tend to be more effective than small ones in securing attention and enhancing memory (Hendon 1973). Recall of advertising information and product/service perceptions and evaluations also tend to improve when the advertisement is larger than competing adverts, Homer (1995).

It is very critical for any advertisers to consider the number of times their advertising appears, because 80% of advertising effect stems from visitors seeing the advertisement seven times; after seven repetitions, awareness of product attributes continue to improve, but the rate of growth tails off, (Broussard 2000). Moreover, the location of the advertising is important because people may not realize that they see advertising outside their main focus area, so they cannot recall or recognize the advertising messages when asked Acar (2007).

V. Effect Of Advertisement On Consumer Buying Behaviour

When advertising is used appropriately, it could be a major tool in the hands of marketing managers which would enable them to sell their products, services and ideas. The idea is to sell products to the consumers. This has been proved by the fact that companies are investing a lot of time and resources into developing advertisement campaigns for their products.

Advertisement has gone through many phases. The first era was production-oriented. Here mass production was seen as a means to selling products by pumping in huge volumes into the market place. As a result demand exceeded supply; hence there was no need to advertise products rather they sold themselves. However with the passing of time and due to rising competition, surplus goods were available. As a result of this companies were required to sell their products using a sales oriented mechanism. This typically involved pitching in their products, so as to convince customers to buy their products rather than their competitor's. As a result products became linked to the volumes in which they were produced.

To better approach the problem of selling, companies tried many techniques. These techniques combined with the support activities of marketing can be called as advertising. Advertising has been considered important since the time when trade started, then was the time for advertising by mouth, now we have different media platforms for the same purpose. But still the traditional word of mouth holds the best appeal in respect to all advertising platforms.

In its initial phases advertising was limited in both time and space. Broadcast commercials are generally 10 to 60 seconds in length. Print adverts are generally no larger than two pages, and often much smaller. Advertising therefore needed to do its job in an effective manner. Its primary tasks were to capture the consumer's attention, identify itself as being aimed at meeting the needs of that consumer, identifying the product, and delivering the selling message.

VI. How Sale Messages Are Presented Through Advertisements

There are basically two ways of presenting a sales message: intellectually and emotionally. An intellectual presentation depends on logical, rational argument so as to convince a consumer to buy the product or service. For example, for many television purchasers, buying does not depend on what the case looks like or what effect the machine might have on their social life. What they would be looking for is technical information, what is its resolution, whether it has HDMI, whether it supports USB functionality. The most important part is that of the sales message. This message must encapsulate all the benefits, features of the product and capture all the unique benefits that a consumer might have if he purchases this product vis-à-vis the competitors product. The second way to present a sales message is emotionally. In an emotional presentation, here there is a concentration on other aspects of the consumer's bundle of values: social, psychological, economic. Here they are clubbed together with core "bundle of values".

For example, the presentation shows how the product or service enhances the audience's social life by improving their snub value or self-esteem, or how it will increase their earning power.

VII. Advertising Communication Models

The starch model of advertising communication: Daniel Starch, in the early part of this century, put forward the idea that in order to be effective, an advertisement must be seen, read, believed, remembered and acted upon. In other words people must climb the ladder step by step and the objective of advertising is to encourage them to do so. It should sound credible in terms of promise of satisfaction of a need or desire.

AIDA model of advertising communication: The first model is known as AIDA model, the term being derived from the first letter of the four words in the process represented - Attention, Interest, Desire and Action. Strong postulated that before becoming a user of the product the recipient of a message moves from an Awareness of the product to an Interest in it. From this he develops a Desire for the product and this then results in Action in which he goes and purchases the product. This model was developed in the U.S.A by Stong.

Hierarchy of effects model of advertising communication: The second model, conceived by Robert Lavidge and Gary Steiner is the Hierarchy of Effects Model that recognises two additional steps before the recipient becomes a purchaser and gives importance to cognitive stages, Bhatra et.al, (2008). The individual is seen to move from an Awareness of the product's existence to knowledge of the product's attributes. From there, he progresses to a liking for the product, which results in a Preference for that product above the others available. Then he gets a conviction as to the value of that product to him, which leads to the eventual stage of purchasing the product. The New Adopter Hierarchy Model conceived by rural sociologists, postulated five stages: awareness, interest, evaluation, trial and adoption, Bhatra et.al, (2008).

Innovation - adoption model of advertising communication: Diffusion of an innovation occurs through a five-step process. Rogers categorizes the five stages (steps) as: awareness, interest, evaluation, trial, and adoption. In fact, this model builds in the experience of usage and gives importance to word-of-mouth communication. In later editions of the diffusion of innovations, Rogers changes the terminology of the five stages to: knowledge, persuasion, decision, implementation, and confirmation. However the descriptions of the categories have remained similar throughout the editions.

