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A STUDY ON CORPORATE ADVERTISING MANAGEMENT IN THE NEW MILLENIUM: AN EMPIRICAL STUDY IN INDIA

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ABSTRACT

Advertisement is dominantly a creative work and we can trace the work of advertisement to the ancient time. The world saw steady progress owing to Globalization and Liberalization across countries and continents. This field requires constant and continuous innovation and creativeness for a successful run. In the new millennium, corporates have profoundly invested in the advertisement world, and developing nations are the potential market for it. Companies are trying to make their name and brand recognized profoundly in these nations to dominate markets for their profits. For all this to be done the task of advertisement, management becomes crucial and thus is the center subject of this paper and the paper has empirically discussed the importance of the management of advertisement by the corporate in an emerging country such as India. The purpose of the study is to know the role and significance of Corporate Advertising Management. 213 respondents were surveyed with the help of structured questionnaire and mean and t-test was applied to get the appropriate results. It was found that there are number of important roles of Corporate Advertising Management, which are very significant for the “Brands” as the study concludes that Corporate Advertising Management is effective in attracting customers and increasing the sales.

Keywords: Corporate Advertising, New Millennium, Empirical study, Emerging Economy, India

1.1 INTRODUCTION

Companies have started doing business across different parts of the world through internationalization. Advertisement world have also developed and become very demanding today; still, it is one of the most lucrative jobs of the 21st century. Advertising has become an integral part of the process of growing a company. Professional advertising agencies have come up with managing and organizing it (Hunter, 2013). For all this to be done the task of advertisement management becomes crucial and thus is the center subject of this paper. Moving forward with the help of an empirical study, in this paper, management of advertisement by the corporates in an emerging country such as India has been explored (Majmudar, 2002). The last millennium saw a lot of development in the history of humankind. As one of the most developed species on planet Earth, humans have always taken it further to the next level. The last century marked a change in the business world, with the introduction of computers; internet combined with Globalization, the world became a smaller place and connected as one. The progression of technology and the commencement of the new millennium also marked the change in the business world (Schwartzman, 1999). The World was not relaxed as it seems, rather it is somewhat biased at times. The last decade can be marked for the diffusion of the internet and smartphone technology around the world. In this ever-changing world, it is difficult to run a business; people had a tough time figuring out the best strategies for themselves. There are also companies and big corporates who stand atop all signifying the success of their chosen approaches and the one policy which is common among these companies is related to the advertisement. Corporate advertising management is the key to the development of companies. Corporate are working and investing in hefty amounts on the advertisement to create their presence in the world market (Collins, & Han, 2004). Today the top-earning companies in the world are from the technology sector and more specifically Internet companies. These are the companies that worked hard for the dispersion of the internet around the world and now are enjoying its fruit. They focused on advertising the internet and its usefulness and created a new market space where they lead. India as a developing nation has become hubs for companies who are trying to penetrate the market through advertisements in various sectors such as the smartphone market; consultancy, service provider, etc. are among the emerging ones. Thus, advertising and marketing have gained a lot of importance and it has also raised itself as a new profession in the corporate world. From the consumer point of view, the consumer movement in India is very deep-rooted but lately in the millennium with the inception of liberalization and globalization policy, consumers have become the center of all, realized their role in governance and society(Nyilasy, Gangadharbatla, & Paladino,2014). Advertisements become important for consumers as they acquire information about a company and its product through it. The purpose of the advertisement then becomes to entice consumers in buying their product through their content and creativity. Therefore, advertisement management in the corporate world becomes very significant. One wrong ad campaign can pull the company down towards debt. Companies today are extra careful due to this fact and try to make sure to maintain a positive image of their brand. Companies now accordingly focus on advertisement management. Groups of highly professional experts are hired by companies for these tasks. The

advertising world has changed with time too, from using peoples for advertising to social media marketing it evolved a lot. And in the world of advertisement people nowadays do not only see the product they also have an eye on the company which manufactures it. We will try to review the trends in advertising management in this paper (Ho, Shin, & Pang, 2017).

2. LITERATURE REVIEW

The new Millennium saw a strong change in terms of advertising management; the field saw a boost in competition. The organization of Advertisement is a complex process that involves taking various layered decisions. Corporate today hires an Advertising agency or own an in-house Ad agency that manages, strategize, decider on budget, and finally measure the effectiveness of it. These Ad agencies develop strategies according to the companies demand and the target audience (Osman, 2008). One of the basic models of Advertisement management can be, first defining the target audience followed by creating a suitable message for the audience in accordance with the product or service (Creative and innovative content need to be created to catch the eye of the consumer). The next step will be to strategize on the media options i.e. medium (such as TV, Radio, Internet, direct Ad, etc.) of advertising it can be either concentrated on one medium or diffused with many mediums depending on the company and product. The final step is to measure the effectiveness of the strategy and planning future strategies based on the results (Patsioura, Vlachopoulou, & Manthou, 2009).

