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#### Introduction

#### **Consumer Buying Behaviour**

Wants are unlimited and the resources to satisfy these wants are limited. So the consumers think rationally before buying any product. Buying toothpaste is totally different from buying a luxury car. The more expensive the good is, more information is required by the consumer. There are four types of consumer buying behaviour on the basis of buyer involvement while purchasing any product

	High Involve	ement		Low Involvement		
Significant differences between brands	Complex (mobile pho	buying nes)	behavior	Variety (shampoo	seeking	behavior
Few differences between brands	Dissonance (floor tiles)	buying	behavior	Habitual (toothpas	buying te)	behavior

**High involvement**: The term means when the consumer is highly involved while buying a product. Generally this situation happens in case of expensive or luxuries goods. Like while buying a diamond necklace a consumer is highly involved

**Low involvement:** This term means when the consumer is not highly involved while buying a product. It happens in case of low price goods. Like while buying toothpaste a consumer is not highly involved.

**Significant differences between brands**: It means when there are significant differences between brands.

**Few differences between brands**: It means when there are very little differences between brands.

The different types of buying behavior as mentioned above are:

- Complex buying behavior: When the consumer is highly involved in the buying and there are significant differences between brands then it is called complex buying behavior. So in this case the consumer must collect proper information about the product features and the marketer must provide detailed information regarding the product attributes. For e.g. Consumer while buying a mobile phone is highly involved in the purchase and has the knowledge about significant differences between brands.
- Variety seeking behavior: In this case consumer involvement is low while buying the product but there are significant differences between brands. Consumers generally buy different products not due to dissatisfaction from the earlier product but due to seek variety. Like every time they buy different washing detergent just for variety. So it is the duty of the marketer to encourage the consumer to buy the product by offering them discounts, free samples and by advertising the product a lot.
- **Dissonance buying behavior**: Consumer is highly involved in the purchase but there are few differences between brands. Like consumer while buying a floor tiles buy them quickly as there are few differences between brands.
- Habitual buying behavior: In this case there is low involvement of the consumer and there are few differences between brands. The consumer buys the product quickly. For e.g. Toothpaste

#### **Types of Media**

While just a few years ago marketers needed to be aware of only a few media outlets, today's marketers must be well versed in a wide range of media options. The reason for the growing number of media outlets lays with advances in communication technology, in particular, the Internet. We would be covering the following advertising media in detail in this report

- 1. Television
- 2. Radio
- 3. Print Publications
- 4. Internet
- 5. Direct Mail
- 6. Signage
- 7. Product Placement
- 8. Mobile Devices
- 9. Sponsorships
- 10. Other Media Outlets

#### **Television Advertising**

- Television advertising offers the benefit of reaching large numbers in a single exposure.
   Yet because this type of mass medium can be seen by almost everyone, television lacks the ability to deliver an advertisement to highly targeted customers compared to other media outlets.
- The geographic scope of television advertising ranges from advertising within a localized geographic area using fee-based services, such as cable and fiber optic services, to national coverage using broadcast programming.
- Television is facing numerous challenges from alternative media (e.g., Internet) and the invasion of technology devices, such as digital video recorders, that have empowered customers to be more selective on the advertisements they view

 Television lacks effective response tracking which has led many marketers to switch to other media that offer such stronger options.

## Radio Advertising

- Promotion through radio has been a viable advertising option for over 8 decades.
- Radio advertising is mostly local to the broadcast range of a radio station and hence highly localized targeting
- Within the last few years the emergence of radio programming delivered via satellite has become an option for national advertising.
- The potential for national and international advertising may become more attractive as radio stations permits the broadcasting of their signals over the Internet.
- In many ways radio suffers the same problems as television, namely, a mass medium that offers little opportunity to track responses is not highly targeted.
- Radio presents the additional disadvantage of limiting advertisers to audio-only advertising. For some products advertising becomes less effective without the visual support.

#### **Print Advertising**

- Print publications such as magazines, newspapers and Special Issue publications offer advertising opportunities at all geographic levels.
- Magazines, especially those that target specific niche or specialized interest areas, are more narrowly targeted compared to broadcast media.

- Magazines also offer the option of allowing marketers to present their message using high quality imagery (e.g., full color) and can also offer touch and scent experiences (e.g., perfume).
- Newspapers have also incorporated color advertisements, though their main advantage rests with their ability to target local markets.
- Special Issue publications can offer very selective targeting since these often focus on extremely specific topics (e.g., fitness guide, tour guides, business news, etc.).

#### **Internet Advertising**

Internet advertising is continuously expanding and each year more major marketers are putting a larger portion of their promotional budget to this medium. The two key reasons for this shift are: specific target audience and track user response to the advertiser's message. Many advertising options are also offered by the Internet with messages delivered through websites or by email

**Website Advertising**- Advertising tied to a user's visit to a website accounts for the largest spending on Internet advertising. For marketers, website advertising offers many options in terms of:

- ➤ Creative Types: Internet advertising allows for a large variety of creative types. It includes image-only, text-only, multimedia (e.g., audio) etc.
- > Size: It comes in different sizes (measured in screen pixels) ranging from full screen to small square ads.
- ➤ Placement: The delivery of an Internet advertisement can occur in many ways. It includes fixed placement in which an ad is placed at a certain website location, processed placement wherein the ad is delivered based on characteristics of the user

or on a separate webpage where the user may not see the ad until they leave a site or browser is closed.

➤ Delivery: Placing advertisements on websites by either negotiating with websites directly to place an ad on the site or via third-party advertising network, which has agreements to place ads on a large number of partner websites.



Figure 1: Internet Advertising (Source: Times of India)

• **Email Advertising** —Advertisement through Email incurs low distribution cost and potentially high reach. Response rates to email advertisements may be quite high in cases where the marketer has a highly targeted list. However, with growing awareness among the masses about the Internet, there is significant decline in email advertising due to highly publicized issues related to abuse (i.e., spam).

