

The advertiser must constantly assess the situation to choose the right environment and ideal time for an advertisement to be launched. Some of the situations are as follows:-

- When there is a favorable primary demand of particular product.
- When there is a distinctive product differentiation from other competitive brands.
- When mass market is penetrated.

In order to ensure that the advertisements reach the target consumers in a most effective way and gets right response from them, it has to be ensuring that such advertisements are presented in the right way. The following steps on the part of the consumer may ensure that the advertisements are on the right track.

- Getting attracted towards the advertisements.
- Listening and observing the contents of the advertisements in full.
- Continuous watching of the same over a period.
- Comparing the advertisements of similar products.
- Making a trial purchase as follow up activity.
- Assessing the level of utility of the product individually.
- Ascertaining the level of utility derived with other similar consumers.

In the article Dr. Alexander-- Told about a model which exemplifies the attitude or response of a consumer to an advertisement.

Techniques of advertising for Fast Moving Consumer Goods

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CHARACTERISTICS:

Supply	Abundant supply in metros. Distribution networks are being beefed up to penetrate the rural areas.
Demand	HUL expects the FMCG market to triple in market size by FY10, which highlights the potential.
Barriers to Entry	Huge investments in promoting brands, setting up distribution networks and intense competition, but the sector is not capital intensive.
Bargaining Power of Suppliers	Some of the companies are integrated backwards, which reduces the supplier's clout. Manufacturing is largely outsourced.
Bargaining Power of Customers	In case of branded products, there is little that the consumer can influence, but intense competition within the FMCG companies results in value for money deals for consumers (e.g. buy one, get one free concept).
Competition	Competition is faced from both domestic, MNCs and also from cheaper imports, which are increasingly visible in urban markets. Price wars are a common phenomenon.

FORECAST 2010:

- Rural and semi-urban
 - 128 million population thrice the urban
 - Market size growth from 48k to 100k Crores (Growth of 50% at 10%CAGR)
 - Increase penetration from the current less than 1%
 - Problems in the rural sector



I. UNDERSTANDING DIFFERENTIATION



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Reasons for switching brands:

This could be seen from Table below.

The Reasons for Switching Brand	
Reasons	No. of People
Variety/Boredom	8
Availability	4
Packaging/Novelty/Features	6
Price	1
Sales Promotion	3
Advertising	1
Impulse	3
Do not change	10

As obvious from the above table, sales promotion was not the main reason for switching brand in this category. Need for variety was the predominant reason.

It was found through deep trialing that even though consumers would have switched brands due to sales promotion, there was reluctance about admitting the same and variety was given as a reason for switching.

It was further found that consumers had positive disposition towards promoted brand. As a result when toilet soap brand was changed for variety, the brand which was promoted had higher probability of purchase than non-promoted brands.

Recall of brands being promoted:

It could be seen from Table-7 below.

Recall of Brands Being Promoted

Brands	No. of People
Nivea	2
Lux	21
Lux International	7
Palmolive	2
Dove	4
Fair Glow (Godrej)	2
Dettol	2
Others (Pears, Camay, Denim, Fa)	4
None	6

As seen from above, Lux (Gold Star offer – most promoted and advertised brand) had the maximum recall. This brand used TV advertisement heavily to announce sales promotion offers. Six out of 30 did not recall any sales promotion scheme on any brand. It could be inferred that i) hard core loyals to a particular brand (e.g. Hamam) would never (pay attention to any announcements of any other toilet soap brand. ii) Unless sales promotion offers were properly communicated to the target audience, required impact might not be created and iii) Unless promotional offers were of significant value to a consumer, it was likely to get unnoticed and/or ignored.

Willingness to buy on sales promotion offer

Sixty-three per cent of the sample did not show willingness to buy a brand due to promotion while 27% showed willingness and 10% were not sure. This indicates that when 27% showed willingness, and 10% consumers who were not sure, these groups might be lured through innovative and lucrative sales promotion offer.

Ability to induce trial

Forty per cent of the respondents had said that sales promotion had the ability to induce trial which reinforces the above inference (3.4).

Long-term impact

In order to understand ability of the promotions to increase long-term sales, respondents were asked about continuity of purchase of a brand after the withdrawal of promotion. Eighty per cent of the respondents indicated that they would not continue. But 20% said they would. Thus, it could be inferred that promotions in this category (low involvement products) might encourage trial and brand switching but not long-term loyalty.

Preference of Schemes:

Price off was the most preferred type of scheme. Sixty-three per cent of the respondents ranked price-offs as number one or two. This was from an upper income (biased sample, in which 18 out of 30 were from income group category >3,00,000/- p.a.

Perceived Quality:

Ninety-three per cent of the respondents had a perception that the quality of the promoted brands remained the same during promotion, while 7% felt that it was inferior than before. It can be inferred that promotions were not leading to negative brand quality perceptions. It was further reinforced when 53% of the respondents said that sales promotion would not weaken their loyalty towards the brand.

II. PROBLEM FACED BY MARKETERS

Fast moving consumer goods players Dabur, HUL are among the major companies found to violate Advertising Standards Council of India code during the first quarter of the current calendar year.

