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# Advertising and Integrated Brand Promotion

Seventh Edition

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Advertising and Integrated Brand Promotion, Seventh Edition

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# To Marilyn

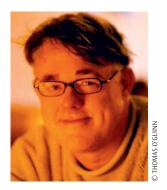
# Thomas Clayton O'Guinn

# To Linda, Gillian, and Maddy, my three reasons for being. Chris Allen

To Molly, the best partner I could ever hope to have. To Andi, you have done so much, so well, so quickly—you inspire me. Rich Semenik

> To my family, Benjamin and Corbyn Scheinbaum. Angeline Close Scheinbaum

# ABOUT THE AUTHORS



**Thomas Clayton O'Guinn** is Professor of Marketing at the University of Wisconsin-Madison. He is also Research Fellow in the Center for Brand and Product Management, also at UW–Madison. Before joining the University of Wisconsin– Madison faculty, he was on the faculty of the University of Illinois at Urbana-Champaign. He has also taught at UCLA and Duke. He is currently visiting Georgetown University. Tom has published widely. His research is about brands and the sociology of consumption. Tom has served on many editorial and advisory boards, and his research has won several awards. He has assisted several major marketers with their advertising and marketing. Professor O'Guinn's Ph.D. is from the University of Texas at Austin.



Chris T. Allen is the Arthur Beerman Professor of Marketing at the University of Cincinnati. He has also held faculty positions at Northwestern University and the University of Massachusetts at Amherst. His research has investigated the influence of affect and emotion in decision making and persuasive communication. Other published work has examined consumption issues in diverse domains such as determinants of household spending, motives for blood donation, fostering energy conservation, and the effects of news reporting on consumers' attitudes. It has appeared in numerous journals and compilations, including JCR, JMR, JM, JPP&M, JBR, Journalism Quarterly, Journal of Advertising, Harvard Business Review, Advances in Nonprofit Marketing, and Handbook of Consumer Psychology. Chris has served on the editorial review boards of JCR, JCP, JM, and JA, and has been a frequent reviewer for programs such as the Ferber Award, and the AMA/Howard, ACR/Sheth, and MSI dissertation competitions. He has also served as program administrator for P&G's Marketing Innovation Research Fund-a funding source for dissertation research. He received his Ph.D. in Marketing and Consumer Psychology from Ohio State.



**Richard J. Semenik** is Professor Emeritus of Marketing and former Dean of the College of Business at Montana State University–Bozeman, as well as founder and Executive Director of the College's Center for Entrepreneurship for the New West. Before coming to Montana State, Rich served as head of the Marketing Department at the Eccles School of Business at the University of Utah and Associate Dean for Research. He also has cofounded two companies. He has given numerous speeches and seminars across the United States, as well as in Ireland, Italy, the Netherlands, Finland, Mexico, Germany, France, Belgium, and Scotland. He also has been a visiting research scholar at the Vrije Universiteit in Amsterdam, the Netherlands, and a visiting scholar at Anahuac Universidad in Mexico City, Mexico. His research has appeared in the *Journal of Advertising, Journal of Consumer Research*, and *Journal of International Advertising*. He has consulted with major corporations, advertising agencies, and early stage start-up companies. He received his undergraduate degree from the University of Michigan, an MBA from Michigan State University, and a Ph.D. from the Ohio State University.



Angeline Close Scheinbaum At the University of Georgia, Angeline studied advertising (ABJ 2000) and mass communication (MMC 2001) at the Grady College of Journalism & Mass Communication, and marketing at the Terry College of Business (Ph.D. 2006). Angeline is Assistant Professor at the University of Texas at Austin in Advertising and Public Relations. Professor Close researches sponsorship and event marketing-namely how consumers' experiences at sponsored events influence attitudes and consumer behavior. Her research explains how events inform and persuade adolescents, consumers' engagement with events, drivers of effective event sponsorships, how entertainment impacts affect toward events/ purchase intention toward sponsors, the role of sponsor-event congruity, and why consumers may resist events or marketing efforts. Publications are in the Journal of Advertising, Journal of the Academy of Marketing Science, Journal of Advertising Research, Journal of Business Research, Advances in Consumer Research, International Journal of Sports Marketing and Sponsorship, and Sport Marketing Quarterly. Professor Close edited Consumer Behavior Knowledge for Effective Sports and Event Marketing (2011) and Online Consumer Behavior: Theory and Research in Social Media, Advertising, and E-Tail (2012). She is currently teaching Integrated Communication Management and Psychology of Advertising. She has taught MBA Market Opportunity Analysis, Advertising Management, IMC, Professional Sales, Marketing Management, Marketing Research, and Marketing Strategy. Service to the academy includes serving as President of the Consumer Behavior SIG of the American Marketing Association (2006-current) and Director of Doctoral Student and Junior Faculty Initiatives for the Academy of Marketing Science. She serves on the editorial review boards for Journal of the Academy of Marketing Science and Sport Marketing Quarterly.