## **Direct Mail Advertising**

- Direct Mail advertising uses postal and other delivery services to ship advertising materials, including catalogs and flyers, letters, postcards, brochures, to a physical address of targeted customers.
- Direct mail becomes most effective when it is designed in a way that it appears to be special to the customer.
- Direct mail can be a very cost-effective method of advertising, especially if mailings contain printed material.

## Signage Advertising

• Billboards is the most obvious method of signage advertising.

- Outdoor billboards come in many sizes, though the most well-known are large structures located in areas with high traffic intending to attract the interest of people commuting on roads.
- Indoor billboards are often smaller than outdoor billboards and are designed to attract the attention of foot.

There are many other forms of signage advertising also that include:

- Sky writing where airplanes use special chemicals to form words
- Plane banners where large signs are pulled behind an airplane
- Mobile billboards where signs are placed on vehicles, such as buses and cars, or even carried by people
- Plastic bags used to protect newspapers delivered to homes
- Advertisements attached to grocery carts



Figure 2: Bill Board Advertising

## **Product Placement Advertising**

An advertising approach that intentionally inserts products into entertainment programs such as video games, TV programs and movies.

Placement can take several forms including:

• Visual imagery in which the product appears within the entertainment program

- Actual product use by an actor in the program
- Words spoken by an actor that include the product name



**Figure 3: Product Placement in Movies** 

#### **Mobile Devices Advertising**

Handheld devices, such as cell phones, smartphones, laptops and other wireless devices, make up the growing mobile device market. With the help of such devices the customers stay informed, communicate with others and gather information without being tied to a physical location. While the mobile device market is only beginning to become a viable advertising medium, it may soon offer significant opportunity for marketers to reach customers at anytime and anyplace.

## Sponsorships Advertising

- A subtle method of advertising is an approach in which marketers pay, or offer resources and services, for the purpose of being seen as a supporter of an organization's event, program or product offering
- Many sponsorship options lack the ability to tie spending directly to customer response.
- The visibility of the sponsorship may be limited to relatively small mentions especially if the sponsorship is shared with many other organizations.

#### Other Media Outlets Advertising

While the nine media outlets discussed above represent the overwhelming majority of advertising methods, there are several more including:

- Advertising using telephone recordings (e.g., political candidate's messages)
- Advertising via fax machine (though there may be certain legal issues with this method)
- Advertising through inserted material in product packaging (e.g., inside credit card bill)
- Advertising imprinted on retail receipts (e.g., grocery store, cash machine)

## **Analysing Factors of Media Choice and Effectiveness**

The large and growing media choices and more specialized target markets have led to the increased importance of linking media and target-market characteristics. There has been a long debate on the question whether old media are driven out of existence by new media and no definitive answer has been received yet. One of the most frequently heard predictions is that computer- based activities, such as surfing the web will replace the television. The Internet reduced newspaper reading and the television usage among PC users. The discussion about the relationship between the traditional media and the new media has been dominated by one main aspect: TV viewing will be reduced by increase in computer and Internet usage. Moreover as the Internet audience is constantly increasing together with the use of social media this fear keeps growing.

The amount of time available to use either traditional or new media has also become an important aspect. When a new technology, such as the Internet is introduced, people must redistribute the time allocated to other activities and establish new patterns of behavior.

#### Time displacement

Whenever a new medium is introduced in society, there are always concerns about its displacement effects on existing media and since people only have fixed amounts of time to spend, most of the time, the new medium is viewed as more desirable than the old medium. As

the Internet and television share many similar functions, researches have centered their studies on the time taken away from television because it is structurally similar to the Internet. The Internet and other new media will displace functionally similar traditional media if people perceive that the new media have superior content and are more convenient. People may use the Internet for the same reasons they turn their television on: entertainment but vice-versa is not true.

Paul S.N. Lee & Louis Leung (2006) introduced two main approaches to the issue of the effect of media displacement: the **User-centric** approach and the **Medium-centric**. One is centered on the medium and its attributes and supports a displacement and replacement (absolute displacement) hypothesis; the other is focused on users' needs and often results in proposing a complementary effect of the new on the old.

- Medium-centric: This approach leans toward a technological-deterministic stand. Media richness theory which is a variant of the medium-centric approach, assumes that users tend to choose media according to attributes such as speed of feedback, social presence, and richness of language. To be more specific Short et al in 1976 considers e-mail as a less rich medium than the telephone because it has lower social presence features. Grounded on the media richness theory, the more time a user spends on a new medium as a consequence of new features, the less time the user will spend on old media
- User-centric: This approach stresses on transcendental needs aspect and social influences in the use of media assuming that they select media to meet their needs. This approach conceives that no new medium can be a substitute for all of the uses and gratification of existing media. In opposition to the Medium-centric approach, the substitution occurs only if the media satisfaction fails in meeting the users 'needs. Indeed, if a traditional media keeps satisfying specific needs of users, then the new media will not be able to be its substitute. Grounded on these considerations, needs are better served by multiple media rather than a single media and therefore, the more time Internet users spend on news and information, the more time they spend on the functionally similar traditional media (e.g., newspapers, radio, and magazine) for their news and information needs.

However, there is a basic difference in both approaches. The medium-centric tends to emphasize how the technological advantage of a new medium serves people's needs, while the user-centric tends to emphasize the predominant influence of needs across different media. As a conclusion of the Media Substitution Theory, perhaps we can admit that the Internet may be taking time away from traditional media. As the Internet is widely adopted and trusted, it is expected that traditional media use will keep changing. From an historical perspective, whenever a new medium reaches critical mass it threatens to displace existing media to some degree. Whenever a new medium emerges, old media use patterns are altered until eventually the old and new media fill different niches and learn to exist side by side and show interaction between the media.

#### **Selecting the Right Form of Media**

Marketing managers in the new millennium face a wide and diverse choice of media channels through which to send marketing communications to customers. These include most recently and significantly the Internet, mobile phone communications, such as text messaging (SMS) and cell phone TV. The Internet and e-mail have become an everyday part of the workplace and home lives of millions of people around the globe. With the rapid and widespread uptake of new electronic media channels, traditional communications channels like television, mail, telemarketing, and door-to-door sales calls are expected to decline, at least to some extent. Evidence of this is already apparent for network television in the USA, where average ratings are declining and television is experiencing a reduced share of advertising revenue. Postal mail is most directly under threat from e-mail, the fastest expanding new channel. The most recent available statistics issued by the U.S Department of commerce show that almost half the U.S population uses e-mail regularly and that the number of e-mail messages now exceeds the number of letters sent through U.S postal service.

