

Unit 18: Advertising and Promotion in Business

Unit code: J/601/1000

QCF level: 4

Credit value: 15 credits

- Aim

The aim of this unit is to provide learners with the understanding and skills for using advertising, promotion and marketing communications effectively. Learners will put this into practice by planning an integrated promotional strategy.

- Unit abstract

The effective use of advertising and promotion is a fundamental requirement for any business seeking to succeed in the modern business world. As they progress through the unit, learners will build up their understanding of advertising and promotion, which they can use to plan an integrated promotional strategy for a business or product.

The unit introduces learners to the wide scope of marketing communications and how the communications process operates. It includes a study of current trends and the impact that ICT has had on marketing communications. Learners will explore the marketing communications industry and how it operates. They will also develop some knowledge of how the industry is regulated to protect consumers.

Advertising and the use of below-the-line techniques are core components in the development of an integrated communications strategy. This unit covers both in detail. Learners will be introduced to the theory, as well as the practice, that is fundamental to understanding advertising and below-the-line techniques and how they can be used to their greatest effect.

On completion of this unit learners will be able to plan an integrated promotional strategy for a business or product. This will include budget formulation, creative and media selection, and how to measure the effectiveness of their plan.

- Learning outcomes

On successful completion of this unit a learner will:

- 1 Understand the scope of marketing communications
- 2 Understand the role and importance of advertising
- 3 Understand below-the-line techniques and how they are used
- 4 Be able to plan integrated promotional strategies.

Unit content

1 Understand the scope of marketing communications

Communication process: nature and components of marketing communications; models of communication; selection and implementation process; consumer buying decision-making process; influences on consumer behaviour: internal (demographics, psychographics, lifestyle, attitude, beliefs), external (cultural, social, environmental factors); response hierarchy/hierarchy of effects models; integration of marketing communications

Organisation of the industry: structure and roles of marketing communications agencies; (advertising agencies, marketing agencies, creative agencies, media planning and buying agencies); media owners; advertisers; triangle of dependence; types of agency (full service, à la carte, specialist agencies, media independents, hot shops and boutiques, media sales houses); other supporting services (public relations (PR), sales promotion, marketing research)

Regulation of promotion: Consumer Protection From Unfair Trading Regulations, Sale of Goods Act, Supply of Goods and Services Act, Distance Selling Regulations, Consumer Credit Act, Data Protection Act; statutory authorities (Trading Standards, Ofcom, the Office of Communications); self-regulation (Advertising Standards Authority (ASA), Committee of Advertising Practice (CAP)); ethics, consumerism and public opinion as a constraint

Current trends: media fragmentation and the decline the power of traditional media; ambient/out-of-home media e.g. product and brand placement, posters, stickers, car park tickets, till receipts, petrol pumps; new media e.g., texts, use of mobile phone, web-based media, pop-ups; brand proliferation; niche marketing/micro-marketing; media inflation; maximising media spend; increased sophistication and use of marketing research; responding to globalisation (global marketing, global brands, global media); ethical marketing e.g. fair trade, cause-related marketing; e-commerce; viral marketing; use of social networking websites; search engine optimisation; web optimisation

The impact of ICT: role of ICT, internet and on channels of communication; global media reach; cyber consumers; online shopping (interdependence, disintermediation, reintermediation); the use of customer relationship management (CRM); online security issues

2 Understand the role and importance of advertising

Role of advertising: definition, purpose and objectives of advertising; functions of advertising (remind, inform, persuade, sell); advantages and disadvantages of advertising; advertising process; role of advertising within marketing mix, within promotional mix; characteristics of advertising media (print, audio, moving image, ambient, new media)

Branding: definition, purpose, objectives, benefits and dimensions of branding; brand strategies (individual, blanket, family, multi-branding, brand extension, own brands, brand repositioning); brand image, personality and equity; brand value, brand evaluation techniques

Creative aspects of advertising: communication brief (positioning, targeting, messages, message-appeals); creative brief (advertisement design, visuals, copy writing, creative strategies and tactics testing); impact of ICT on advertisement design and dissemination; measuring advertising effectiveness; key media planning concepts (reach, duplication, frequency, flighting); principles in measuring media effectiveness (distribution, ratings, audience share, awareness, cost per thousand)