# PREFACE

Some brands flourish, some brands face huge challenges, and some brands disappear altogether. Some brand managers are very smart, and some are very lucky and not so smart. The same is true of advertising executives. In this book, we write about how companies read the market environment, evolve their brands effectively, and nurture brand equity and loyalty. And we have done the same thing with this edition of Advertising and Integrated Brand Promotion. We added a new coauthor, Angeline Close Scheinbaum, from the University of Texas at Austin, who is a widely recognized expert in social and digital media. We have established a highly interactive online component to the book to give users access to contemporary issues throughout a term. We have evolved our brand along with the evolving advertising and promotion environment.

We've read the current environment and made extensive changes to the treatment of advertising and integrated brand promotion processes. Throughout the first six editions of the book, we sought and received extensive feedback from faculty, students, and practitioners. As we began to prepare this seventh edition of Advertising and Integrated Brand Promotion, the feedback was particularly informative and meaningful. You wanted a shorter book with more direct discussion. You wanted extensive coverage of social networking and digital media applications in both advertising and promotion. You wanted us to keep the highly visual presentation of material so prominent in prior editions. And, you wanted us to retain the issue-focused, contemporary topics from prior editions. We have addressed all of your desires and requests. This new edition is now reduced to about 400 pages from over 700. The book is full of social networking and digital media content both in the main discussions and in the new special "Insights Online" that provide access to current applications. The book is shorter, more direct, more focused. It is still very honest.

Despite all the changes and the tighter focus, there is one point we want to make emphatically: *Advertising and Integrated Brand Promotion*, seventh edition, remains the most current and forward-thinking book on the market. Since the launch of the first edition in 1998, we have alerted students to leading-edge issues and challenges facing the advertising and promotion industries. We were the first to devote an entire chapter to the Internet as an advertising medium (1998), the first to alert students to the "dot-com" agency incursion on traditional advertising structure (2000), the first to raise the issue of consumers seeking and seizing control of their personal communications environment (2003), and the first to highlight blogs and DVRs and the role they played in disseminating (or blocking) information about brands (2006). Also, we were the first to alert students to the emergence and growing potential of the early social networking sites, back then MySpace and YouTube, that began showing up on the Web (2009). This seventh edition follows the legacy of the prior editions of the book by highlighting the most contemporary and significant changes being experienced in the advertising and promotion industries—particularly the application of social networking and digital media in the advertising and promotion process.

There is a deep and lasting commitment among the authors to seek out both the best traditional and the newest contemporary thinking about advertising and integrated brand promotion from a wide array of both academic and trade publications. You will see this commitment manifest in the breadth, depth, and currency of the references in each chapter. Within this context, let's consider the "personality" features of this new edition. We are confident you will find the content and perspective of this new edition a worthy addition to students' classroom experience.

# WHY WE WRITE THIS BOOK

When we introduced the first edition of *Advertising and Integrated Brand Promotion*, we summed up our attitude and passion about advertising in this way:

Advertising is a lot of things. It's democratic pop culture, capitalist tool, oppressor, liberator, art, and theater, all rolled into one. It's free speech, it's creative flow, it's information, and it helps businesses get things sold. Above all, it's fun.

We still feel the same way. Advertising and promotion are fun, and this book reflects it. Advertising and promotion are also important businesses, and this edition carries forward a perspective that clearly conveys that message as well. Like other aspects of business, advertising and integrated brand promotion are the result of hard work and careful planning. Creating good advertising is an enormous challenge. We understand that and give homage and great respect to the creative process. We understand advertising and promotion in its business, marketing, and creative context. But we also felt, and still feel, that other books on the market do not emphasize enough a focus on the *brand* in the advertising and promotional effort. Brands are the reasons advertising exists. While most books of this type have IMC (Integrated Marketing Communication) in the title, we choose to emphasize the brand in the title and throughout the topics in the book.