However in the enormously populous remainder of the world, particularly in Asia, telemarketing grows unabated. Door to door personal selling has also been in the decline in the western world for consumers, although face to face selling remains important for business customers, and for both business and residential customers in the eastern world. On the increase

is another form of explicit face to face personal selling known as "buzz" marketing (marketer initiated word of mouth). An estimated 92% of buzz is face to face or on the telephone and only 8% online (Creamer 2006). Brands that have indulged in buzz marketing include Converse, Nike, Boeing, Google, Napster, Microsoft etc. Therefore despite the emerging challenge from new media, traditional channels of media such as personal sales visit, voice only telephone, mail and mass media remains strongly in use.

How do marketing managers choose from the many traditional and new channel options for marketing communications messages? Which ways of receiving these messages do customers prefer? And, bottom line, which channels, or media, is most effective in eliciting a response? We lack answers to these important questions, which are becoming more pressing as the media channel scene changes. In particular, will the scenario eventuate that e-mail will become the dominant marketing communication channel? What about mobile phone communications? Hence, it is timely to examine the attitudes that communication receivers have to the array of channels in use today and assess the relative effectiveness of old and new channels. The purpose of our study is threefold:

- To compare many old and new media channels in terms of a range of attributes such as perceived intrusiveness, reliability, trustworthiness and convenience
- To compare the relative effectiveness of alternative communication channels in terms of how a marketing proposition is evaluated by recipients and thus to establish whether some channels are better than others for achieving engagement and persuasion.
- To additionally survey the senders of marketing communications, to examine potential differences between how senders think recipients perceive each channel and what recipients actually perceive.

The paper proceeds as follows. In the next section, we anchor our study in existing communication theories. We then detail the methodology used to answer our research questions. Subsequent to this, results are presented and discussed. Lastly, we summarize conclusions, discuss limitations of our study, and provide directions for future research.

#### **Literature Review**

## Paper 1: A comparison of the effectiveness of Marketing Communication Channels: Perspective from both receivers and senders by Peter J Danaher and John R Rossiter

#### **Summary**

- Peter J Danaher and John R Rossiter [2006] conducted a study that examined 11 media, including traditional mass media like television, mail, radio, as well as new digital media such as Internet and cellular phones. Initial comparisons across media were based on 14 attributes like reliability, trustworthiness and convenience.
- They conducted extensive exploratory qualitative phase that included focus group and depth interviews
- They also conducted qualitative research study with intensions of exploring pros and cons of a range of alternative media as potential communication channels.
- They conducted survey for customer segment (Home/business people in workplace) and for media channels.
- Receivers of promotional advertising communications in the consumer segment had several groupings of scores. The highest scores are for a group of mass media channels (Radio, newspapers and magazines). The second highest group is for printed direct marketing (Catalogs, personally addressed mail and generic mail) and television. The group with the lowest scores comprises the digital and telephonic channels (phone, email, SMS) as well as door –to door sales calls.

## Paper 2: The case for Print Media Advertising in the Internet Age by Patricia Score and Adam Dewitz [2006]

#### Overview

Patricia Score and Adam Dewitz [2006], studied the current landscape of audience fragmentation, Internet advertising and required accountability for advertising expenditures is exerting great pressure on the ability of mainstream ad- supported media to survive. How can established media such as Printed magazines, newspapers and printed inserts survive?

The desire for advertising accountability starts with this question: Does advertising affect consumer-buying behavior? The impact of advertising has been measured on a variety of outcome measures such as aggregate sales for a brand, individual brand choice behavior, and the immediate effects of awareness, beliefs and attitudes towards the advertised brand. The various models used are:

- Market Response Model: Market Response or economic research tests the direct impact of advertising on buying outcomes only
- Response Hierarchy Models- Persuasive Hierarchy Model: The persuasive hierarchy
  model assumes that consumers use advertising to learn about brands from preferences
  based on information, and buy the most preferred brand.
- Response Hierarchy Model Low involvement Hierarchy Model: Conversely, low involvement Hierarchy Model describes the information processing of advertising content for convenience goods. Here, price of the product is low. The risk of making a poor decision is low, and buying is frequent
- Integrated Model: In these models, the consumer's response to the advertising is determined by the product and individual differences among consumers that would impact their motivation to process advertising with greater attention.

#### Conclusion

The press for accountability has simulated a demand for the short-term effectiveness measure that have made direct marketing so attractive across a wide range of media. The ability of interactive media to deliver instant or at least direct feedback has simulated growth rates for electronic forms of advertising such as Internet banners and Internet searching. It also has fuelled the growth of printed forms such as direct mail as well. One danger is relying solely on direct, near- term response measure to advertising is the tendency it fosters to overemphasize media consumption situations where consumers are ready to buy.

Paper 3: Evaluating the impact of advertising media plans: A model of consumer purchase dynamics using source data by James H Pedrick and Fred S Zufryden, University of Southern California

#### Overview

- The paper by James H Pedrick and Fred S Zufryden, University of Southern California proposes a model to analyze the impact of advertising media plans and point of purchase marketing variables on a brands market performance.
- Their Model integrates brand choice, purchase incidence. Moreover, it considers various aspects of consumer heterogeneity including individual differences in loyalty levels, Purchase rates and exposure possibilities for a population of consumers.
- The integrated model provides a relationship of advertising exposures from media plans, and other marketing variables, to measure a brand's performance that include market share, penetration and depth of repeat patterns over time.

In this paper, the focus is on multi- brand model formulation and stresses its application to the analysis of advertising media plans. The model in this paper shows the impact of advertising media plans and other marketing variables on performance measures that relate to brand choice possibilities and market level consumer purchase dynamics. Thus, it was easier to develop a brand's penetration and depth of repeat purchase patterns for non-stationary market conditions and a heterogeneous consumer population.

