

VERISING

William M. Weilbacher

advertising

SECOND EDITION

William M. Weilbacher

President, Bismark Corporation: Marketing and Advertising Consulting Adjunct Professor of Marketing, Graduate School of Business, New York University

Macmillan Publishing Company
NEW YORK

Collier Macmillan Publishers
LONDON

This book is for **Elizabeth Manning Weilbacher**

Copyright © 1984, Arthur B. Kramer, Trustee

Printed in the United States of America

All rights reserved. No part of this book may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopying, recording, or any information storage and retrieval system, without permission in writing from the Publisher.

Earlier edition copyright © 1979 by Arthur B. Kramer, Trustee

Macmillan Publishing Company 866 Third Avenue, New York, New York 10022 Collier Macmillan Canada, Inc.

Library of Congress Cataloging in Publication Data

Weilbacher, William M. Advertising.

Includes index.
1. Advertising. I. Title.
HF5821.W38 1984 659.1

83-5380

ISBN 0-02-425250-6

Printing: 1 2 3 4 5 6 7 8 Year: 4 5 6 7 8 9 0 1

preface

This is a book about advertising. Advertising is one of our common experiences. It is provocative, bold, colorful and lively: it is in many ways a reflection of the lives we lead. Texts about it should reflect all of this. But the subject is complicated by a variety of paradoxes. Advertising texts must deal with these paradoxes and try to unravel them.

For example, the student will have a wide experience of advertising before he or she begins its formal study. This prior experience is unique among business subjects. The student arrives in his first advertising class a seasoned observer of advertisements, with well-developed attitudes and viewpoints about them.

Let me illustrate the kind of background such students may have when they come to the introductory course. My daughter Elizabeth, age nine, was given the following assignment in her fourth-grade class:

Write a composition on The Commercial I Dislike Most,

Describe the commercial.

What happens in it?

How does the commercial try to get you to buy the product?

Does the commercial really tell the truth?

Do the actors treat you as though you can't think for yourself?

Have you ever bought something you saw in a commercial and then discovered it was not as good as you thought it would be?

Students' prior experiences with advertising have important implications for textbooks. In the first place, an advertising textbook must recognize that students' attitudes have been formed in a context that is personal and subjective (and, at least in some fourth-grade classes, downright hostile). Yet it is the responsibility of the text to portray a business tool that is acknowledged by businessmen to have profound usefulness in achieving the ends of commerce. In addition, it is the responsibility of such a text to describe the contribution that advertising increasingly makes to the achievement of the goals of government programs and of many of our social and nonprofit agencies. The attitudes, experiences and understandings that the student brings to the advertising classroom do not necessarily facilitate such study. Thus, the text must help the student to become objective and to set aside whatever assumptions, prejudices and attitudes that a lifetime of living with advertising has generated.

A second paradox in the study of advertising is that there is a rather wide divergence between its practice and the literature that describes and analyzes it. Practitioners do not always act as the literature says they should, nor does the literature always deal thoroughly with issues that practitioners believe to be central to their craft.

A good example of this paradox is that practitioners believe that the essence of advertising may be found in its content: that is, in what advertisements say and show about the products and institutions that they represent. They are also deeply concerned with the strategic decisions and the creative processes that lead to the development of the advertisements to which consumers are exposed.

Yet the literature has, in general, shown little concern about the creative processes that underlie advertising, and it is thus very hard to gain insight into the subject unless one actually works at the craft. Certainly, an advertising text has the responsibility of clarifying these neglected, yet critical issues.

A final paradox is that those who are most critical of advertising seem surest about its effectiveness. This perplexes practitioners, who know that not all advertisements are equally successful, and who struggle daily to achieve a level of success that is blithely assumed by their critics. Successful advertising depends upon great skill, genuine insight and hard work on the part of advertising practitioners. But even this combination of ingredients does not always result in effective advertising. Once again, a relevant text must deal with the fact that not every effort succeeds; that advertising is hard to do; and that practitioners must continually search for excellence and effectiveness.

These paradoxes make it difficult to achieve a balanced view. The student must learn how to overcome his own experience. The student must gain insight into those aspects of commercial practice that define advertising as we experience it, yet have been ignored in the literature. Finally, the student must develop the bases of judgment that will permit him to sort out all of the issues and arguments that swirl continuously around the study and practice of this maligned and controversial subject.