India as a country of billions is a target for many companies as a budding market for their product. So, it becomes important for companies to establish their presence in the Indian region but it has been proved difficult from time to time as many companies have lost their ground due to failed strategy. Thus, developing a successful strategy for the Indian population is difficult due to the ever-changing nature and also due to varied cultures from regions to regions. One can establish a company in a particular region, primary selling products to the local people but for a company to become Pan-India, dynamic models and strategy need to be developed. Thus, companies invest a heavy amount in Research and Development (R&D) to study the target audience or population (Kim, & Atkinson, 2014). The new millennium is proved to be an information war and companies are striving to acquire more information than others. This information and statistics give a company edge over the other competitor and helps them advertise better. Thus, the Indian market is dynamic and breeding with companies that are trying to create their brand value. The ways of advertising have changed in the last decade; many new forms of advertising have come along. The most popular medium of advertising in India and around the world are as follows (Van Riel, & Van Bruggen, 2003).

- **Television** Advertisements are considered as one of the most popular media of advertisement and among the costliest. It provides outstanding mass coverage at a relatively lower cost (i.e. cost per thousand exposures). It also

has excellent potential for creativity. Cinemas are also one approach to advertise in video format but their reaches are limited and the creativity of ad agency is challenged here.

- **Radio** Advertisement is another way. It provides localization opportunities to the companies and is among the cheaper means. Consumers directly hear the message in their home or workplace though it has a short lifeline (Smith, Smith, & Dunbar, 2014).

- **Newspapers** and **Magazines** are hard media for advertising. It has nationwide coverage but lacks room for creativity. Companies prefer it more for job hiring ads than for product presentations.

- **In Transit** and **Out-of-home** Advertisements is the line of attack in which companies put their ad on transports for instance bus, railways, tram, and cable car or billboards, hoardings, posters, signage for people to see. These are usually done in a high population density area such as a tourist place. It is limited as it is static and here creativity can be challenged (Rinallo, & Basuroy, 2009).

- **Internet-based** and **digital platforms** are the youngest form of advertising. The last decade showed spectacle a substantial growth of advertising in this particular medium. Internet-based advertising is rather a very wide topic as many sub forms exist. Among the sub forms the popular ones are:

- **Social Media Marketing**- Social Media have become part and parcel of life and many popular Social Networking sites have come along. More than 325 million people used different social networking sites in India and thus become prospective platforms for corporates to advertise. Various Campaigns and services are organized by companies through Social Media to create brand awareness among people specifically the younger generation. Companies and corporates also offer contact and support through it. It is very quick and can even target the smallest population (Hutton, Goodman, Alexander, & Genest, 2001).

- **Search Engine Marketing** - In this mode Ad Space is bought is the companies atop popular search results. This is an effective method for companies to lead the user towards their sites.

- **Search based optimization** - Optimizations are done following the search trend and products and companies are advertised in such a way to be included in the search results.

- **Content Marketing** – It is a popular form of advertising and marketing on the internet has various forms such as brand-centred blogging, articles, content videos, landing pages, social updates, etc. Active and constant promotions help create awareness as well as brand loyalty among the population.

Corporates use innumerable methods of which some are mentioned above for their advertisement and now it becomes the duty of in-house agency or hired an ad agency to adopt the most effective policies. The management of the advertisement completely depends on these agencies though decision-making is done after a consultation process with higher management. They are also tasked with the research and study of the trends in the advertisement world. The effectiveness of previous policies leads to the profit of a company and hence it becomes very crucial. The trends in population take time to change but the sentiment of the population can change on a whim. It has been observed by the experts in the countries of the Middle East and Southeast Asia prominently. Companies also hire or create a PR Team for the purpose of managing the relationship with the consumers (Spangardt, 2016).

Objective of the study

1. To find the role of corporate advertising management in the new millennium.
2. To find the significance of corporate advertising management in the new millennium.

Methodology

The present study was conducted to know the role and significance of corporate advertising management in new millennium. Survey method was used to collect the primary data in which a sample of 213 respondents was surveyed through a standard questionnaire. The study is exploratory in nature and sampling method was random. Mean and t-test was applied to get appropriate results.

Findings of the study

Table 2 shows the demographic background of the respondents. It is seen that in the total number of 213 respondents 56.8% are male and 43.2% are female. Among them 28.6% are from the age group 25-35 years, 24.4% belongs to age group 31-41 years, 26.8% are from the age group of 42-51 years and rest 20.2% are above 52 years of age. The table shows that 29.6% of the total respondents are holding the position of General Manager- sales, 23.0% were working as General Manager- Marketing, 22.0% are working on the position of Vice President – Sales and Marketing and rest 25.3% are sales managers. It is also seen that 28.6% are working from 1-5 years in the field of corporate marketing, 39.0% are having an experience of 6-10 years and rest 32.4% are having above 10 years of working experience in the field of corporate marketing.