This book is written by four people with lots of experience in both academic and professional settings. We have collectively been consultants for many firms and their agencies. Thus, this book is grounded in realworld experience. It is not, however, a book that seeks to sell you a "show-and-tell coffee-table book" version of the advertising and promotion industries. Rather, we highlight the challenges facing advertisers and offer complete treatment of the tools they use to meet those challenges.

As much as we respected our academic and practitioner colleagues the first six times around, we respect them even more now. This book is completely real-world, but the real world is also explained in terms of some really smart academic scholarship. This book copies no one yet pays homage to many. More than anything, this book seeks to be honest, thoughtful, and imaginative. It acknowledges the complexity of human communication and consumer behavior.

Students like this book—they tell us so over and over. You liked the last six editions, and you'll like this one even more. We've spent considerable time reviewing student and instructor likes and dislikes of other advertising textbooks, in addition to examining their reactions to our own book. With this feedback, we've devoted pages and pictures, ideas, and intelligence to creating a place for student and teacher to meet and discuss one of the most important and intrinsically interesting phenomena of contemporary times: advertising and promotion in the service of brands.

## **Relevant, Intelligent Organization**

We offer an organization we adamantly believe is superior. The organizational structure of this book is unique and highly valued by users. Rather than have a section with one or two chapters followed by a section with nine or ten chapters, we offer a patterned and well-paced five-part organization. Instructors and students alike find this approach relevant, intelligent, and easy to follow. The organization of the text is so popular because it lays out the advertising and IBP process the same way it unfolds in practice and application:

Part 1: Advertising and Integrated Brand Promotion in Business and Society. Part 1 recognizes that students really need to understand just what advertising and IBP are all about and have a good perspective on how the process works. This section contains the core fundamentals (more about this in a minute). It describes the entire landscape of advertising and promotion, and provides a look at the structure of the industry and a historical perspective on the evolution of the process. But we have infused this part of the book with extensive coverage of the challenges and opportunities being presented by social networks and the mobile devices (smartphones, tablets, mobile marketing communications) that are changing the landscape for advertising and promotion. This part concludes with the key social, ethical, and regulatory issues facing practitioners and consumers.

**Part 2: Analyzing the Environment for Advertising and Integrated Brand Promotion.** Part 2 provides all the essential perspectives needed to understand how to carry out effective advertising and IBP. Key strategic concepts related to the overall process, including consumer behavior analysis, market segmentation, brand differentiation, and brand positioning, are considered. Then, this section proceeds to a discussion of the types of research advertising and promotion planners rely on to develop effective advertising and IBP. Additionally, there is special emphasis on "consuming in the real world" and how advertising and IBP need to adapt to consumer lifestyles and consumer adoption of new technologies to facilitate those lifestyles.

Whether you are teaching or studying advertising and promotion in a business school curriculum or an advertising/journalism curriculum, the first two parts of the book provide the background and perspective that show how advertising and IBP have become the powerful business and societal forces they are in the 21st century.

**Part 3: The Creative Process.** Part 3 is all about creativity: creativity itself, as a managerial issue, and as a part of art direction, copywriting, and message strategy. Most adopters in advertising and communication programs use this section and put particular focus on Chapter 10, in which the tensions between the creative and management processes are highlighted. Some business school adopters (particularly those on 6- and 10-week modules or classes) skip some of the creative chapters in Part 3. We believe everyone will find Chapter 11, which offers a highly integrated

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discussion of the overall creative effort, a useful and realistic perspective on the process.

**Part 4: Placing the Message in Conventional and** "New" Media. Part 4 focuses on the use and application of all media—including social, mobile, and digital media—to reach target audiences. These chapters are key to understanding many of the execution aspects of good advertising and integrated brand promotion strategies. It is in this section that you will learn not just about the traditional mass media, which have struggled in the new digital environment but also about the array of new media options and consumers' new-found power in managing their information environments through these options. Of particular note is the recognition of the opportunities now offered by mobile devices as another way to reach consumers.

**Part 5: Integrated Brand Promotion.** Part 5 covers the many tools of integrated brand promotion. We bundled these four chapters together, since our business school adopters often use them. We think they are good for everyone. Here you will find the best coverage of sales promotion, event sponsorship, product placement, direct marketing, personal selling, branded entertainment, influencer marketing, public relations, and corporate advertising. Nearly twenty percent of the book's pages are devoted to IBP tools beyond advertising.