In this book I have tried to unify the practitioner's view of advertising with the view of those who experience it without participating in its creation. I have striven to portray this unified whole in a way both meaningful and relevant to the student. I have respected the literature, but where it is inconsistent with practice, I have examined the

issues that underlie the inconsistencies. Similarly, I have done my best to present the case of advertising's critics, as well as to present the point of view of the business community.

Advertising is, in practice, exciting and challenging, and I have tried to suggest why this is so. I have also tried to write a book that will give a student, whatever his preconceptions, an understanding of why a consensus has developed among advertisers that advertising is, at present, worth an expenditure to them, collectively, of over \$65,000,000,000 per year.

When the student is finished with this book he or she will probably still have misgivings about some advertisements, as do I. But readers will also have a pretty good idea about the essential viewpoints and issues from the standpoint of both the literature and the practitioner. The reader will also learn why advertising is used, the kinds of goals that are set for it, the ways in which advertising programs are developed to achieve those goals, and as much as is known about how and why advertising accomplishes its aims. Finally, the student will be exposed to the interaction of advertising and society and the implications which that interaction has for advertising in practice and the goals of society.

No one works in an industry for thirty years without meeting many people who teach him a great deal. I have been especially fortunate in my career to have come under the influence of several outstanding practitioners and teachers. Much of what is contained in the following pages I undoubtedly learned from them, even if I cannot now remember exactly when or how. These influences include the late Raymond A. Bauer; the late Lyndon O. Brown; Marion Harper, Jr., Donald L. Kanter; Richard S. Lessler; Darrell B. Lucas; David McCall; and Clifford H. Wolfe.

Many people helped me in preparing this book, and I am very grateful to them. Bob Coen at McCann Erickson Inc. helped me to understand the subtleties and sophistication of his estimates of advertising expenditures. John M. Otter of SSCB, Inc. consulted with distinction on broadcast media matters, and Ira Weinblatt of Dancer Fitzgerald Sample, Inc., helped in the preparation of the print media chapter. Regis Redin served as art director in the preparation of advertising for

ท่

SINUGUARD, and I am indebted for her contribution.

The manuscript was reviewed at several points in its preparation. Individual reviews and the review process as a whole made a substantial contribution in revising the text toward its final form. The reviewers were:

Keith Adler, Michigan State University Laurence Bowen, University of Washington Barbara Coe, North Texas State University James Culley, University of Delaware Frederic Farrah, Temple University Alan Fletcher, University of Tennessee at Knoxville

Donald Glover, University of Nebraska at Lincoln

Donald Granbois, Indiana University Dean Krugman, Michigan State University James Krum, University of Delaware Thomas Leigh, Penn State University James Merrill, Indiana University Herbert Rotfeld, Penn State University John Wheatley, University of Washington Eric Zanot, University of Maryland

More than one hundred individuals responded to my requests for the advertisements and advertising related materials that illustrate the text. Without exception, these representatives of their outstanding companies were enthusiastically helpful in clearing my requests through the proper channels and in supplying the materials reproduced here. If there is not enough space to acknowledge their contributions individually, I am no less grateful for it.

Nancy Munro typed revisions in the text from my incomprehensible longhand with tenacity and good will, and I am grateful for her help. Martha M. Weilbacher consulted on matters of style and grammar and, although there were tense moments and lingering points still in some dispute, it appears that our marriage will endure.

The final responsibility for the text is mine.

W.M.W.

contents

3

21

PART ONE What Is Advertising

1

Chapter 1 Definitions of Advertising

LEARNING OBJECTIVES 3
ADVERTISING MESSAGES: A FEW OF MANY 4
ADVERTISING AS A FORCE IN SOCIETY 5
BUSINESS VIEWS OF ADVERTISING 6
ADVERTISING IN SOCIAL MARKETING 8
ADVERTISING IN HISTORY 9
ADVERTISING AS COMMUNICATION 10
THE ADVERTISING INDUSTRY 13
ADVERTISING REGULATION 14
A FINAL DEFINITION OF ADVERTISING 15
SUMMARY 16
QUESTIONS FOR STUDY AND DISCUSSION 17

PART TWO Advertising in America: Scope and Structure

19

Chapter 2 The Dimensions of Advertising

LEARNING OBJECTIVES 21
TOTAL ADVERTISING ACTIVITY 21

Advertising Activity by Media 26
Advertising Activity by National and Local
Expenditures 28
The Leading National Advertisers 28
Summary 32
Questions for Study and Discussion 32