ASCI had taken action against 16 advertising campaigns by different companies, of which seven were asked to withdraw, while nine were asked to modify for violation of the codes.

The council asked Dabur India to discontinue its Red Toothpaste commercial after the company was unable to substantiate claims made in a television commercial, in which it said specific ingredients in the product could give the consumer strong teeth.

Hindustan Lever's Clinic All Clear, which is now being endorsed by Bollywood couple Bipasha Basu and John Abraham, is also on the list of defaulters.

The company was found guilty of 'false and misleading' campaigns in its hoardings and radio commercials. HUL had projected the shampoo as a solution to hair fall through its tag-line *baal girney ka sawaal hi nahi* (no question of hair fall). ASCI ordered HUL to remove the hoardings and radio commercials.

This time around, several FMCG companies have come under ASCI's (Advertising Standards Council of India) scanner as complaints against their ads have been upheld by the Consumer Complaints Council for the period between January and March this year.

Dabur, Hindustan Lever, Johnson & Johnson and Colgate Palmolive are the few FMCG majors who have had to withdraw their ads during this period.

Mountain Dew in the minds of the consumers as an adventure drink. This was reflected by stagnant sales of Mountain Dew in the market.

Similarly, Natrilix-SR a diuretic widely used in India was stagnating and not showing enough growth.

The study was to focus on UCP and USP of this product and how UCP if determined through the study can improve sales through better brand recall and preference of doctors. Antihypertensive brand was selected as this segment is fastest growing segment all over the world including India. Natrilix -SR was selected for this study.

1. **Identifying the USP:** After selecting brands, the USP was identified i.e. as promoted by the company from various sources like Advertisement, POP, print ads, Sample pack cover and detailing folder.

2. **Identifying the UCP:** As the important part of the research was to find out the customer perception of the brands, it was accomplished by using questionnaire approach of Research Methodology.

3. **Formulating the UCP:** A ranking technique was used to find the most important customer perceptions for the brand. On the basis of these perceptions the UCP was formulated.

4. **Test the effectiveness of the UCP:** A fresh survey was conducted to validate the formulated UCP. Inferences and conclusions were drawn based on this survey. The study was to focus on UCP and USP of these products and how UCP, if determined through the study, can improve sales through better brand recall.

This is the core subject of the research and to substantiate the same, two surveys were conducted. In Survey 1, the objective was to determine the mind-set

Expenditure on sales promotion by various marketing companies in India is estimated to be Rs. 5,000 crore and is growing at a robust pace every year (*Economic Times* June 15, 2003). Companies in an attempt to drive sales offer various kinds of consumer promotions from price offs, extra product, freebies, scratch cards. In the year 2001, there were as many as 2,050 promotional schemes of all kinds in the Rs 80,000 crore FMCG industry. In the year 2000, the number stood at 1,954 schemes (Financial Express, 2000). There have been very few discussions in sales promotion literature about how different types of promotions may be classified. One dimension, which has been suggested to classify different promotions, is the price versus non-price nature of the promotion

. Price promotions are defined as '*promotions such as coupons, cents off, refunds and rebates that temporarily reduce the cost of the goods or service*'. These promotions focus on the reduced economic outlay required to obtain a good or service. Non price promotions are defined as '*promotions such as giveaways or contests in which value is temporarily added to the product at full price*'. Studies, which have compared consumer response to different promotions, have followed this classification in differentiating between types of promotion. A list of the different types of price and non price promotions and their definitions is shown in Table .