VIII. Summary

In this paper, we have reviewed the classification of advertisement, the perceptions of consumers and their buying behaviour, advertisement and influences on consumer buying behaviour, effect of advertisement on consumer buying behaviour, how sales messages are presented through advertising and advertising communication model. The review has established that, advertisement can be classified into three classes, that is, persuasive advertising, institutional advertising and informational advertising. It also revealed that, advertising when used appropriately could be a major tool in the hands of marketing managers which would enable them to sell their products, services and ideas. The initiative is to sell products to the consumers. This has been proved by the fact that companies are investing a lot of time and resources into developing advertisement campaigns for their products and services.

IX. Conclusion

The Nigerian business environment is highly competitive and the survival and sustainability of any business demands that it must recognize and appreciate the factors that induce consumers to patronize organisation's offerings. Advertising has been identified as one of the most important tools of marketing. It therefore, offer managers a choice for investment, it is also described as a cost effective way to disseminate messages whether it is to build brand preference nationwide or to motivate potential consumers. In addition, it makes manufacturers to produce for mass consumption as a result of mass demand it creates. It also plays an important role not only by informing the consumer about the existence of new product but by persuading and reminding them to keep hold of the products. It is therefore a known fact that there are numerous challenges confronting the business world today, however, it is worthy to note that advertising is a simple strategy that would be able to revamp underperforming businesses. Companies more often than not combine advertising with other media forms to communicate to consumers and other stakeholders, this is because studies have shown that even where all the markets, government support and protection are available, most organisations still underperform due to obscure products which are not known by the public. This therefore reinforces the assertion that lack of advertising could offer competitors an edge; hence the importance of advertising in navigating the tricky waters of contemporary business world cannot be overemphasised.

References

- [1]. Acar, Adam (2007), Testing the Effects of Incidental Advertising Exposure in Online Gaming Environment, *Journal of Interactive Advertising*, 8 (1), 1-36.
- [2]. Bhatra, H.(2008). Memory without recall, exposure without perception. *Journal of Advertising Research*, 17(4), 7-12.
- [3]. Broussard, Gerard (2000), How Advertising Frequency Can Work to Build Online Advertising Effectiveness, *International Journal of Market Research*, 42.
- [4]. Cappo, J (2003), *The Future of Advertising: New Media, New Clients, New Consumers in the Post-Television Age*, McGraw-Hill: New York.
- [5]. Cobb-Walgren, Cathy J., Cynthia A. Ruble, and Naveen Donthu (1995), Brand Equity, Brand Preference, and Purchase Intent, *Journal of Advertising*, 24 (3), 25-40.
- [6]. Fan, Xiucheng (2000), Measurement of Customer-Based Brand Equity: A Brand Association Structure Approach, *Nankai Business Review*, 6, 9-13.
- [7]. Hendon, Donald Wayne (1973), How Mechanical Factors Affect Ad Perception, *Journal of Advertising Research*, 13 (4), 39-46.
- [8]. Homer, Pamela M. (1995), Ad Size as an Indicator of Perceived Advertising Costs and Effort: The Effects on Memory and Perceptions, *Journal of Advertising*, 24 (4), 1-12.
- [9]. Irwin, C. L. (2001). The influence of level of processing on advertising repetition effects. *Journal of Consumer Research*, 29(December), 371-382.
- [10]. Kamins, Michael A. (1990), An Investigation into the 'Match-Up' Hypothesis in Celebrity Advertising: When Beauty May be Only Skin Deep, *Journal of Advertising*, 19 (1),4-13.
- [11]. Kotler P (2012); *principles of marketing* (14th edition).prentice Hall of India.
- [12]. Lewis, Ben and Lance Porter (2010), In-Game Advertising Effects: Examining Player Perceptions of Advertising Schema Congruity in a Massively Multiplayer Online Role-Playing Game, *Journal of Interactive Advertising*, 10 (2), 46-60.
- [13]. Ndaghu, Julius Tumba (2015) *Advertising and Continuous Development of New Products, Key to Competitive Advantage: A Review With Implications For Further Research*
- [14]. Researchjournali's *Journal of Marketing* Vol. 3 | No. 5 October | 2015 ISSN 2348-0947
- [15]. Rouse, Ruby A. (1991), Yellow Pages Advertising: An Empirical Analysis of Attributes Contributing to Consumer Interest, Liking and Preference, *Journal of Professional Services Marketing*, 6 (2), 35-44.
- [16]. Skimmer, S.M,(2000,) Repetitive Advertising and the Consumer, *Journal of Advertising Research*, April, pp. 24–34
- [17]. Wu, Shwu-Ing (2006),"The Impact of Feeling, Judgment and Attitude on Purchase Intention as Online Advertising Performance Measure, *Journal of International marketing & Marketing Research*, 31 (2), 89-108.
- [18]. Zita Uche Mmamel and Anyionu Samuel C, *Consumer Behaviour: The behavioural aspects of marketing*.1st Ed.,2009