The approach also incorporates aspects of consumer heterogeneity that include individual differences in brand loyalty levels, purchase rates, and advertising exposure frequencies. This led to a managerially relevant framework that may be used to predict a brand's market performance as a function of the exposure distributions that characterize alternative advertising media schedule. In particular, the impact of media schedule characteristics, such as reach and frequency may be evaluated.

Econometric model have provided a prevalent approach to the study of advertising response. However these are generally aggregate approaches that relate market level advertising expenditures to market share or sales. Thus, econometric models are generally in appropriate

for analysing the impact of advertising media schedules and consumer purchase dynamics. The effect of repetitive advertising exposures on individual consumers has been studies extensively through both field and experimental laboratory studies. Majority of these empirical studies have examined criterion variables such as attitudinal, preference or purchase intention rather than purchase response behavior.

#### Conclusion

The approach that has been followed in this paper relates advertising exposures as well as other marketing variables, to a brand's market performance measures (e.g. market share, penetration and depth of repeat purchase patterns) over time. On the basis of assumptions about the heterogeneity of individuals with respect to their purchase and advertising viewing behavior, the resulting integrated model permits the prediction of brand performance measures over times as a function of alternative media schedules that are characterized by corresponding media exposure distributions.

Paper 4: Emotional feeling and attitude towards the Advertisement: The roles of Brand familiarity and Repetition by Karen A Machleit and R. Dale Wilson published in Journal of Advertising Vol 17, No 3, (1988)

#### Overview

The effects of emotional feelings during advertisement exposure and the effects of attitude toward the advertisement (AAd) are considered in an experiment, which used both familiar and unfamiliar brands. The findings illustrate that brand familiarity moderates the relationships between AAd and brand attitude after advertisement exposure. In addition, the research provides evidence that the direct-affect-transfer hypothesis may be an adequate explanation for the effects of emotional feelings and AAd on brand attitude in some situations.

Research considering the role of affect in advertising has featured the attitude towards the advertisement (AAd) construct. The primary focus of the literature has been on accessing the effects on brand attitude, and the evidence clearly suggests a positive relationship between the constructs. As evidenced by the large number of studies in this area, the Ad construct has been

an interesting and useful one for the scholars interested in "affective " as well as "cognitive" responses to advertisements. However the narrow focus of examining attitude toward an advertisement is now expanding; researchers are beginning to consider the emotional feeling experienced during advertisement exposure as a different type of response. The literature containing emotional feeling as a response to an advertisement is in its early stage of development and the construct has been given various labels such as "affects", "affective response", "feelings", "emotional response" and "emotional feelings". This paper has used the emotional feelings to represent feelings (e.g. happy, angry, warm hearted and irritated) that an individual experiences when exposed to an advertisement.

#### **Conclusion**

The measurement model was evaluated prior to estimation of the path coefficients to assess the unit -dimensionality of each scale.

- 1. **Emotional Feelings:** Emotional feelings experienced during advertisement exposure were measured with a scale. Within the questionnaire given after the program concluded, subjects were given a list of adjectives that completed the sentence "During the commercial dis you feel ". The adjectives used were: insulted, good, angry, happy, irritated, warm hearted, pleased, re-pulsed, amused, stimulated, calm, shocked and soothed. The subjects responded on a six point scale with end points of "ery much so" to "not at all ", These items in the emotional feelings scale were divided into the two factors of positive and negative effect. The items "amused, "stimulated", "calm" and "shocked" did not fit into either the positive or negative factor.
- 2. **Attitude towards the advertisement:** Attitude was measured with the following seven point semantic differential items.
  - oUnfavorable/favorable, Good/Bad, Enjoyable/ un –Enjoyable, Not fond of /fond of, Dislike very much/like very much, irritating/not irritating, Well-made/poorly made, insulting/not insulting

3. **Brand Attitude:** Attitudes were measured using a seven point, semantic –differential format and included the items: dislike very much/like very much, useful/useless, valuable/worthless, unimportant/important, beneficial/not beneficial, not fond of/fond of, Enjoyable/ un–Enjoyable.

#### **Indian Context**

Kids of the new millennium will never understand how anyone could deify a scooter the way the last three generations did. Launched in 1972, Bajaj's first scooter brand- Chetak – was the fashion statement for the next two decades. While the men of the 70s and 80s grew up glorifying the scooter, the men of the 90s grew up singing the jingle. So much so that when the product was phased out, there was as much of a sentimental outburst from them as there was from their fathers.

Paper 5: Communication media Preferences in Business to Business Transactions: An Examination of the Purchase Process by Cynthia Rodriguez Cano, James S. Boles and Cynthia J. Bean published in "The Journal of Personal Selling and Sales Management, Vol 25, No -3.

## Overview

- This study found the complexity of information interchange and buyers' and sellers' communication preference for various media types during each stage of the purchase process
- Findings revealed that, overall, buyers and sellers prefer face to face and telephonic communications over other media types
- For certain aspects of the sales process, computer mediated communications such as email, serve an important role as a low cost medium, whereas in other phases of the sales process, richer communication media preferred both buyers and sellers

Research has clearly established the importance of communication in marketing channels. Studies examining the role of communications in marketing have focused on the importance of trust and commitment as well as the benefits of more collaborative communication modes. However, the choice of communication media in inter organizational relationships has received little attention. In particular, the communication process during the stages of a buyer-seller exchange, from initiating to completing a transaction, has not yet been addressed. A wide range of electronic and computer-mediated communications (CMC) have been used in the business to business (B2B) sales process in an effort to enhance the effectiveness and efficiency of the buyer- seller communications process. One example of these different communication media involves e-mail, which can be used to augment transaction based in a e-commerce portals and extranets or in conjunction with traditional face to face and paper exchanges of information.

In the current business environment, buyers and sellers choose from various forms of CMC (i.e. internet, extranet, e-mail) and decide to use those instead of face-to-face communication or paper-based communications for the various types of communications that takes place throughout the purchase process. One reason for the high level of interest in enhancing the communication process is the flood of communications that threatens to overwhelm business people. From a buyer/salesperson perspective, even an asynchronous form of communication, such as e-mail, may have a disruptive effect on work patterns.