# **Compelling Fundamentals**

We fully expect our book to continue to set the standard for coverage of new topics and issues. It is loaded with features, insights, and commonsense advertising perspectives about the ever-changing nature of the advertising and promotion industry, and we continue to incorporate coverage of new issues in *every* chapter.

That said, we feel a truly distinguishing strength of this book is that we do not abandon complete and high-level treatment of the fundamentals of advertising and promotion. You simply *cannot* appreciate the role of the new media or new technologies without a solid understanding of the fundamentals. If you doubt our commitment to the fundamentals, take a good look at Chapters 2 through 8. This is where we, once again, part company with other books on the market. Advertising and Integrated Brand Promotion, seventh edition, is the only book on the market that ensures the deep economic roots of advertising and promotion are fully understood (e.g., the economic effects of advertising, primary vs. selective demand). Also, we take the time to be certain that not just the business but also the social context of advertising is clear. Check out just how completely the foundational aspects are covered.

Also, notice that we don't wait until the end of the book to bring the legal, ethical, and social issues (Chapter 4) into mainstream thinking about advertising and IBP.While most books put these issues as one of the last chapters—as if they are an afterthought—we feel strongly that they are mainstream to the development of high quality and responsible advertising and promotional efforts.

# Extensive Social and Digital Media Coverage

In-depth consideration of new media vehicles is provided throughout Part 1 but is truly highlighted in Part 4 of the book, "Placing the Message in Conventional and 'New' Media." Chapter 14 is all about advertising and marketing in the social and digital media era, and it reviews many technical considerations for working with this-now not-so-new, but still challenging and evolving-method for reaching and affecting consumers. Chapter 15 highlights all the new ways advertising and promotion can provide an experiential encounter with the brand. But these sections are not the only place new media coverage is prominent. Chapters 1 and 2 highlight how consumers use new social media options as a way to control their information flow, and Chapter 5 considers the effects of new media on consumer decision making.

## Student Engagement and Learning

You will find that this book provides a clear and sophisticated examination of advertising fundamentals and contemporary issues in lively, concise language. We don't beat around the bush, we don't avoid controversies, and we're not shy about challenging conventions. In addition, the book features a stylish internal design (worthy of an advertising book!) and hundreds of illustrations. Reading this book is an engaging experience.

The markers of our commitment to student learning are easily identified throughout the book. Every chapter begins with a statement of the *learning objectives* for that chapter. (For a quick appreciation of the coverage provided by this book, take a pass through it and read the learning objectives on the first page of each chapter.) Chapters are organized to deliver content that responds to each learning objective, and the *Chapter Summaries* are written to reflect what the chapter has offered with respect to each learning objective. After the chapter summaries, students will find *Key Terms* from the chapter. Full definitions of these terms are provided at the end of the book.

We also believe that students must be challenged to go beyond their reading to think about the issues raised in the book. We provide online access to *Questions* for each chapter that demand thoughtful analysis rather Preface

than mere regurgitation, and additional exercises will help students put their learning to use in ways that will help them take more away from the course than just textbook learning. Complete use of this text and its ancillary materials will yield a dramatic and engaging learning experience for students of all ages who are studying advertising for the first time.

# A CLOSER LOOK AT SOME SEVENTH EDITION FEATURES

# **In Every Chapter:**

**1** Learning Objectives and a Built-In Integrated Learning System. The text and test bank are organized around

the learning objectives that appear at the beginning of each chapter, to provide you and your students with an easy-to-use, integrated learning system. A numbered icon like the one shown here identifies each chapter objective and appears next to its related material throughout the chapter. This integrated learning system can provide you with a structure for creating lesson plans as well as tests.

The integrated system also gives structure to students as they prepare for tests. The icons identify all the material in the text that fulfills each objective. Students can easily check their grasp of each objective by reading the text sections and reviewing the corresponding summary sections. They can also return to appropriate text sections for further review if they have difficulty with end-of-chapter questions.

**Concise Chapter Summaries.** Each chapter ends with a summary that distills the main points of the chapter. Chapter summaries are organized around the learning objectives so that students can use them as a quick check on their achievement of learning goals.

**Key Terms.** Each chapter ends with a listing of the key terms found in the chapter. Key terms also appear in boldface in the text. Students can prepare for exams by scanning these lists to be sure they can define or explain each term.