Working with advertising agencies: agency structures; role of account handler and account planner; process and methods of agency selection; agency appointment including contracts and good practice guidelines; agency/client relationships; remuneration (commission, fee, results), media planning; key account management and the stages in developing key account relationships

3 Understand below-the-line techniques and how they are used

Primary techniques: sales promotion; public relations; loyalty schemes; sponsorship; product placement; direct marketing; packaging; merchandising; for each of the techniques detailed (consideration of role, characteristics, objectives, advantages/disadvantages, appropriate uses, evaluation measures)

Other techniques: an overview of the role and uses of corporate communications; image and identity; exhibitions; word-of-mouth; personal selling; use of new media

4 Be able to plan integrated promotional strategies

Budget formulation: budget determination process; methods (percentage of sales, per unit, cost-benefit analysis, competitive parity, task, customer expectation, executive judgement); guidelines for budget allocation; overview of media costs; relative costs of various promotional techniques; comparing low and high-budget campaigns; new product considerations

Developing a promotional plan: situation analysis; objectives; communication goals, target audiences; creative strategy; promotional strategy and tactics; media selection; inter and intra-media decisions; scheduling; burst versus drip; budget allocation; evaluation measures; planning tools (AIDA, DAGMAR, SOSTT + 4Ms, SOSTAC, planning software)

Integration of promotional techniques: benefits; methods; role of positioning; positioning strategies; push and pull strategies; importance of PR; corporate identity and packaging in aiding integration; barriers to integration (company and agency organisational structures; cost); methods of overcoming these barriers; levels of integration; award-winning campaigns

Measuring campaign effectiveness: comparison with objectives; customer response; recall; attitude surveys; sales levels; repeat purchases; loyalty; cost effectiveness; degree of integration; creativity; quantitative and qualitative measures

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:
LO1 Understand the scope of marketing communications	1.1 explain the communication process that applies to advertising and promotion 1.2 explain the organisation of the advertising and promotions industry 1.3 assess how promotion is regulated 1.4 examine current trends in advertising and promotion, including the impact of ICT
LO2 Understand the role and importance of advertising	2.1 explain the role of advertising in an integrated promotional strategy for a business or product 2.2 explain branding and how it is used to strengthen a business or product 2.3 review the creative aspects of advertising 2.4 examine ways of working with advertising agencies
LO3 Understand below-the-line techniques and how they are used	3.1 explain primary techniques of below-the-line promotion and how they are used in an integrated promotional strategy for a business or product 3.2 evaluate other techniques used in below-the-line promotion
LO4 Be able to plan integrated promotional strategies	4.1 follow an appropriate process for the formulation of a budget for an integrated promotional strategy 4.2 carry out the development of a promotional plan for a business or product 4.3 plan the integration of promotional techniques into the promotional strategy for a business or product 4.4 use appropriate techniques for measuring campaign effectiveness.

Guidance

Links

This unit links to other marketing units within the pathway – *Unit 17: Marketing Intelligence*, *Unit 19: Marketing Planning* and *Unit 20: Sales Planning and Operations*.

The unit is also linked with *Unit 4: Marketing Principles* and *Unit 6: Business Decision Making*.

Essential requirements

Learners must have access to the internet in order to carry out research. They will also require access to a range of current advertising and promotional media – print, audio, moving image, ambient and new media. Tutors must build a bank of resource materials to ensure there is a sufficient supply of relevant information across a range of business types and sectors.

Employer engagement and vocational contexts

Learners can generate evidence from a work placement or work experience. Some learners may have access to information from family owned and run businesses.

Centres should develop links with local businesses such as – businesses that run advertising and promotional campaigns as part of their marketing strategy, and agencies that are involved with providing the creative and planning input for advertising and promotional campaigns. Many businesses and chambers of commerce want to promote local business and are often willing to provide work placements, visit opportunities, information about businesses and the local business context and guest speakers.

Local Business Link organisations are another good source for employer engagement as they are in contact with a range of different businesses in different industries.