Chapter 3 Socioeconomic Aspects of Advertising

33

LEARNING OBJECTIVES 33 ADVERTISING AS A SOCIAL FACILITATOR 34 ADVERTISING AND ECONOMIC NEEDS 35 ADVERTISING AND AFFLUENCE 36 ADVERTISING AND ABUNDANCE 38 CONSUMPTION PATTERNS AND NATIONAL CHARACTER 39 THE CONSUMER VIEW OF ADVERTISING 42 How Do Consumers Define Advertising 42 Is Advertising an Active Concern for CONSUMERS? 44 GENERAL ATTITUDES TOWARD ADVERTISING 44 CONSUMER ATTITUDES TOWARD ADVERTISING: AN Overview 47 CONSUMER REACTION TO ADVERTISEMENTS 48 Advertisements That Consumers Attend to 48 OVERALL ATTITUDES TOWARD ADVERTISING AND

RESPONSES TO ADVERTISEMENTS 50
CATEGORIZATION OF ADVERTISEMENTS WITHIN PRODUCT
GROUPS 51

CONSUMER CATEGORIZATION OF BRAND	THE IMPLICATIONS OF ADVERTISING FOR
ADVERTISEMENTS 52	MARKETING 81
An Unanswered Question 53	The Marketing Mix 82
SUMMARY 56	THE INTERACTION OF ADVERTISING AND MARKETING
Questions for Study and Discussion 57	VARIABLES 83
	ADVERTISING AND MARKETING: A FINAL WORD 86
Chapter 4 The Structure of the	SUMMARY 86
Advertising Industry 59	QUESTIONS FOR STUDY AND DISCUSSION 87
Learning Objectives 59	
AN OVERVIEW OF THE ADVERTISING INDUSTRY 60	Chapter 6 Allocating Corporate
How Advertisers Organize to Advertise 60	Resources to Advertising 89
Product/Advertising Management in the	Learning Objectives 89
Organization 65	HOW BUSINESSMEN APPROACH ADVERTISING
Product/Advertising Management from the	Appropriation Questions 90
Standpoint of the Individual 65	ADVERTISING LEVELS AND SALES EFFECTS 91
THE ADVERTISER AND THE AGENCY 66	ADVERTISING APPROPRIATIONS AND ADVERTISING
THE ADVERTISING AGENCIES 67	BUDGETS 93
ADVERTISING AGENCY ORGANIZATION 68	HOW ADVERTISING APPROPRIATIONS ARE
The Creative Function 68	Determined 94
The Media Function 69	Arbitrary Methods of Setting Advertising
Financial Services 69	Appropriations 94
Specialist Support Services 69	Rule-of-thumb Methods 94
Account Management 69	Market Experience Methods 96
PEOPLE EMPLOYED IN THE ADVERTISING AGENCY	Theoretical Methods of Determining
Industry 69	Advertising Appropriations 98
THE HOUSE ADVERTISING AGENCY 70	CONSTRAINTS UPON THE PROCESS OF ADVERTISING
OTHER FORMS OF SPECIALIZATION WITHIN THE	Allocation Determination 100
Advertising Industry 70	Summary 102
ADVERTISING AGENCY COMPENSATION 71	QUESTIONS FOR STUDY AND DISCUSSION 103
How Advertisers Determine the Value of Agency	•
Service 71	Chapter 7 Advertising Plans and
SUMMARY 72	Advertising Goals 104
QUESTIONS FOR STUDY AND DISCUSSION 73	-
	LEARNING OBJECTIVES 104
	THE TYPICAL ADVERTISING PLAN 105
PART THREE	THE PLANNING PROCESS AND ADVERTISING
Advertising and Marketing	CREATIVITY 107
75	SETTING ADVERTISING GOALS 108
	GOALS FOR DIRECT-RESPONSE ADVERTISERS 109
Chapter 5 The Relation of Advertising	GOALS FOR RETAIL ADVERTISERS 110
to Marketing 77	GOALS FOR PACKAGED GOODS ADVERTISERS 112
LEARNING OBJECTIVES 77	GOALS FOR OTHER ADVERTISED GOODS AND
	Services 113
THE DISTINCTIVE CHARACTERISTICS OF ADVERTISING 78 THE ELEMENTS OF MARKETING 78	GOALS FOR CORPORATE ADVERTISING 121
THE ELEMENTS OF IVIARKETING 78	GOALS FOR ADVERTISING IN SOCIAL MARKETING 122