#### The focus of the research is on

- Are communication media preference of buyers and sellers across eight phases of the purchase process different?
- What communication media (in terms of richness and social influence) are relied on most heavily during each phase of the purchase process? • Are buyers' and sellers' media choices aligned across the different phases of the purchase process?
- Finally, how do buyers and sellers rank their communication choices during each phase of the purchase process?

#### The purchase process



Figure 4: Eight-Stages in the purchase process

- First, a mediums capacity to convey the richness of a message (i.e. its ability to address ambiguity) is a factor that individuals seek to align when making communication media choice decisions
- > Second, the social influence of others within a communication network sways an individual's evaluation of a medium as appropriate rich for a given message
- ➤ Third, the economics of the exchange affect the choice of media in s B2B Setting, especially the high costs associated with personal sales calls.
- ➤ Finally, other factors, such as urgency of the exchange and managerial expectations, have also been noted as context variables to consider when examining media choice decisions

#### **Factors that influence media choice**

- ➤ The richness of a medium varies with the availability of feedback and social cues and the use of language and emotion
- ➤ The paper suggested that face to face is the richest medium, followed by telephone, written communication, and statistical reports

- > The foundation of social influence theory suggests that technology related behaviors may be a product of social learning in the workplace
- Social influence is important in the buyer-seller relationship, because of the clear tred toward relationship selling, where the focus is on "developing and enhancing a mutually beneficial bond between buyers and seller"
- ➤ In the buyer –seller interface, the seller may exert social influence on the buyer, the buyer may influence the seller, or buyers and sellers may influence both parties, because individuals in these positions are boundary spanners
- ➤ The most common motive for media selection was a preference for the fastest, easiest, and most convenient method, whereas the second most common motive reflected the need to sort out meanings

#### **Conclusion**

- Our findings indicate that both buyers' and sellers' communication choices vary throughout the purchase process. The data gathered for this study do not provide much insight into the effects of social influence on the media choice. This is an issue worthy of future study
- Buyers and sales people engaged in long term relationships utilize the Internet much more in the between-purchase stage of the sales cycle. Salespeople may use it to provide service, "touch base" with customers, or send information about new products
- Social influence theory explains communication choice during the purchase process better than rational choice theory. Companies, which still in the growing stage of adopting e-mail communication, are sometimes submitting e-mail (CMC) for written communication
- E-mail use may increase as younger, more computer literate people begin to work for these companies and use Internet/extranets for communication
- Buyers seek a relatively rich communication (face to face) when searching for a supplier, whereas sellers are inclined to communicate using less rich communication media such as the Internet during the prospective process. The situation is reversed when buyers acquire and analyze proposals; sellers seek the richest communication (face to face), whereas buyers lean toward leaner communication (written)

 Purchase professionals and salespeople must keep abreast of technological advances that offer potential in both the short run (i.e. cost efficiency) and long run (i.e. building relationships or communicating most effectively or efficiently) **Research Methodology** 

**Primary Data Collection** 

A questionnaire will be prepared which will be send to

Industry: Family and friends working in various companies (preferably

marketing)

DSM: 1<sup>st</sup> year and 2<sup>nd</sup> year students

A mix will be maintained so as to get insights across various age groups.

**Design Overview** 

An extensive secondary research was undertaken. This is followed by large-scale survey

among the identified target group involving an evaluation of marketing communication

channels in terms of few attributes that were identified as relevant from qualitative work. The

second part of our study is a designed experiment where respondents evaluate some

hypothetical communication scenarios and rate their attributes and purchase intentions for the

message conveyed in the communication. The communication as for everyday product or

services.

**Qualitative Design** 

An initial qualitative research study with the intention of exploring the pros and cons of a range

of alternative media as potential communication channels was taken. Also with the help of

secondary research, an effort was made to gauge the reaction of communication receivers to

new channels like email and mobile phones and contrast this with older media like television,

mail and newspaper etc. Based on the above observation the final questionnaire was developed.

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#### **Customer Segments**

Marketing communications are delivered both to consumers in their homes and business people in their workplace. The media choice for the consumer and business segment is often very different, with broadcast media being more commonly used for consumers and print media more relatively popular for business people. Evidence of the different issues for these two segments is also apparent from the secondary research. Due to the distinction of these two segments and their differing preferences, we need to analyze the members of the consumer and the business segment separately.

#### **Media Channels Studied**

The choice of media channels has long been an issue in media planning. The Internet and the mobile phones have precipitated renewed interest in media selection. There are numerous ways for marketing communications to be delivered, ranging from word of mouth, television, Internet etc. Since the scope was too big, this study is restricted to the use of six media channels that comprise the bulk of marketing communication. Querying the respondents about all the forms of communication would have been impossible, due to the length of the interview and the repetitive nature of the questioning, resulting in possible respondent fatigue and irritation.

#### **Target Population**

Given that the project required the respondents to be familiar with both traditional and digital media, the survey coverage was restricted to a population, which had access to both these media and particularly made sure that they had access to Internet and mobile phones.

#### **Channel Attributes**

In our everyday lives we are exposed to many advertising messages, most of which are not relevant to us. However, some messages are easier to dismiss because of their delivery model. For example: deleting an email message is much easier than turning away ten door-to-door salesperson. Media channels also differ in their trustworthiness or authenticity. For instance, due to large volume of unsolicited pharmaceutical spam, email is not as credible a channel as a catalog from the local drugstore for OTC medicine. Therefore, it is necessary to describe and compare media channels in terms of range of attributes. The qualitative phase of the study revealed many channel attributes, from which five most notable attributes are taken for this research. These attributes include trustworthiness, convenience, in-formativeness and reliability. Questions are designed used to gauge the channel attributes for communication receivers in the consumer segment. These attributes are ranked on a 5-point scale, with 1 being the lowest point and 5 being the upper most point in the scale.

