# Fundamentals of Advertising Research

**Third Edition** 

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# **Preface**

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undamentals of Advertising Research has been used in undergraduate courses in advertising research, advertising management, public relations, and marketing research. In some courses, this text was used as the sole resource; in others, it was supplemented with numerous journal articles. The text was often supplemented by small introductory paperback books on statistical methods and was sometimes used as the focal point of a course featuring heavy use of outside assignments.

At the graduate level, faculty members have used previous editions in courses in mass communication research, advertising research, public relations research, and marketing research. Primary use at the graduate level has been as a supplementary source of information about research techniques and descriptions of major advertising research suppliers. Faculty acceptance indicates that the book can be used in a variety of ways. We welcome your comments, whether or not you adopt the book for your courses.

#### Changes in the Third Edition

The major changes from the second edition are in Part Three: Syndicated Research Sources. Some syndicated companies merged with others or went out of business. Many existing companies changed their methods and reports. In other parts of this third edition, we have added or modified conceptual material while trying to preserve one of the book's strengths—its practical approach and straightforward style.

Chapter 2 gives increased attention to psychographic or life-style research such as VALS. We reorganized and revised Chapter 3 to give greater attention to research as a strategic planning activity. It also includes new sections on controlling research costs and on research ethics. We deleted some secondary research sources from Chapter 4 and added new ones.

New material about the Electronic Media Rating Council has been added to Chapter 11 and about Scarborough Research in Chapter 15. In Chapter 17, the discussions about future developments in advertising research were revised extensively.

#### A Message to Students

Experience has shown that most students in an advertising or marketing research course have no intention of becoming researchers. Yet they recognize that throughout their careers, they will be using research supplied by someone else. They realize the importance of being able to differentiate good from bad research.

Many students approach a research course with some apprehension. In undergraduate advertising programs that do not require a research course, some students avoid it altogether. Don't be afraid; *Fundamentals of Advertising Research* is written largely in nontechnical language; it is intended to be readable. According to student evaluations of the first and second editions, a major strength was readability. This has not changed in the third edition. Many students have commented, upon completing the introductory research course, that it wasn't as difficult as they had expected.

#### Acknowledgments

We wish to thank several colleagues who reviewed one or more editions of this book and made recommendations for additions and other changes. These reviewers include Arnold M. Barban, University of Alabama; Donald Jugenheimer, Fairleigh-Dickenson University; Tim Bengston, University of Kansas; Conrad R. Hill, University of Rhode Island; Leonard J. Hooper, University of Florida; William Miller, Ohio University; Richard Tino, University of Bridgeport; and Donald Vance, University of Miami.

We also thank our families for their support: Linda, Susan, Jennifer, Amanda, Pat, Matt, and Lisa.

Alan Fletcher Tom Bowers August 1987

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# The Nature of Research

s research in product development increases, so does research in all areas of marketing. To compete effectively, marketers conduct research in pricing, packaging, and distribution. And as competition grows and as economic conditions create uncertainty, research in advertising becomes increasingly important.

Properly conducted, research can answer many questions about a marketer's business and the conditions that influence it. Specifically, advertising research can answer questions about the nature of the market, appropriate advertising strategies, message effectiveness, and media audiences.

But no research in marketing, whether it be in pricing, product design, distribution, or advertising, can answer all questions. Typically research reduces uncertainty for the marketer. It can narrow the range of alternative decisions. It can provide effective assistance to the marketer only if it can be conducted at reasonable cost; in some cases the costs of research outweigh the benefits.

In this section, we examine the uses and limitations of advertising research and place it in the perspective of an advertiser's decision-making process.



# The Role of Advertising Research

- When a major airline introduces a new nonstop flight from Houston to London, the advertising director is unsure of the balance of advertising that should be targeted at business travelers and pleasure travelers.
- The same advertising director must decide whether to conduct a year-round advertising effort or schedule the advertisements in blocks of several weeks' duration throughout the year or during peak periods.
- Later the airline's advertising agency is faced with deciding which of four creative strategies to propose for the pleasure travel segment: The creative director prefers one, the account manager prefers another, the media director thinks yet another one best fits the media plan, and several other people prefer the fourth strategy.

These three decision areas are typical in the marketing of almost any product or service. The problem in each case is to make a sound decision under conditions of uncertainty and risk.

The advertising director's ongoing marketing research shows the relative importance of different segments of the market for air transportation. The director can

learn quickly what percentage of overseas travelers are on business trips and what percentage are on pleasure trips. Data will show frequency of trips by people in each market segment. Data will also show who flies first class and who flies tourist. The manager's strategy may call for allocating advertising dollars according to the relative importance of each market segment.

In determining the scheduling of advertisements, the advertising director can look at data on boardings and on travel planning. Seasonal data on boardings will show peaks and valleys in the popularity of the airline's Houston-to-London service. The manager can easily identify times when business persons and tourists take trips to London. If the manager finds that travelers typically make their plans well in advance of the flight, the manager can schedule advertisements at the time when travelers are making their plans. The manager may find that business travelers and pleasure travelers have two entirely different methods of planning. Advertisements aimed at each market may be scheduled differently.

In determining which creative strategy to propose to the client, the account manager authorized an inexpensive pretest of the four creative strategies. The manager found that two strategies appeared most appropriate for the overall advertising campaign. One, a simple, factual approach, tested best for the business market. The other, which used pleasant imagery of a visit to London, tested best for the tourist trade. Again, research was used to reduce uncertainty.

#### The Growing Need for Research

As consumer, trade, professional, farm, and business marketplaces have grown increasingly complex, managers have become increasingly reliant on marketing research of all types. Gone are the days when merchants dealt with small markets and could easily monitor the needs of their customers. Gone are the days when merchants could make adjustments in product, pricing, or packaging with relatively short notice and in direct response to comments made by customers. The relationship between merchant and customer could be close, and communication was simple.

Gone too is the sometimes unassailable position of the tradesman or other marketer. Before mass production, producers could sell all they could make. Producers had relatively few direct competitors. And customers may have had little choice but to accept products because there weren't many (or any) others from which to choose. Compared with the marketplace of today, early merchants had little incentive to respond to customer wants, unless it was convenient to do so.

With the growth of the U.S. economy, foreign competition in all areas, and technological change, the marketer of today finds it increasingly important to keep up with change and to find improved ways of competing. Ever-growing competition in the media marketplace contributes to the need for constantly improved methods

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