X

Rules in Setting Nonsales Advertising Goals 122 Summary 124	A Final Word on Creative Strategies 158 Summary 158
QUESTIONS FOR STUDY AND DISCUSSION 125	Questions for Study and Discussion 159
COPPLICAS LOW DIADLE VAD DISCUSSION 1792	ALLGOOD DRUG COMPANY CASE: PART A 160
PART FOUR	Chapter 9 Creative Processes in
The Creative Process in Advertising	Advertising 179
127	LEARNING OBJECTIVES 179
	THE EMBELLISHMENT OF THE ADVERTISING
Chapter 8 The Advertising Plan:	Message 180
Consumer Behavior and Creative	THE DILEMMA OF CREATIVITY IN ADVERTISING 182
Strategy 129	THE CREATORS OF ADVERTISING 184
LEARNING OBJECTIVES 129	How Do the Creators of Advertising Create
THE RELATION OF CREATIVE STRATEGY TO THE	Advertising? 190
Product 129	Rules for Creating Advertising 190
Advertising and Salesmanship 131	THE DISTINGUISHING CHARACTERISTICS OF THOSE WHO
CONSTRAINTS ON THE FORMULATION OF ADVERTISING	CREATE ADVERTISING 192
Strategy 131	Natural Curiosity 192
CONSUMER BEHAVIOR AS A BASIS FOR CREATIVE	Vivid Distillation 192
Strategies 133	Accessible Language 193
The Product/Service/Institution to Be	Visual and Verbal Expression 194
Advertised 133	New Thought Connections 194
Consumer Segments and Advertising	SUMMARY 195
Strategy 134	Questions for Study and Discussion 196
Consumer Response to Marketing	
Entities 141	Chapter 10 Advertising Technique: Appeals
What Competitors Claim in Their	and Executions 197
Advertising 142	LEARNING OBJECTIVES 197
Writing Advertising Strategies 143	ADVERTISING APPEALS 198
Advertising Strategies Analyzed: A Study of	Product- or Service-related Appeals 198
Advertisements 144	Feature Appeals 198
Copy Strategies for Marketing Entities with	Product Competitive Advantage 201
Totally Unique Attributes 145	Favorable Product/Service Price 201
Copy Strategies for Marketing Entities with	News Appeals 202
Product Design or Formulation	Product/Service Popularity 203
Variations 146	Generic 203
Strategies for Marketing Entities of a	Consumer-related Appeals 203
Generic Kind that Show Little or No	Consumer Service 203
Variation in Design Formulation or in	Consumer Savings Through Use 205
Function 153	Self-enhancement 206
SELECTING BETWEEN ALTERNATIVE STRATEGIES 157	Fear 207
THE ADVERTISING CAMPAIGN 157	Subsidized Product Trial 210
WHO DETERMINES CREATIVE STRATEGIES,	Nonconsumer or Nonproduct/Service-related
Anyway? 158	Appeals 212

PRINT PRODUCTION 253

Broadcast Production: Live Commercials 252

Preproduction of Print Advertisements 253

Production of Print Advertisements 255

Corporate Citizenship 212

Factual—Straightforward Statement 218

Investor Solicitation 213

Advertising Executions 215

xii

Statement 218 Product Comparison 219 Demonstration 219 Still Life 223 Metaphor 223 Dramatization 223 Spokesperson 225 Testimonial 225 Borrowed Interest 225 Humor 225	EMPLOYMENT OPPORTUNITIES IN ADVERTISING CREATIVE WORK 256 SUMMARY 256 QUESTIONS FOR STUDY AND DISCUSSION 257 PART FIVE Planning and Buying Media 259
Hyperbole 228 A Classification of Advertisements 229 Summary 233 Questions for Study and Discussion 233 Allgood Drug Company Case: Part B 234	Chapter 12 The Advertising Plan: Media Strategy 261 Learning Objectives 261 The Diversity of Media Strategies 261
Chapter 11 The Approval and Production of Advertisements 239 LEARNING OBJECTIVES 239 THE APPROVAL OF ADVERTISING 239 Management of the Creative Function in Advertising Agencies 240 Should Agencies Generate Even More Campaign Ideas and Proposed Executions? 241 How Advertisers Evaluate the Content of Creative Work 243 The Formal Approval of Advertising Materials 244	Issues in Advertising Media Strategy 263 What Kind of Consumer Does the Advertiser Wish to Reach? 263 What Kind of Message Dispersion Is Required? 268 What Kind of Seasonal and/or Regional Concentration Is Required for the Advertising? 272 What Qualities Should Be Inherent in the Media Selected? 273 The Implications of the Advertising Message Content 274 Specimen Media Strategies 275
The Production of Broadcast Advertising 246 The Preproduction of Commercials 246 Production of Filmed Television Commercials 248 Finishing the Filmed Television Commercial 250 Broadcast Production: Video Tape Television Commercials 252 Broadcast Production: Radio	CLARITY IN ADVERTISING MEDIA STRATEGY STATEMENTS 277 SUMMARY 278 QUESTIONS FOR STUDY AND DISCUSSION 279 Chapter 13 The Printed Media 281 LEARNING OBJECTIVES 281 NEWSPAPERS 281
Commercials 252	A General Description 281