#### **Demographic Variables**

Since there is differing familiarity of the communication channels among people, it is possible that the outcome evaluations depend on the demographic status of the respondent.

For the customer segment the demographic variables are age, gender and Internet usage.

## **Analysis**

## **Hypothesis 1**

H0: Gender has no effect in terms of which media annoys the most

H1: Gender has effect in terms of which media annoys the most

Gender \* Media Crosstabulation

						Media			
				Television	Internet	Emails	Telephone Calls	SMS	Total
	Gender	Female	Count	2	4	1	14	2	23
			Expected Count	2.3	3.7	2.3	11.5	3.2	23.0
			% within Gender	8.7%	17.4%	4.3%	60.9%	8.7%	100.0%
			% within Media	40.0%	50.0%	20.0%	56.0%	28.6%	46.0%
			% of Total	4.0%	8.0%	2.0%	28.0%	4.0%	46.0%
▶		Male	Count	3	4	4	11	5	27
			Expected Count	2.7	4.3	2.7	13.5	3.8	27.0
			% within Gender	11.1%	14.8%	14.8%	40.7%	18.5%	100.0%
			% within Media	60.0%	50.0%	80.0%	44.0%	71.4%	54.0%
			% of Total	6.0%	8.0%	8.0%	22.0%	10.0%	54.0%
	Total		Count	5	8	5	25	7	50
			Expected Count	5.0	8.0	5.0	25.0	7.0	50.0
			% within Gender	10.0%	16.0%	10.0%	50.0%	14.0%	100.0%
			% within Media	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
			% of Total	10.0%	16.0%	10.0%	50.0%	14.0%	100.0%

#### Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	3.347*	4	.501
Likelihood Ratio	3.498	4	.478
Linear-by-Linear Association	.006	1	.937
N of Valid Cases	50		

a. 8 cells (80.0%) have expected count less than 5. The minimum expected count is 2.30.

#### Symmetric Measures

			Value	Approx. Sig.
•	Nominal by Nominal	Phi	.259	.501
		Cramer's V	.259	.501
	N of Valid Cases		50	

As per the observation we can clearly see that media generally do not annoy the audience except in few cases. It is the Telephone calls mainly which annoy the people. As it can be seen from the above crosstab, male gets annoyed with phone calls with as high as 60.9%. Females are equally irritated with phone calls with as much as 40.7%. If sig< alpha then the

variables are related. There is a significant relationship between gender and the media with which they get annoyed.

At 95% level of confidence, the value of Likelihood ratio is 3.498 and sig. value is .478, which is greater than .05.Hence the null hypothesis can be accepted. The Phi and Cramer's V coefficients (.259), give us the strength of the association between the two variables.

Hence we can say, Gender has no effect in terms of which media annoys the most.

## **Hypothesis 2**

H0: TV ads don't influence the buying of mobile phones

H1: TV ads do influence the buying of mobile phones

One-Sample Test

					95% Confidenc Differ	
	t	df	Sig. (2-tailed)	Mean Difference	Lower	Upper
TVONMOBILE	4.575	49	.000	.58000	.3252	.8348

Now we need to determine whether to reject the null hypothesis or not (H0). At 95% level of confidence, if sig< 0.05 we can reject the null hypothesis. Looking at the above table we can reject the null hypothesis.

Hence, TV ads do influence the buying of mobile phones.

## **Hypothesis 3**

H0: Internet ad has no effect on purchase on the purchase of mobile phones

H1: Internet ad has an effect on purchase on the purchase of mobile phones

#### **One-Sample Test**

<b>→</b>						95% Confidenc Differ	
		t	df	Sig. (2-tailed)	Mean Difference	Lower	Upper
	INTERNETONMOBILE	7.503	49	.000	.78000	.5711	.9889

Now we need to determine whether to reject the null hypothesis or not. If sig< 0.05 we can reject the null hypothesis. As seen from the above table we can reject the null hypothesis.

Therefore we can safely say that Television Ad's do influence the buying of mobile phones.

## Hypothesis 4

H0: TV ads don't influence the buying of shampoo

H1: TV ads do influence the buying of mobile phones

**One-Sample Test** 

					95% Confidenc Differ	
	t	df	Sig. (2-tailed)	Mean Difference	Lower	Upper
TVONSHAMPOO	7.399	49	.000	.98000	.7138	1.2462

Now we need to determine whether to reject the null hypothesis or not (H0). If sig< 0.05 we can reject the null hypothesis. As seen from the above table we can reject the null hypothesis. Here the Sig. value is .000, which is less than .05. Hence, we can reject the null hypothesis and

#### **Hypothesis 5**

H0: Internet Ads don't influence the buying of mobile phones

we can safely say that TV ads do influence the buying of mobile phones.

H1: Internet Ads do influence the buying of mobile phones

**One-Sample Test** 

					95% Confidence Interval of the Difference		
	+	df	Sig. (2-tailed)	Mean Difference	Lower	Upper	
INTERNETONSHAMPOO	1.179	49	.244	.20000	1409	.5409	

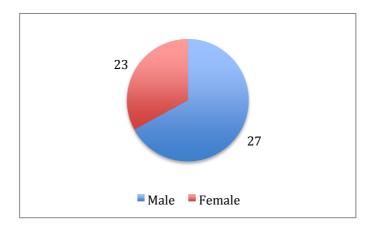
The decision to reject the null hypothesis rule is: at 95% confidence interval, if the p value is less than the .05, then we can reject the H0

Here the p value is .244, which is more than the .05. Hence we cannot reject the null hypothesis. Thus it can be said that Internet Ads don't influence the buying of mobile phones

## **Analysis of the Survey**

Total Respondents = 50

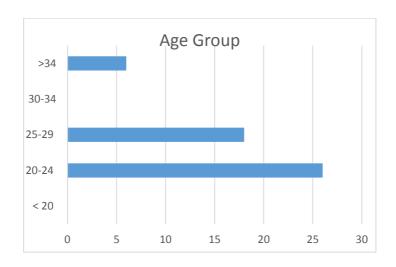
Number of Males: 27 Number of Females: 23