Table

Classification of Different Promotions

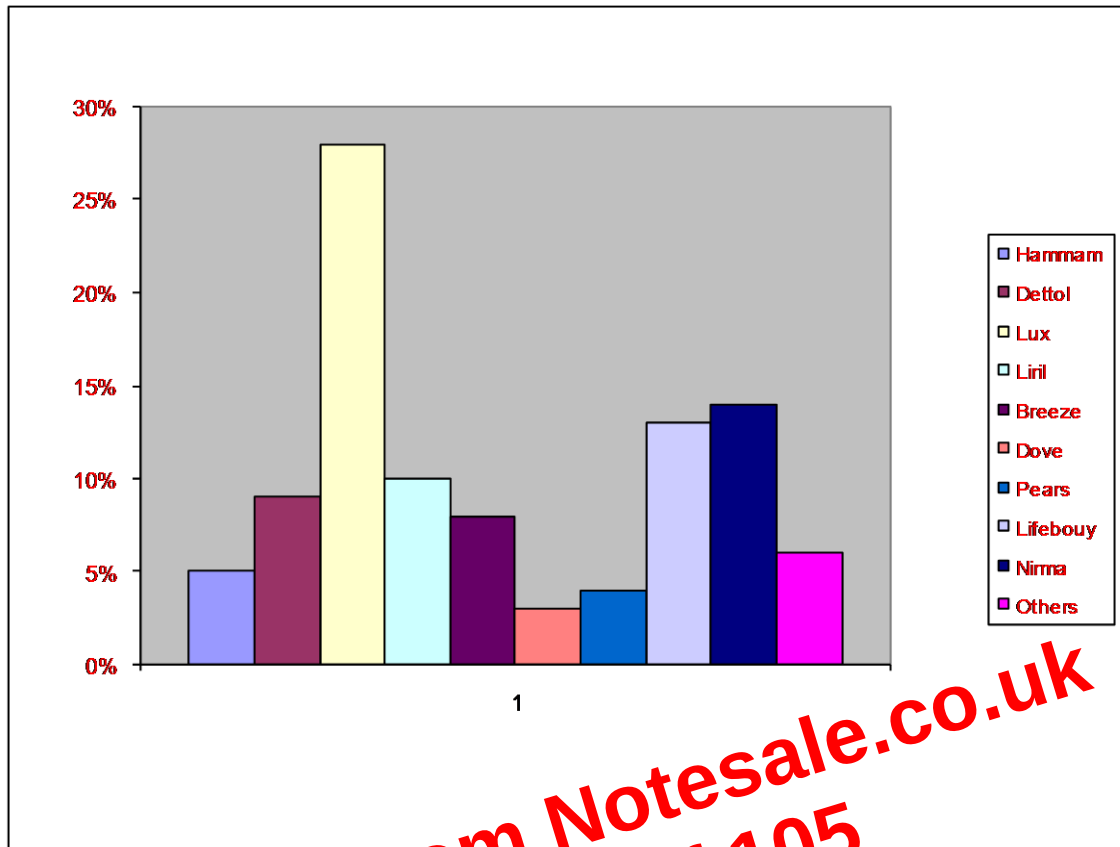
Nature of Promotion			
Price Promotions		Non-price Promotions	
<i>Offer</i>	<i>Definition</i>	<i>Offer</i>	<i>Definition</i>
Price-off	Offers a discount to the normal selling price of a product	Extra product	Offers an increased quantity of the product without an increase in normal retail price
Coupon	Offers a certificate that provides a price reduction at point of purchase	Premium	Offers a free gift in addition to the main purchase
Rebate	Offers cash back from the manufacturer on a purchase	Contest	Provides a chance to win a large prize through skill
		Sweepstake	Provides a chance to win a large prize based on chance

Definitions paraphrased from Blattberg and Neslin, 1990

Although a wide variety of price and non-price promotions are launched in the market, most of the academic research on promotions has focused on price promotions, namely price offs and coupon offers (Blattberg, Briesch and Fox, 1995). Promotional tools such as free gift offers, extra product offers that are increasingly being used in the market place.

consumer in order to avail of the promotional benefit. For example, a soft drink promotion requires the consumer to collect crowns and put in some money to get a price discount on the soft drink. In case of ice cream the consumer is required to collect three ice cream wrappers to get a scratch card which gives him the opportunity to win lakhs of prizes. In case of chocolates, the promotion requires a consumer to exchange empty chocolate wrappers to get movie tickets or bunny stickers free.

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Out of the sample of 250 I found that 5% of the people uses Hamam, 10% Dettol, 28% Lux, 12% Liril, 8% Breeze, 2% Dove, 4% Pears, 13% Lifebuoy, 14% Nirma, 4% Others.

CONCLUSION

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1) TV ads are considered as a most important source of information among the respondents. This highlights the role the TV commercials play in moulding the buyer behavior. Thus, purchase decision of the people is definitely impacted by advertisements.

2) Almost half of the segment of respondents likes to watch ads regularly. This means TV outperforms other Medias as far as effective presentation is concerned. It is capable of attracting attention immediately.

3) A significant portion of the people prefers to watch ads because of the 'informative content. This is because of "evocation of experience" i.e TV advertising easily stimulates the experience of using and owning the product. :

4) Brand preference is considered to be one of the prerequisite for brand : salience-to create the Top of the Mind Brand Awareness. TV commercials go a long way in achieving this as also indicated by the study. ; Advertising works by reinforcing brand preference for mature brands. :

5) A small segment of the respondents think that the advertisements are totally true or reliable. All the rest of them think that they are either sometimes deceptive or mostly deceptive.

6) Major chunk of the respondents feel that celebrities 'presence in the ads is highly required. They feel models are familiar and their presence is reassuring. Moreover, because of the high positive image of the celebrities consumers feel the genuineness of the product/ brand. Celebrity endorsement is generally preferred for such products as soft drinks, cars, suitings, premium range products and luxurious items.

7) More than half of the consumers are not able to relate themselves with the

It is quiet clear that the company should try and get the highest level of fit between the USP and the UCP of the product / brand they are promoting. Therefore the question arises regarding matching the USP with the UCP.

UCP v/s USP-How to bridge the Gap? Bridge Positioning

As already noticed from the conclusions of the research, a fit between the USP and the UCP is desired for the product to ensure a fair chance of success. But what are the options available for the brand manager if there are indeed gaps between the USP and the UCP?

Since UCP is formed over the years and has its roots in factors beyond the immediate control of the company, the company should try and align the USP with the existing UCP.

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ANNEXURE

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