Newspaper Advertising Rates and Units of Sale 282	Television Stations 317 Television Set Ownership and Usage 318
Information About Newspapers for Media	Television As an Advertising Medium 319
Planners 284	The Growth of Cable Television 320
Newspaper Circulation 284	The Units of Television Advertising Time 320
Newspaper Audience Studies 290	Buying and Selling Television Time 320
Limitations of Newspapers As Advertising	What It Costs to Advertise on
Media 292	Television 320
CONSUMER MAGAZINES AND FARM PUBLICATIONS 292	Negotiating Television Prices 321
A General Description 292	Information About Television for Media
Magazine Rates and Units of Sale 293	Planners 322
Information About Magazines for Media	National Television Ratings 322
Planners 297	Local Television Information 328
Magazine Circulation 297	Limitations of Television 333
Audience Research 300	Radio 334
Coverage and Frequency Goals 301	A General Description 334
Limitations of Consumer and Farm Magazines	How Radio Advertising Is Sold 335
as Advertising Media 305	Negotiating Radio Advertising Rates 336
Business Publications 305	Information About Radio for Media
A General Description 305	Planners 336
Ways of Circulating Business	Limitations of Radio 337
Publications 306	A Final Word About the Broadcast
Business Publication Rates and Units of	Media 337
Sale 307	SUMMARY 338
Information About Business Publications for	QUESTIONS FOR STUDY AND DISCUSSION 339
Media Planners 307	
Business Publication Circulation 307	Chapter 15 Developing the Media Plan 340
Business Publication Audience Studies 309	Chapter 15 Developing the Media Plan 340
A Final Word About the Print Media 309	Learning Objectives 340
THE OUTDOOR MEDIUM 310	CONSTRAINTS AND CONSIDERATIONS IN THE MEDIA
A General Description 310	Planning Process 341
Information About Outdoor for Media	Media Capabilities: What Media Can and
Planners 312	Cannot Do 341
DIRECT MAIL ADVERTISING 312	The Appeal of Advertising Media 342
A General Description 312	The Audience of an Advertising Unit 342
Information About Direct Mail for Media	Media-impoverished Population
Planners 313	Segments 342
SUMMARY 313	Intramedia Variation Versus Intermedia
QUESTIONS FOR STUDY AND DISCUSSION 314	Variation 343
	The Implications of Multiple Media Use 343
Chapter 14 The Broadcast Media 316	The Influence of the Advertising
•	Appropriation in Shaping Media
LEARNING OBJECTIVES 316	Plans 344
Television 316	How Many Media and How Much of
A General Description 316	Each? 344

DETERMINATION OF MEDIA EFFICIENCY 345 The Intramedia Cost per Thousand Computation 346 Intermedia Cost Efficiency Comparisons Noncost Intermedia Comparisons 348 CREATIVITY IN MEDIA PLANNING 348 Variations in Message Form 349 Relating Message Content to Media Content 349 Using Totally New Media 349 Finding Ways to Accommodate Media Proprietors 350 MEDIA PLANNING PROCESS 350 Examples of Media Planning 350 MANAGEMENT SCIENCE AND THE FUTURE OF MEDIA PLANNING 360 Problems Associated with Management Science Approaches to Media Planning 360 Management Science Approaches to Media Planning 362 CAREERS IN MEDIA 365 SUMMARY 367 QUESTIONS FOR STUDY AND DISCUSSION 368 ALLGOOD DRUG COMPANY CASE: PART C 370

