# Advertising Management
## Marketing 224-004
## Spring 2009

**Instructor:**    Yanliu Huang
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E-mail is the best way to reach me. I will usually respond within 24 hours.

**Class Schedule:**    Mondays and Wednesdays, 10:30AM-12:00PM
Location: JMHH F88

**Office Hours:**    Wednesdays 3:00-4:30PM, or by appointment

**WebCafé:**

**Required Materials:**    (1) *Advertising and Promotion: An Integrated Marketing Communications Perspective*, George E. Belch and Michael A. Belch, Eighth Edition
(2) Course Bulk Pack

## Course Overview and Objectives

The course focuses on the developing strategy for and implementing effective advertising campaigns as part of an integrated marketing communications (IMC). IMC provides a balanced coverage of many communication tools - advertising, personal selling, sales promotion, sponsorship, direct marketing, point-of-purchase, public relations, and internet communications. The goal of marketing communications is to convey meanings to the relevant consumer audience in order to build a strong brand. Both a theoretical and managerial approach to advertising components will be examined.

Students in this class are expected to shift perceptual focus. You can no longer think as if you are part of the audience (as you do when you watch television

commercials or read magazines), but instead, as if you are the creators of communication strategies. This is being realistic: in business, people preparing advertising, publicity and sales promotion strategy are seldom members of the target audience and strategy desirability must be judged in terms of what a target audience might like, dislike or understand.

The aim of this course is to: (1) increase your understanding of the important issues in strategically planning and evaluating marketing communication campaigns; (2) introduce you to appropriate theories, models and other tools for understanding marketing communications (including exposing you to current relevant academic research); (3) provide you with a managerial perspective on making marketing communications decisions; and, (4) highlight the interplay between traditional and non-traditional components of integrated marketing communications campaigns.

## Course Materials and Approach

In the course we will use a variety of readings (both in the textbook for the course and in the course bulkpack) and watch a large number of actual ads. In addition, lecture notes and handouts will be made available throughout the quarter via the course webCafe. The readings are designed to introduce advertising and integrated marketing communications concepts and principles. Cases will allow us to examine, in detail, the application of particular concepts and principles.

## Assessment

Your final grade in the course will be based on both individual and group work. The evaluation is as follows:

A. Class Participation (individual)  20%
B. Individual 2-page Essays         35%
C. Group Case Analysis              15%
D. Group Assignment (Project)       30%

## Course Outline

In most cases I will assume that you have completed the reading in advance of class and are familiar with the topics covered. Therefore, although we will discuss issues related to assigned materials during the class, in most instances I will not lecture from the assigned readings.

| Date | Topic | Reading | Assignments |
|---|---|---|---|
| 3/16 | *Introduction and the Role of IMC in the Marketing Process* | • "Integrated Marketing Communications," Harvard Business School Reading 9-599-08 (bulkpack)<br>• BB Chapter 2-3 | |
| 3/18 | *Case: Café de Colombia* | • Harvard Case 9-502-024 (bulkpack) | |
| 3/23 | *Consumer Behavior and the Persuasion Process* | • BB Chapter 4-6 | - List of group members due |
| 3/25 | *Setting IMC Objectives & Budgets* | • "The Persuasion Knowledge Model: How People Cope with Persuasion Attempts," Friestad and Wright, Journal of Consumer Research 1994. (bulkpack)<br>• BB Chapter 7 | - Persuasion Knowledge Exercise Due |
| 3/30 | *Creative Strategy* | • BB Chapter 8-9 | |
| 4/1 | *Interactive Case: Mountain Dew, Selecting the New Creative* | • HBS Multi-media Case 9-503-038 (pick up CD separately from bulkpack) | - Group Case Analysis Due |
| 4/6 | *Media Strategy: Objectives and Options* | • BB Chapter 10, skim Chapters 11-13 | - 1 page group project overview due |
| 4/8 | *Evaluating Effectiveness* | • BB Chapter 19 | |

| 4/13 | *International IMC* | • BB Chapter 20 | - Advertising Critique Due (see Bulkpack for materials) |
|------|--------------------|-----------------|----------------------------------------------------------|
| 4/15 | *"Alternative" Communication Strategies* | | |
| 4/20 | *Case Discussion: Launching the BMW Z3 Roadster* | • Harvard Case 9-597-002 (bulkpack; also color version will be handed out in class) | - Packaging Exercise Due |
| 4/22 | *Group Project Presentations* | | Final Project Slides Due |
| 4/27 | *Group Project Presentations* | | Final Project Paper Due |

## Assessment Details

### A. Class Participation/Preparation (20%)

Every session of the course will involve interaction in the form of class discussion.  I expect each class member to be prepared at all times to comment in any class session.  Grading class participation is necessarily subjective.  Some of the criteria for evaluating effective class participation include:

1.    Is the participant prepared?  Do comments show evidence of analysis of the case?  Do comments add to our understanding of the situation?  Does the participant go beyond simple repetition of case facts to provide analysis and conclusions?  Do comments show an understanding of theories, concepts, and/or analytical devices presented in class lectures or reading materials?

2.    Is the participant a good listener?  Are the points made relevant to the discussion?  Are they linked to the comments of others?  Is the participant willing to interact with other class members?

3.    Is the participant an effective communicator? Are concepts presented in a concise and convincing fashion?

Keep in mind that your grade for class participation is not simply a function of the amount of air time you take up.  In general, I will evaluate you on how well you respond to questions and on how effectively you take into account the comments and analyses of your classmates.

*Case preparation.*  In preparing for cases prior to class, I recommend that you read the case more than once.  The first reading should give you a feeling for what the case is about and the types of data contained in the case.  Be sure to pay attention to the exhibits in the case; these often contain information that will be useful in analyzing the situation.  A second reading should be more focused on identifying the key business issue/s the firm in the case is facing, on identifying important analytical information from the case to address this issue and building a case for your proposed solution to the issues the firm is facing.

B. Individual Assignments (35%)

All students must complete Individual Assignment 1 (Persuasion Knowledge Exercise). In addition, you must complete **EITHER** Assignment 2 (Advertising Critique) **OR** Assignment 3 (Packaging Critique).  **All assignments are due at the beginning of class. No late assignments will be accepted.**

1. **Persuasion Knowledge Exercise**:  Research has shown that consumers have knowledge of persuasion motives and tactics and that they use this knowledge to interpret, evaluate and respond to influence attempts from marketers and others (i.e. interpersonal influence attempts).  Read the article by Friestad and Wright on the Persuasion Knowledge Model included in your packet (it's long, I know).  Over the course of several days, take note of any attempts to persuade you, either by marketers or by friends, family, etc.  In no more than 2 pages (single spaced, at least ¾ inch margins all around, 12 point font), describe this persuasion attempt, using concepts presented in the PKM article, including:

    ▪ What you believe the persuader wanted from you
    ▪ The tactics employed by the persuader

- Insights about how such tactics might work (both how you think the persuader thinks they might work, and how you actually think they might work)
- How you react to the persuasion attempt
- The outcome of the persuasion attempt
- Any implications for future interactions with that persuader.

It is possible that you might not recognize a persuasion attempt at the time it is occurring, particularly in interpersonal settings.

Whereas in the other assignments in this class you are asked to take a managerial perspective, or the perspective of the persuader, here you should take a consumer perspective, or the person being persuaded.

2. **Advertising Critique**:  In your bulkpack you will find material from a book entitled, "Which Ad Pulled Best."  Read the chapters entitled "The Who-What-How of Testing Printed Advertising," "It's the Benefit: Analysis of Which Ad Pulled Best? Examples Reveal How to Make Advertisements Pull Better," and "What to do to Get Attention, Create Desire, and Get Action When You Write Advertising."  Then look at the examples that have been provided.  Choose 2 examples (one from Group A (Examples 12, 18 and 19) and one from Group B (Examples 3, 27 and 33)) to evaluate.  In your written evaluation, identify which ad in each example you believe "pulled" best in the identified target market (see back of each example for information on target market and publications), and describe in detail why you think this is so.  Be specific.  What specific qualities make one ad better than the other? What specific qualities make the other ad worse?  Consider points made in the chapters you read, as well as points made in class.  Write no more than 2 pages (single spaced, at least ¾ inch margins all around, 12 point font) total.  I have provided color copies of each ad on web-café—you will want to be sure to look at the color versions as well as the black and white ones in your bulkpack.

3. **Packaging Exercise**:  Go to a store (grocery store, drug store, Target, etc.) and spend some time looking at the packaged goods.  Choose a product that you think has either a very bad or very good package, in terms of *marketing communications*.  Write no more than a 2-page (single spaced, at least ¾ inch margins all around, 12 point font) analysis of the package and what you think makes it either good or bad.  What does the package communicate about the

product/brand?  How does it do this (executional elements)?  Is that message consistent or inconsistent with what you think the overall marketing communication/branding objectives are for the product?  Your evaluation may suggest more effective packaging in the future, if you think the current packaging is lacking in any respect. As with the ad critique, above, it should be both of great practical relevance and it should also demonstrate a familiarity with relevant concepts and methods covered thus far in the course. Your analysis *and* your package are due at the beginning of class.  Be prepared to discuss your package choice in class.  In some cases, I may ask to keep your packaged good for use as an example in future courses.

## C.  Group Case Analysis (15%)

**Mountain Dew, Selecting the New Creative**:
Mountain Dew is trying to decide which 3 of 5 potential creative spots to develop.  In no more than 4 pages (single spaced, at least ¾ inch margins all around, 12 point font) choose the three of the total 5 potential creative spots (Cheetah, Mock Opera, Dew or Die, Labor of Love, Showstopper) you think they should develop. Your choices should be based not upon "gut" instinct, but upon sound analytics.  You might also want to rank the ads in order from 1-5, where the top 3 are the ones you recommend that Mountain Dew should produce.

Do not use any outside sources when conducting your analysis. You should stick only to the information contained in the case materials.

Avoid repetition of case facts. Focus on presenting a succinct analysis. The questions below will help you to conduct your analysis.

You should not structure your case so that you answer each of these questions in turn, however, your analysis should cover the key points below.

- How do the proposed ads frame how consumers will perceive the product experience?  That is, what do they tell consumers about what drinking Mountain Dew is, or will be like?  Remember the stated strategy for Mountain Dew's benefits.
- How do the proposed ads work to imbue the brand, as a symbol with values and identities? That is, what kind of associations do they build and how do the ads build those associations?  Are they the right set of associations to build given the brand's strategy and consumer wants and needs?

- Related to #2 above, how do the associations being created fit into Mountain Dew's brand history and the set of associations consumers likely hold already? To answer this you will need to review the set of historical ads on the CD and interpret them to determine what you think Mountain Dew represents. Do not rely on your own set of pre-existing associations. This discussion needs to be grounded in the data.
- Will the ads resonate with the target market? Think carefully about whom the market is, what they know, and what they likely want from Mountain Dew (relative to other potential substitutes). The research presented in the case will help you with this task. Will the target market make sense of and identify with the cultural references (characters, music, action, etc.) in the ad?
- To what extent is the brand strategy expressed in the ads? Is the product well integrated into the imagery in the ad? Do the ads extend the existing campaign in new directions (do they push boundaries?) as desired by managers?
- Should the decision be adjusted, knowing that the ads are going to play on the Super Bowl?

D. Group Project (30%)

**Non-Traditional Marketing Communications Strategy for McDonald's**
You have been hired by McDonald's to create an experimental, non-traditional marketing communications campaign for them. Recognizing the declining influence of television commercials, McDonald's has asked you to consider non-traditional ways in which they can reach their clients (**not** television, magazine, radio, newspaper, etc. advertising). They have asked your group to come up with 4-6 (at least 4, no more than 6) potential "alternative" ways to communicate about their brand/product. In proposing these potential alternative communication methods, you should be sure that your ideas fit clearly within the overall positioning/architecture of the McDonald's brand. You will need to make a case for why you have chosen the specific ideas you have generated, as well as discuss in detail how you will execute each idea, and the objectives you have for each idea. Depending on the idea, you might want to create drawings or photographs that detail the execution. I will expect some sort of detailed creative articulation of each of your ideas. In addition, your proposal should include clear criteria by which you would evaluate the relative success of each alternative. What will your specific objective be for each idea—exactly what do you want to accomplish? How will you determine if the idea actually worked? What data will

you need to determine if it did work?  Your task is somewhat vague—McDonald's isn't quite sure what they want. But they will expect your ideas to be concrete, implementable and measurable, as well as creative.

In addition, your ideas should clearly be focused on marketing communications tasks.  It might be a great idea to re-design the stores, but that would not be a marketing communication task. The distinctions between what is and what is not marketing communications can be blurry. If you have any questions about whether or not I will consider your idea to be within the communications domain, you should ask.

Recently, McDonald's has spent about $575 million on marketing communications through traditional media.  Now they are willing to allocate 10% of that traditional advertising budget to experimentation with your ideas.  You have $57.5 million to work with.  You will have to allocate this budget across your ideas, and to justify this allocation.  Depending on your ideas, it may be difficult to determine costs, so you may have to find relevant benchmarks and then make assumptions.

In your bulkpack, you will find a special report on McDonald's which appeared in Advertising Age in November 2005.  This special report contains a history of the McDonald's brand, as well as a good amount of detail about their current strategy.  It is not your job to change their brand positioning or strategy. Your job is only to channel that strategy into several good ideas.  You will want to obtain additional information about McDonald's and their consumers, as well as relevant competitors, in putting together your plan.  (McDonald's, of course, will want you to come up with ideas that differentiate them from what their competitors are doing or planning to do.) The information provided in your bulkpack is a good starting point. You will be expected to go beyond what is provided. In addition, I have made copies of a number of more recent articles which I will pass out in class.

<u>In addition, each team will be given a very short brief to further focus their efforts.</u> You might be told to focus on a specific target market, for example, or to leverage a certain type of non-traditional marketing communications.  These will be passed out in class once your teams have been formed.

This project consists of two parts: a written report and an in-class presentation.  Your paper should be no longer than 20 pages (double spaced, at least ¾ inch margins all around, 12 point font); with no more than 5 pages in appendices and exhibits.  In-class presentations will be no more than 20 minutes long.  As such, your presentation may leave

out some of the content that appears in your paper — i.e., you might present only your 2-3 best ideas.  Slides for all teams are due in class on April 22.  Papers for all teams are due in class on April 27.

Form a group of no more than 5 people to work with. Turn in a type-written list of group members at the **beginning** of class on March 23.

Write up a 1-page (single spaced, at least ¾ inch margins all around, 12 point font) description of your project. This outline is due at the **beginning** of class on April 6. It should provide a brief overview of the types of ideas you are developing and why. Start on this project early. These mini courses come to an end quickly.

Lippincott Library has MRI (Mediamark Research, Inc.) and Simmons (SRDS) data, which may be useful in developing your understanding about McDonald's, their customers and competitors.