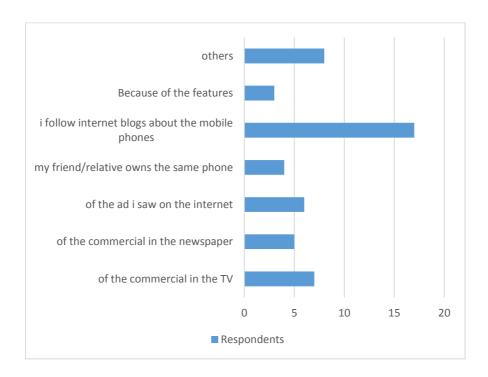
## **Age Division**

Age Group	Respondents
< 20	0
20-24	26
25-29	18
30-34	0
>34	6

Table1

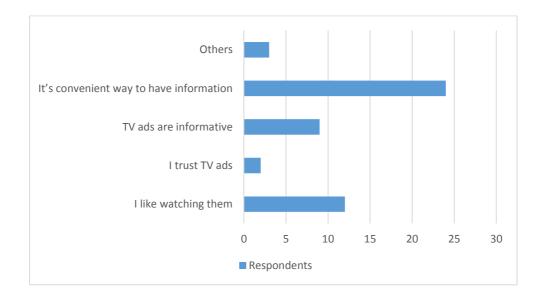


## I bought my phone because



Thus we see that for a high involvement product like mobile phone, consumers in addition to getting information through advertisements from both the traditional and digital media, read a lot of blogs and reviews and they make an informed choice as regards to which mobile phone they would like to buy. Also word of mouth helps a lot in case of high involvement products as people usually like to ask their friends and relatives before making any purchase decision.

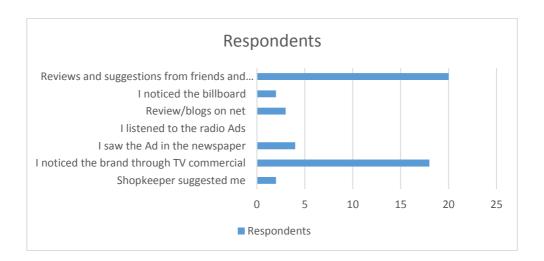
#### I like TV ads because



People usually enjoy watching television advertisements and find them quite informative. Plus they think of it as the most convenient way to have any kind of information.

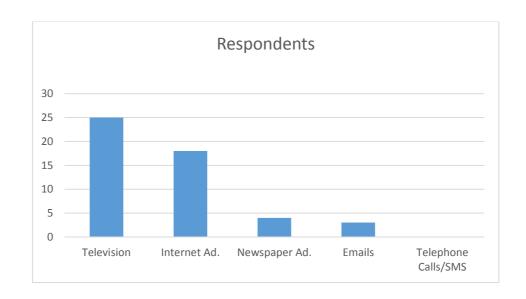
Only a negligible portion of the people said that they don't like to view television ads. This signifies that even though digital media has evolved television still has a large influence as a medium of media communication.

## I bought my shampoo because



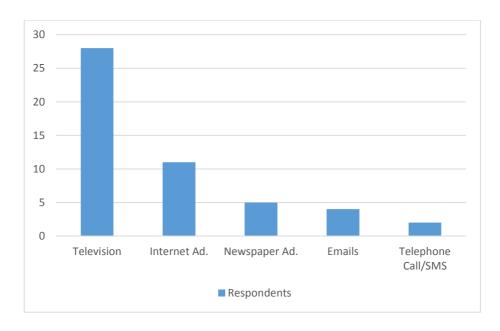
What we noticed in case of low involvement product like shampoo is that buying decision are mostly based on reviews and suggestions from friends and family. Even though a sizable amount of respondents acknowledged to the fact that they notice the advertisements in newspapers and television, but still buying decision is mostly made with word of mouth.

While searching for information about mobile phones which medium would you prefer (Most Preferable)



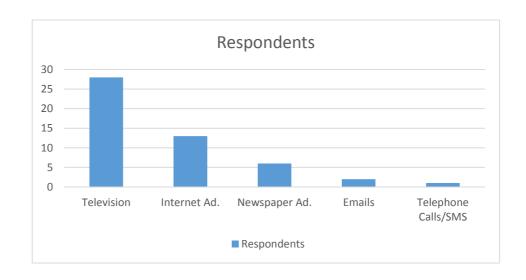
On the question that "While searching for information about mobile phones which medium would you prefer", the answer was obvious as per our hypothesis with the highest percentage being Television followed by Internet Ads, Newspaper Ads and the least preference given to telephone calls as advertisements.

## While searching for information about shampoo which medium would you prefer (Most Preferable)

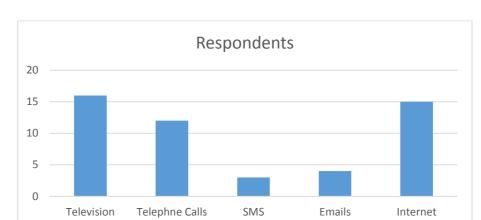


On the question that "While searching for information about shampoo which medium would you prefer", it followed similar trend with people giving television the most preference to television advertisements. This also confirms to our hypothesis that television is still the most preferred mode of communication even for low involvement products.

## While searching for information about any product which medium would you prefer (Most Preferable)



Even the same was found out in case of any other good which also adds to the fact that television is still the most preferred medium followed by internet ad, newspaper ad, and the least preferred being email and telephone calls.



■ Respondents

Which media is the most difficult to ignore when it comes to day-to-day functions?

The most difficult to ignore media was Television and Internet as we already noticed that people mostly consider these medium when it comes to buying any product. Surprisingly, Telephone Call was the third medium that people said was difficult to ignore.

#### Conclusion

The study tends to show that senders tend to rate newspapers and magazines as channels that ought to generate higher purchase intentions compared with television and mail.