**The Online Component.** One of the frustrations that we have had as authors was the inability to provide current examples and to convey the most dynamic examples of advertising, which include video and audio, in a print medium. Now technology allows us to achieve this, and we have partnered with Cengage Learning and *Ad Age* to provide students with access to current issues in advertising as well as examples of effective advertising through the content of *Ad Age on Campus*. We have selected exciting content from *Ad Age* and related it to the concepts in

each chapter. We have also created assessments to provide assurances to both students and instructors that they comprehend the material. As well, rather than illustrate our printed book with examples from print media, we have selected contemporary advertisements from television and interactive online advertising to provide examples and applications of concepts.

For every chapter we have selected two or three articles from *Ad Age* that highlight interesting, unusual, or just plain entertaining information as it relates to the chapter. The articles are not diversions unrelated to the text, nor are they rambling, page-consuming, burdensome tomes. Rather, they provide concise, highly relevant examples that can be fully integrated as gradable assignments. The articles are for teaching, learning, and reinforcing chapter content. Three different types of articles are available for assignment: *Ethics, Globalization,* and *Social Media.* After each selection we have included a synopsis about how the article relates to the chapter content and have provided some assessment questions that will demonstrate a student's understanding of the concepts. Let's take a look at each.

**Ethics:** It is important that business decisions be guided by ethical practices. Advertising and IBP practices are particularly prone to questions by lay people relating to ethics. Because of the importance of ethics, proper business practice, and its appeal to students' interests, special ethics articles appear throughout this edition online. Students will gain insights into ethical business practices that will be useful not only in their advertising course but in future business courses and their careers.

**Globalization:** The globalization articles provide an insightful, real-world look at the numerous challenges advertisers face internationally. Many issues are discussed in these timely boxes, including the development of more standardized advertising across cultures with satellite-based television programming, how U.S.-based media companies such as MTV and Disney/ABC are pursuing the vast potential in global media, obstacles to advertising in emerging markets, and cross-cultural global research.

**Social Media:** While we integrate social media issues and applications within the main chapter content, there are so many facets to this emerging phenomenon that featuring social media examples in box treatments seemed useful and informative for students. These social media articles highlight both the nature of the phenomenon and applications by firms; for example, Facebook, Twitter, YouTube, and other social media and networking sites.

In addition to the specific content that has been selected to complement the concepts in each chapter, students will also have access to the *Ad Age on Campus* premium website where they can research a wealth of content. Ad Age on Campus. Students will have access to a wealth of resources through the *Ad Age on Campus* page of adage.com through the access code provided with every new copy of this book, as well as other delivery options that will be discussed later in this Preface. This website provides access to a variety of resources including:

**Daily News** AdAge.com is the premier industry source of breaking news in the marketing, advertising, and media world, and includes trend stories, features, and analysis on the most important matters of the day.

**Commentary** Leading executives contribute every day to AdAge.com blogs and viewpoint columns, giving students critical insight into what the thought leaders are saying and advocating for the future of marketing.

**The Work** Each week, Ad Age publishes the best work of the week, as selected by the editors of Creativity, the Ad Age Group's source for advertising professionals in creative departments. Students have a window into the ideas, trends, and breakthrough work that has the industry sitting up and taking notice.

**Research** Ad Age on Campus subscribers have access to a select group of white papers published by the Ad Age Insights division, including demographic studies of female consumers, "Rise of the Real Mom" and "The Reality of the Working Woman," as well as a deep dive into "Building Brands Online" and a look at digital adopters, "Shiny New Things."

**DataCenter** Students also have access to AdAge. com's premium content in the DataCenter, the industry's source of key information about the industry's most important companies. Comprehensive and thorough reports rank by spending, revenue, and income the 100 leading national advertisers; the top global marketers; 100 leading media companies; interactive ventures of top media and agency companies; and Creativity's awards winners list—the definitive online tally of the best agencies, brands, creatives, production companies, and directors, according to a weighted tabulation of the major advertising awards shows.

# Additional Online Material and Critical Thinking Questions

Online critical thinking questions for each chapter are designed to challenge students' thinking and to go beyond the "read, memorize, and regurgitate" learning process.