Table 1 Demographic background of the respondents

Variables	No. of respondents	%age
Gender		
Male	121	56.8%
Female	92	43.2%
Total	213	100%
Age groups		
25-35 years	61	28.6%
31-41 years	52	24.4%
42-51 years	57	26.8%
Above 52 years	43	20.2%
Total	213	100%
Positions		
General Manager – Sales	63	29.6%
General Manager – Marketing	49	23.0%
Vice President – Sales and Marketing	47	22.0%
Sales Manager	54	25.3%
Total	213	100%
Experience		
1-5 years	61	28.6%
6-10 years	83	39.0%
Above 10 years	69	32.4%
Total	213	100%

Table 2 Role and Significance of Corporate Advertising Management

Sl. No.	Role & Significance of Corporate Advertising Management	Mean Score	t Value	Sig
1.	Corporate Advertising Management enhances the brand image of any company.	3.91	14.44	0.00
2.	Damages caused by false allegations and bad publicity are repaired by Corporate Advertising Management.	4.01	13.28	0.00
3.	Corporate Advertising Management cultivates positive reputation of the company among the millennium consumers.	4.11	16.48	0.00

4.	Corporate Advertising Management creates the advertising plans and contents to reach all the demographics.	3.89	12.59	0.00
5.	Awareness about the brand, product, service, and idea of the company is created by the Corporate Advertising Management among the consumers.	3.97	12.41	0.00
6.	Corporate Advertising Management helps the company to develop its “brand” in the market.	4.03	16.34	0.00
7.	Corporate Advertising method is an effective way to communicate with the customers.	3.79	10.39	0.00
8.	Corporate Advertising Management “informs,” “persuade,” and “remind” the customers about the brand and its services.	3.96	14.26	0.00
9.	Corporate Advertising Management establishes the identity of the brand among the consumer and in the market.	3.92	13.01	0.00
10.	Corporate Advertising Management is effective in attracting customers and increasing the sales.	4.25	15.99	0.00

Table 2 demonstrates the role and significance of corporate advertising management in the new millennium. It is seen that Corporate Advertising Management is effective in attracting customers and increasing the sales with the mean score 4.25 and it also cultivates positive reputation of the company among the millennium consumers with the mean score 4.11. Corporate Advertising Management helps the company to develop its “brand” in the market with the mean score 4.03 and damages caused by false allegations and bad publicity are also repaired by Corporate Advertising Management with the mean score 4.01. It is also seen that Awareness about the brand, product, service, and idea of the company is created by the Corporate Advertising Management among the consumers with the mean score 3.97 and Corporate Advertising Management “informs,” “persuade,” and “remind” the customers about the brand and its services with the mean score 3.96. Corporate Advertising Management establishes the identity of the brand among the consumer and in the market with the mean score 3.92 and Corporate Advertising Management enhances the brand image of any company with the mean score 3.91. The table also shows that Corporate Advertising Management creates the advertising plans and contents to reach all the demographics with the mean score 3.89 and it is an effective way to communicate with the customers with the mean score 3.79. One sample t-test was applied to find whether the responses to the statements are significant or not. It was found that for all the statements the value under significance column is below 0.05 hence, all the mean values for the statements have been found significantly more than the test values (3.5) hence all the roles of communication for employee engagement are significant.

3.0 CONCLUSION

To conclude we can say that world has always been ever-changing after the industrial revolution big companies started rising. A country's economy is run with the help of these companies thus making them all crucial. World Trade Organization always tried making the world go to free trade and policies such as liberalization and globalization were adopted by developing nations to promote trade. With that companies started operating in various parts of the world, developing nations always had the most prospective for their products. One of the most prominent doors for these companies is to establish themselves in the heart of the consumer with the help of advertisements, thus the demand for ad agencies was created. With time the supply also increases and now many popular Ad agencies exist for the management of advertisement. These agencies manage and organize advertisements from big corporates to small businesses and firms. The managerial sciences of advertisement have also become the courses of many educational institutes. Therefore, their importance has grown thousand-fold forcing corporates to focus on it. Companies now advertise in many ways and mediums such as Television, Radio, Cinemas, Newspapers, Internet, and digital Platforms (Hayes, 1988).

The study concludes that the most significant role of Corporate Advertising Management is that it is very effective in attracting customers and increasing the sales and also cultivates positive reputation of the company among the millennium consumers. It is also seen that Corporate Advertising Management helps the company to develop its "brand" in the market and plays many other important role for the company to be successful in the world of competition.

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