

MKTG1208 INTRODUCTION TO ADVERTISING 2022
ASSESSMENT 1: ADVERTISING REPORT
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ADVERTISING: A NUDGING OR PERSUASIVE TOOL IN THE MODERN AGE?

EXECUTIVE SUMMARY

Advertising is a brand-initiated communication tool that seeks to inform and engage potential consumers. Reviewing Neil Barnard and Professor Andrew S.C.'s work, it is evident that pre-digital advertising was used in a nudging manner. Detailing its functionality through research, they state that it primarily reinforces existing brand preferences instead of causing radical changes in buying habits. Additionally, when advertising is used in conjunction with other ICC tools, A brand is able to successfully create a persuasive campaign (1997).

With the availability of personal data and the introduction of many new marketing tools, modern day advertising has become far more efficient at targeting interested consumers (Dens & Poels 2023). However, this change does not affect the core nature of the tool. Advertising still revolves around arousing the interest of potential consumers.

Increasing its sales by 10%, McDonald's 'Famous Orders' works as a great example of this. Introducing celebrity meals, creating publicity and earned media, and airing an advertisement at the superbowl, the brand successfully targeted multicultural youth. McDonald's utilisation of several communication tools, such as Sponsorship, Social Media and Promotional Products resulted in a successful campaign.

In closing, advertising within the digital age has made it easier to segment and target specific audiences. While it does remain an important ICC tool, brands must still utilise several other communication tools simultaneously to engage their target audience effectively.

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INTRODUCTION

The digital age has caused many changes to society and the way that it functions. Marketing and the various other communication tools are no exceptions. In this context, the following report examines the role of advertising and its effectiveness within an ICC. It discusses how advertising is better suited to building strong brands in conjunction with other communication tools rather than alone. Furthermore, the report evaluates how advertising acted in the past and whether it has changed with the increasing availability of personal data. The evaluation will be supported by a case study of McDonald's 'Famous Orders' Campaign.

WHAT IS ADVERTISING?

Being one of the major ICC (Integrated Communication Campaign) tools, advertising is brand initiated communication seeking to inform and liaise essential information to potential consumers **(Kerr & Richards 2021)**. It helps the brand differentiate itself from competitors and works to enhance the brand's equity. It also assists in reducing selling costs and, importantly, builds consumer desire **(Baker 2001)**.

Being around for a long time, it is evident that today's advertising is exercised and understood somewhat differently in comparison to its pre-digital counterpart.

For example, George and Michael Blech highlight how '*advertising spending [is] being shifted from traditional media*', like print and broadcast, to modern '*online digital advertising formats*' which include search, video ads, and social media **(2017, pp96)**.

Reflecting on such changes caused by the dawning digital age, does advertising generally act as a targeted nudge or a calculated persuasion?

ICC AND COMMUNICATION TOOLS

Aiming to maximise impact on consumers and other stakeholders while minimising costs, an Integrated Communication Campaign (ICC for short) is the '*coordination and integration of all communication tools within a company*'. It uses a strategic cross-functional planning procedure that incorporates planning, developing, executing and evaluating brand communications **(Drewiany & Jewler 2014 pp254)**.

To successfully develop an ICC, the brand must understand and act in accordance with the individual strengths and weaknesses of each communication tool. This effectively prompts them to work in 'synergy' (the combination of multiple tools to produce an effect greater than the sum of their separate effects) producing the desired results. **(Bentley, White, Weiss, & Shields 2016)**

During the 20th and early 21st centuries, the traditional ICC tools were largely made up of the following seven: Advertising, Point of Purchase, Brief Response, Pr/Publicity, Sales Promotion, Personal Selling, Events, and Direct Response.

However, as mentioned previously, the way brands communicate their information today differs greatly to this previous era void of digital modernities.

The current age has introduced many new tools including the likes of Guerilla Campaigns, Promotional Products & Premiums, Cause Related Marketing, Sponsorships, Product Placement & Branded Content, Special Packaging, and Digital / Social Media.

ADVERTISING PRE THE DIGITAL AGE

In their 1997 academic article, Neil Barnard and Professor Andrew S.C. Ehrenberg tackle the prevalent belief that advertising persuades consumers to switch to particular brands or products. Reviewing several studies, they highlight how this tool is actually more effective as a nudging force.