PART SIX Advertising Research

395

Chapter 16 Advertising Research

LEARNING OBJECTIVES 397 ADVERTISING RESEARCH DEFINED 398

THE CRITICS OF ADVERTISING RESEARCH 399 THE PREMISES OF ADVERTISING RESEARCH 401

THE ADVERTISING RESEARCH PROGRAM 403

Prospect Identification Research 404 Product Usage Studies 404 Market Segmentation Studies 404

Strategy Development Research 405 Usage Studies 407

Segmentation Studies 407 Motivation Studies 407 Brand Mapping Studies 410 Qualitative Research to Refine Strategies 411 Advertising Concept Testing 411 Performance Tests of Advertisements 415 Comprehension and Reaction Tests 415 Television Commercial Tests 415 Physical Response Measures of Advertisements 416 Printed Advertisement Tests 419 Media Audience Measurements 422 Study of Media and Markets 422 Nielsen Television Index 423 Nielsen Audience Composition Service 423 Local Television Audience Measures 425 Measurements of the Communication Effects of Advertising Campaigns SUMMARY 428 QUESTIONS FOR STUDY AND DISCUSSION 430

Chapter 17 Market Tests of Advertising **Programs**

LEARNING OBJECTIVES 431 CHARACTERISTICS OF DEPENDABLE MARKET TESTS OF ADVERTISING 432 TRADITIONAL MARKET TESTS 434

431

What Is Done in Traditional Test Marketing 435

What Is a Test Market and How Is a Test Market Defined? 435

How Are Test Markets Selected? 435 What Test Markets Does One Choose? 436 How Long Do Market Tests of Advertising Last? 437

How Are National Advertising Plans Translated into the Test Markets? 438 What Rules Are Used in Media Pressure Translations? 439

How Are Test Market Results Projected to National Levels? 439

THE AD TEL SYSTEM 441

397

xiv

Summary 443	The Goals of Institutional Advertising 476
QUESTIONS FOR STUDY AND DISCUSSION 443	Corporate/Image/Reputation
ALLGOOD DRUG COMPANY CASE: PART D 445	Advertising 476
	Employee Relations Advertising 477
Chapter 18 Some Theory of Advertising 457	Public Service Advertising 477
Learning Objectives 457	Advertising to Induce or Discourage
Assumptions of the Advertising Practitioner 458	Corporate, Social, or Governmental Action 478
Advertising Is Communication 459	
Advertising Communication Convinces Its	Identifying and Reaching Target Audiences for Institutional Advertising 478
Recipients and Predisposes Them to	Quick-Response Advertising 479
Act 459	Retail Advertising 479
The Basis of Effective Advertising	How the Retailer Evaluates Advertising
Communication Is Twofold 459	Expenditures 480
Advertising Effects Are Accomplished Over	Separate Retail Image Advertising
<i>Time</i> 459	Campaigns 481
Advertising Effect Reflects Assertion and	Some Rules for Successful Retail
Weight 459	Advertising 482
Advertising Effect is Cumulative 459	Cooperative Support for Retail
Advertising Affects Brand or Company	Advertising 483
Momentum 459	Direct-Response Advertising 485
Problems of Consumer Complexity 459	SUMMARY 486
The Advertising Practitioner Works with	QUESTIONS FOR STUDY AND DISCUSSION 487
Imperfect Knowledge 459	
SOME THEORY OF ADVERTISING 460	
Pressure-Response Theories of	Chapter 20 Specialized Market Advertising:
Advertising 460	Industrial, International, and Social
Active Learning Theories of Advertising 462	Advertising 489
Low-Involvement Theories of Advertising 464 Dissonance Reduction Theories of	LEARNING OBJECTIVES 489
Advertising 467	INDUSTRIAL ADVERTISING 489
WHAT ADVERTISING THEORIES PORTEND 468	
Summary 470	The Goals of Industrial Advertising 490 How Many Dollars for Industrial
QUESTIONS FOR STUDY AND DISCUSSION 471	Advertising? 492
CORP. LOW D. LOW D. LOW D. LOCAL DISCORDION 47.1	Identifying Market Targets in Industrial
	Advertising 492
PART SEVEN	INTERNATIONAL ADVERTISING 493
Specialization in Advertising	Do American Advertising Campaigns Travel
473	Well? 494
,, ,	Does American Advertising Practice Travel
	Well? 495
Chapter 19 Institutional, Retail, and	SOCIAL ADVERTISING 496
Direct-Response Advertising 475	Sources of Support for Social Advertising 496
LEARNING OBJECTIVES 475	SUMMARY 497
Institutional Advertising 475	QUESTIONS FOR STUDY AND DISCUSSION 498