Below is a sampling of the types of critical thinking questions found in *Advertising and Integrated Brand Promotion*, seventh edition. As consumers exercise ever greater individual control over when and how they receive information, how are advertisers adapting their messages? What is the role, if any, for traditional media options in this new environment? Will mobile marketing efforts, including directing advertising to smartphones, be accepted by consumers?

# **End-of-Part Activities**

Each part has a project-based activity which provides practical experience working in groups. Your students can expand their advertising knowledge with challenging, project-based group activities at the end of each part. Students work together in teams to complete work that emphasizes many of today's well-known, actual companies.

## MindTap and CengageNOW

For Advertising and Integrated Brand Promotion, seventh edition, we offer two exciting alternatives for users depending on how the course is to be taught, in either a hybrid print and online version or versions that provide a completely integrated online version delivery through a platform called MindTap. MindTap is a fully online, highly personalized learning experience built upon authoritative Cengage Learning content. By combining readings, multimedia, activities, and assessments into a singular Learning Path, MindTap guides students through their course with ease and engagement. Instructors personalize the Learning Path by customizing Cengage Learning resources and adding their own content via apps that integrate into the MindTap framework seamlessly with Learning Management Systems. For instructors that want to incorporate the online component of Advertising and Integrated Brand Promotion into a traditional Learning Management System, the online content can be accessed via CengageNOW which provides instructors ways to manage assignments, quizzes and tests throughout the semester.

# A FULL ARRAY OF TEACHING/ LEARNING SUPPLEMENTARY MATERIALS

# **Supplements:**

Advertising Age: The Principles of Advertising and Marketing Communication at Work (ISBN 9781111528751) by Esther Thorson and Margaret Duffy, both of the University of Missouri–Columbia.

David Ogilvy, named one of the "100 most influential advertising people of the century" by *Advertising Age*, said this: "It takes a big idea to attract the attention of consumers and get them to buy your product. Unless your advertising contains a big idea, it will pass like a ship in the night." *Advertising Age* itself exemplifies a big idea. It's a journal that for 80 years has chronicled the day-to-day triumphs and heartbreaks of this dynamic profession. Its talented editors and reporters create compelling, informative stories that aren't only important—they're sharp, literate, and fun to read. Taking a cue from *Advertising Age*, this book seeks to showcase the lessons and the fun of the business for students.

**Instructor's Manual.** The instructor's manual has been thoroughly revised to update all previous content, including comprehensive lecture outlines that provide suggestions for using other ancillary products associated with the text and suggested answers for all exercises found within the text. The Instructor's Manual is available on the Instructor's Resource CD-ROM.

**PowerPoint**<sup>\*</sup>. This edition's PowerPoint<sup>®</sup> presentation is of the highest quality possible. The PowerPoint<sup>®</sup> presentation is available on the Instructor's Resource CD-ROM.

**Test Bank.** This comprehensive test bank is organized around the main text's learning objectives. Each question is labeled according to the learning objective that is covered, the difficulty level of the question, and A-heads. Each question is also tagged to interdisciplinary learning outcomes, marketing disciplinary learning outcomes, and Bloom's taxonomy. Grouping the questions according to type allows for maximum flexibility in creating tests that are customized to individual classroom needs and preferences. The test bank includes true/false, multiple-choice, scenario application, and essay questions. There are approximately 1,800 questions. All questions have been carefully reviewed for clarity and accuracy. The test bank Word files are available on the Instructor's Resource CD-ROM.

**Cognero Testing Software.** The Cognero Testing system is a full-featured, online assessment system that allows you to manage content, create and assign tests, deliver tests through a secure online test center, and have complete reporting and data dissemination at your fingertips. The following are some of the features of the Cognero Testing System:

- Access from anywhere Web-based software that runs in a Web browser. No installs are required to start using Cognero. Works in Windows, Mac, and Linux browsers.
- Desktop-like interface Looks and feels like a desktop application. Uses the latest Web functionality to imitate desktop usability features like drag-and-drop and wizards.
- Full-featured test generator Author and manage your assessment content as well as build tests using the only online test generator that

supports all of the major functionality of its desktop competitors. Cognero is complete with a full-featured word processor, multilanguage support, Math-ML compliant equation editor, algorithmic content support, native support for 15 question types (true/ false, modified true/false, yes/no, multiple choice, multiple response, numeric response, completion, matching, objective short answer, subjective short answer, multi-mode, ordering, opinion scale/Likert, essay, and custom), unlimited metadata, ability to print professional paper tests with multiple styles and versions, and more.