However receivers themselves don't rate newspapers and magazines ahead of other mass media. The demographics thus selected are highly literate and high on technical education. Most of them have cell phones, and are in between the age group of 20-30. However when it comes to the purchase of mobile phones and shampoo, television is the most preferred media. Consumers have rated information from phone calls and SMS as the least preferred. When it comes to buying of mobile phones that most trustable media is the TVC and the least preferred is the telephone call. Other features such as reading blogs on the Internet and peer pressure also influence the buying of a mobile phone. When it comes to the case of shampoo the most

preferred media is again the TVC and the least preferred one is again the telephone call. Review from friends and family have a huge bearing on the buying decision for a shampoo.

Most of the people watch TVC because they enjoy watching it. Also people think that it is one of the most convenient sources of information. When people receive information through Telephone Calls they find it the most annoying and then just ignore the information. A very minor percentage of the people actually like SMS as a preferred mode for media communication. People generally don't notice Internet ads but when it comes to buying a high involvement product such as mobile phone they definitely would like to read blogs and compare with the help of Internet before making a purchase decision. When asked about a product, which was not named, TVC is still the most preferred choice of communication. People receiving information about any product via e-mail, usually mark it as spam and they don't bother reading or looking at the information.

From a marketing practice standpoint, no one is in any doubt that the Internet has changed and will continue the way marketing is conducted. However, a number of issues have continued to plague the Internet such as fraud, invasion of privacy, spam and a proliferation of annoying and disruptive marketing messages. Hence the preference for traditional media in the home is likely to persist, even though the Internet is often favourably evaluated at work as a medium for marketing communication. Given that the vast majority of the marketing communications are transmitted to consumers in their homes, it is unlikely that advertisement expenditures will shift significantly into the digital media from the mass and print media in the near future. However we have seen examples in India only where companies are now also focused on the Digital media. For e.g. the big FMCG giants who previously used to only focus on the mass and the print media, now also focuses on the Digital Media. Examples would be their huge presence in the social networking sites and YouTube. However we have also seen examples, which are opposite to the above. E- Commerce ventures like flipkart.com, makemytrip.com etc. who were previously only present in the Digital space, have ventured into the television and the print media now.

Despite the limitations this study has nevertheless provided a good starting point for research on marketing channel evaluation and effectiveness at a time when this is a key issue for marketing communications. Future work could be to use modelling to weigh up product/service

as well as channel attributes to assess how much media compare in their effectiveness. Additionally the number of channels and the attributes examined could be increased.

## **Limitations of the Study**

The study is based for only location only that is India. Replication of this study in other markets and countries will enable us to generalize the results further. The sample size is small, due to which it would be difficult to generalize the same views for a wider audience. Secondly, the measures of marketing communication effectiveness rely mostly on purchase intentions. While there is a strong history and tradition of using purchase intentions as an effectiveness variable in marketing literature, the link to actual purchase behavior is not as precise as marketers would want to be. Also the study here examines only six media modes and this is not a comprehensive list. There are other modes of media mentioned, which also we need to take into account while studying the media effectiveness.

The sampling method used in the primary research was of convenience sampling. It might have caused ample biasness and thus the sample may not be an actual representation of the actual population. Also while filling questionnaires the seriousness of the individuals could not be accessed as the questionnaire was floated online. More in-depth interviews should have been conducted for such a topic so as to have a balanced view of both the senders and the receivers of the various mode of communication.

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#### **Annexure**

## Questionnaire

## **Dissertation Survey**

## Gender \*

- Male
- Female

## Age \*

- <20
- 20-24
- 25-29
- 30-34
- <34

## Do you own a Mobile Phone \*

- Yes
- No

## I bought my phone because \*

- I saw the TVC and i liked it
- I saw the ad in the newspaper and found it informative
- My friends own the same phone
- I follow Internet bogs about mobile phones
- I saw the ad in the internet
- Other: \_\_\_\_\_

# 

• Other:							
Do you think TV	Ads i			-		obile phones *	
Strongly Disagree			10	10	2 (	Strongly Ag	ree
		/ 6	2 6	2 6		Subligity Ag	
Do you think inte					-	of mobile phon	es *
	1	2	3	4	5		
Strongly Disagree	0	0	0	0	0	Strongly Agree	_
If you receive a s	ales c	all fo	r moh	ile nł	one.	will von hnv it?	*
II you receive a s	1	2		_	5	wiii you buy it.	
Strongly Disagree	0	0	0	0	0	Strongly Agree	-
If you receive a S	MS fo	or mo				you buy it?*	
Strongly Disagree	0	0	0	0	0	Strongly Agree	-

## I bought my shampoo because \*

- Shopkeeper suggested me
- I noticed the brand through TVC
- I saw the Ad in the newspaper

• I list	ened to the	radio Ads				
• Revi	iew/blogs o	n net				
• Othe	er:					
Information	n through	media that ar	moys you the m	nost *		
• Ema	ils					
• Pho	ne Calls					
• Inte	rnet Ads					
• SMS	S					
• TVC						
	se mention	the brand an	d the advertise			
While searc	ching for i	nformation al	bout mobile pho	ones which med	dium would you	ı prefer *
1- Least	Preferable	: 5 - Most pre	ferable			
Er	mail	Telephone call /SMS	Newspaper Ad	Television	Internet Ad	
1	, 0	. 0	。 O	。	。	

Reviews and suggestions from friends and

family

• I noticed the billboard

	Email	Telephone call /SMS	Newspaper Ad	Television	Internet Ad
2	。 〇	。 O	。 〇	。 〇	。 〇
3	. 0	. 0	. 0	。 〇	。 〇
4	。 〇	。 O	。 〇	。 〇	。 〇
5	。 O	。 〇	。 〇	. 0	。 O

## While searching for information about shampoo which medium would you prefer \* 1-

While searching for information about any product which medium would you prefer \* 1-Least Preferable: 5 - Most preferable

	Email	Telephone call /SMS	Newspaper Ad	Television	Internet Ad	
1	0	0	00	0	0	
2	0	· O	0	0	0	
3	0	0	· O	0	0	
4	. 0	。	。	。	。	0
5	。	0	0	0	。 〇	

Which media is the most difficult to ignore when it comes to day-to-day functions? \*

- E-mail
- Telephone
- SMS
- Television
- Internet
- Newspaper
- Other: