

# WELLAND GOULDSMITH SCHOOL CLASS-10

## COMMERCIAL STUDIES

### Chapter: Advertising and Sales Promotion

Advertising is the means of informing as well as influencing the general public to buy a product or services through visual or oral messages. A product or service is advertised to create awareness in the minds of potential buyers through various advertising mediums such as Newspaper, Magazines, Television, Radio, Posters, Hoardings, Billboard and in recent time internet and web advertising. Advertising is the integral part of our daily life. It is a pervasive method of marketing in society which encourages people to purchase goods and services. Advertising contributes to bring about all round development of the economy by increasing demand and by encouraging economic activities which in turn improves the income. It motivated people to consume more material and thereby improves their standard of living. Effective advertising generates demand for goods and services and calls for more production which requires more physical and human resources, thus creating employment opportunities.

#### OBJECTIVES

Advertisements are used to increase brand awareness and brand exposure in the target market Informing potential customers about the brand and its products is the first step towards attaining business goals

- Brand Building
- Increasing Sales

- Creating Demand

## ADVANTAGES AND DISADVANTAGE

It is an element of communication used repeatedly, serves with clear purpose which viewers do not have to pay. Bringing those who have products and services to sell into contact with those who want to buy. Secondly, the advertising industry is a significant source of employment. It helps the unemployed find work easily and fast. It helps them improve their life.

Besides advertisement's advantages, there are many disadvantages. Following are several problems: Firstly, it is a kind of biased information. Due to a sale, it almost represents the beautiful face and good item. Next, it makes the viewer feel irritating because of interrupt program, distract attention, spoil our enjoyment. Finally, it encourages people to buy more than what they need. It makes people spend a lot of money.

## ADVERTISING AGENCY

An advertising agency, often referred to as a creative agency or an ad agency, is a business dedicated to creating, planning, and handling advertising and sometimes other forms of promotion and marketing for its clients.

## FUNCTIONS OF ADVERTISING AGENCY -

1 Creating an advertise on the basis of information gathered about product. 2 Doing research on the company and the product and the reaction of customers. 3 Planning for type of media to be used when and where to be used, and for how much time to be used. 4 taking the feedbacks from the clients and from customers and then deciding further line of action

## SALES PROMOTION

Sales promotion is the process of persuading a potential customer to buy the product. Sales promotion is designed to be used as a short-term tactic to boost sales – it is rarely suitable as a method of building long-term customer loyalty.

### **Techniques of sales promotion -**

- Money off coupons – customers receive coupons, or cut coupons out of newspapers or a products packaging that enables them to buy the product next time at a reduced price
  - Competitions – buying the product will allow the customer to take part in a chance to win a prize
  - Discount vouchers – a voucher (like a money off coupon)
  - Free gifts – a free product when buy another product
- Point of sale materials – e.g. posters, display stands – ways of presenting the product in its best way or show the customer that the product is there.

## **WORK SHEET**

### Short Questions

Q1 what do you understand by advertising ?

Q2 mention any two benefits which advertising provides to society ?

Q3 what do you mean by advertising agency ?

Q4 define sales promotion ?

### Long Questions

Q1 explain the importance / merits of advertising.

Q2 give any five reasons why people consider advertising as social waste.

Q3 explain any five function of advertising agency.

Q4 explain any five techniques used in sales promotion.