xv

PART EIGHT Advertising and Society 501 Chapter 21 Misleading, Annoying, and Offensive Advertising 503	Do Distribution Costs Rise with the Proliferation of Nonprice Competitive Brands? 533 Does Nonprice Competition Make Market Entry Difficult or Stifle Innovation? 534 Are Minor Product Differences Irrelevant to Consumers? 536 Understanding the Economic Role of Advertising 539
LEARNING OBJECTIVES 503 THE POTENTIAL LOSSES OF THE ADVERTISER 503 HOW ADVERTISEMENTS CAUSE RESENTMENT 504	Summary 540 Questions for Study and Discussion 540
Moral Wrongs: Taste in Advertising 504 Untruthful Advertising 506 Literal Truth 506	Chapter 23 The Decisive Interface 542
True, Yet Deceptive 506 Exaggeration and Puffery 507 The Whole Truth 508 Advertising as an Environmental Pollutant 509 Consumer Defenses Against Advertising 510 The Defenseless Consumer 510 The Corrupted Consumer 510 The Self-Protective Consumer 511 How the Consumer Deals with Advertising 511 The Role of the Advertiser in Limiting Misleading And Offensive Advertising 512 The Motivation of Civic Responsibility 512 The Motivation of Abiding by the Law 513 The Motivation of Avoiding Economic Loss 513 The Motivation of Maximum Profit 514 Advertising's Noncommercial Contributions to Society 517 Summary 518 Questions for Study and Discussion 519 Allgood Drug Company Case: Part E 520	The Decisive Interface Defined 543 The Consumer View About Regulation of Advertising 545 Business Regulates Itself 545 The Dilemma of Government 551 The Federal Trade Commission: Legislative Mandate 552 The Federal Trade Commission: Operating Rules 553 Public Interest and Materiality 554 Tendency to Deceive 554 Intent and Knowledge of Falsity 554 Literal Truthfulness 554 Literal Truth Sometimes Insufficient 554 Ambiguous Advertisements and Innuendo 554 Trade Regulation Rules 555 Puffery in Advertising 555 Unsubstantiated Claims Unlawful Even if True 555 Affirmative Disclosure 555 Corrective Advertising 556
	Unfairness 556 Other Governmental Regulation of Advertising 558
Chapter 22 Advertising and Competition 528	UNRESOLVED QUESTIONS AT THE DECISIVE
LEARNING OBJECTIVES 528 COMPETITION 528	Interface 560 What Is the Public Interest? 560

What Precisely Is the Economic Value of

Advertising? 560

xvi

DOES NONPRICE COMPETITION SUPPORT ARTIFICIALLY

HIGH PRICES? 532

What Is the Economic Effect of the Regulation of Advertising? 560 Summary 561 Questions for Study and Discussion 562

PART NINE Advertising: Appraisal and Prospect 563

Chapter 24 The Future of Advertising 565

Learning Objectives 565

Advertising Will Change As Society Changes 565

Responses to Change in the Regulative
Environment 566

Responses to Changing Character and Needs
of Individuals in Society 567

Responses to Advertising's Own Need to Be
Fresh and Persuasive 567

Patterns of Change and Their Implications for
Advertising 567

Understanding of Advertising Will
Increase 567
Greater Emphasis on Interaction of
Advertising and People 569
Change of Corporate Response to
Governmental Challenges 569
There Will Be Greater Use of Advertising in
Social Marketing 570
New Sources of Advertising Will Increase
Media Usage 571
Media Will Respond to Fundamental
Demographic Change in Society 571
The Importance of the Creative Function in
Advertising Will Increase 572
SUMMARY 572

QUESTIONS FOR STUDY AND DISCUSSION 574

Glossary 575 Index 597

part one

What Is Advertising?

The first task is to define advertising. How people define advertising depends upon their societal and economic role and upon their prior experience with advertising. It is anothema to some, a profession to others, a business tool to many, and a persuasive presence in the life of almost everyone.

Ultimately, we will define advertising from the standpoint of those who use it and pay for it, because its use in business and social marketing defines its predominant character:

Advertising consists of media messages paid for and signed by a business firm or institution that wishes to increase the probability that those reached by these messages will behave or believe as the advertiser wishes them to behave or believe.