Class Management and Assignments Manage your students, classes, and assignments with the ease of simple drag-and-drop. You can build or import rosters, have students self-register for a class, and move students easily from class to class. Once your roster is set, simply drag a test to a class to schedule and put your students to work.

• Secure Online Testing

Cognero has an integrated secure online testing center for your students. Along with delivering traditional tests, your students can receive immediate feedback on each question and/or receive a detailed end-of-assignment report to help them know exactly how they are doing.

Complete Reporting System

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# Advertising and Integrated Brand Promotion

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# PART 1



# Advertising and Integrated Brand Promotion in Business and Society

his first part of the book, "Advertising and Integrated Brand Promotion in Business and Society," sets the tone for our study of advertising. The chapters in this part emphasize that advertising is much more than the old-style mass media messages of the past. Mass media are still, no doubt, a huge part of the advertising effort. But advertising is now much more diverse and dynamic and is part of a process you will learn about called integrated brand promotion (IBP). IBP is the process of using all sorts of different promotional techniques and tools-from television ads to billboards to digital media like iPod broadcasts—that send messages about brands to consumers. Now, the rapid ascent of digital media—particularly social networking sites like Facebook and Twitter—have radically changed the landscape for advertising and IBP. And advertising and IBP communications are not just marketing messages. They are also part of a social communication process that has evolved over time with changes in culture, technology, and business strategies. This is where the "brand" plays a leading role in communications. We all know brands because we hear about them and use them every day—Apple, Nike, Pantene, Starbucks, and literally hundreds of others. We know (and learn) about brands because companies use advertising and IBP to tell us about them. But we also learn about brands by using them and by seeing them being used in society. This first part of the book lays out the broad landscape of the advertising and IBP processes that expose us to brands and what they have to offer.

CHAPTER

The World of Advertising and Integrated Brand Promotion introduces and defines advertising and integrated brand promotion and the roles they play within a firm's overall marketing program. We'll get a clear definition of both advertising and IBP and learn that firms communicate to consumers using a broad range of tools that often go far beyond advertising and traditional mass media. Sales promotion, event sponsorship, direct marketing, brand placements in movies, television programs and video games, point-of-purchase displays, the Internet, podcasting, influencer marketing (social networks), personal selling, and public relations—the tools of IBP—are available to help a firm compete effectively, develop customer brand loyalty, and generate greater profits.

The Structure of the Advertising and Promotion Industry: Advertisers, Agencies, Media, and Support Organizations highlights the people in the industry and their activities. This chapter demonstrates that effective advertising requires the participation of a variety of organizations and especially skilled people, not just the companies who make and sell brands. Advertising agencies, research firms, production facilitators, designers, media companies, Web developers, public relations firms, and Internet portals all play a role. This chapter also highlights that the structure of the industry is in flux. New media options, like streaming video, blogs, and social networking sites, and new organizations, like talent agencies, product placement firms, and software companies, are forcing change. This chapter looks at the basic structure of the industry and how it is evolving with the market and with changing consumer preferences for information reception.

CHAPIER

**The History of Advertising and Brand Promotion** puts the processes of advertising and IBP into both a historical and a contemporary context. This chapter identifies the prominent eras of advertising—from the pre-1880s to the present day—and the unique communications emphasis that has distinguished each era. Special recognition is given to the fact that advertising and IBP have evolved and proliferated because of fundamental market and cultural influences related to free enterprise, economic development, and tradition. Change has also occurred as a reflection of contemporary social values and the advent of new technologies. We also address the effect the Great Recession of 2008–2011 in the United States had on advertising spending, processes, and strategies.

CHAPTER

4

**Social, Ethical, and Regulatory Aspects of Advertising and Promotion** examines the broad societal aspects of advertising and IBP. From a social standpoint, we must understand that advertising and promotion can have positive effects on standard of living, address consumer lifestyle needs, support communications media, and are contemporary art forms. Critics argue that advertising and other promotions waste resources, promote materialism, are offensive and intrusive, perpetuate stereotypes, or can make people do things they don't want to do. Ethical issues focus on truthful communication, invasion of privacy, advertising and promoting to children, and advertising and promoting controversial products. Regulatory aspects highlight that while government organizations play a key role in shaping the way advertising and IBP are carried out, consumer groups and societal values also put pressure on advertising and IBP to change and evolve with cultural values.