Rather than a cause for consumers to make radical changes in their buying habits, advertising reinforces existing brand preferences. Barnard and Ehrenberg conclude that marketers should focus on building strong

brands using various ICC tools instead of solely relying on advertising.

An example of this can be seen through the use of 'events', 'sale promotion', 'PR/publicity', and 'advertising' all together. Creating an event which consumers are invited to will generate earned publicity. This exposure can later be referenced in advertisements and sale promotions differentiating the brand from its competitors in a persuasive manner.

However, Barnard and Ehrenberg's article was published before the major changes observed within the digital age. Would their findings still hold true today?

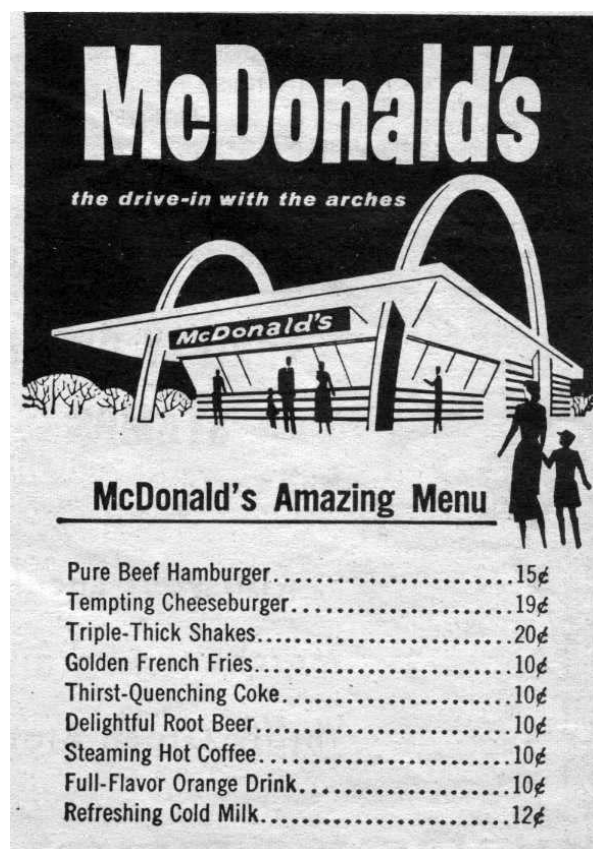


Figure 1: Untitled photo of the 1960's Mcdonald's 'You Deserve a Break Today' campaign (Flashback 2015)

MODERN ADVERTISING

Understanding that advertising acted as a nudging force in the past, do modern ICC tools and the digital environment work to contrast that?

With the availability of personal data and the ability to advertise through new marketing tools, such as social media, advertising is progressively being personalised. It is now able to appeal and target interested consumers better than ever before (**Dens & Poels 2023**).

The upgrade and accessibility of consumer details has provided an avenue for adverts to take greater advantage of segmentation. 'Segmentation' references four categories (Behavioural, Psychographic, Geographic, Demographic) that allow brands to better isolate and comprehend their audience (**Andaleeb 2016**). Using it, marketers are able to efficiently create an engaging ad that boasts a higher chance of consumer interaction.

Still, this alone does not aid in differentiating a brand from its competitors.

For companies that sell everyday/replaceable products/goods, the notion of '*split loyalty*' is apparent. This concept illustrates how no consumer is truly 100% loyal to one brand.

Considering this, the best thing an ad can do is to remind or '*enhance acceptance*' of the brand (**Ehrenberg & Barnard 2002**). Product placement, events, and other communication tools will be used simultaneously to effectively persuade the consumer.



Figure 2: Untitled photo of the McDonalds 'famous orders' campaign featuring Travis Scott (Shorty Awards 2020)

CASE STUDY - MCDONALD'S: '*FAMOUS ORDERS*'

According to the WARC Effective 2023 results, McDonald's recent campaign was able to successfully increase their sales by 10%. The brand's ICC revolved around various limited edition celebrity order meals, including the likes of Travis Scott, Kim Kardashian, and Magic Johnson. The campaign aimed to engage with '*multicultural youth after years of sales and market share decline*' amongst them - specifically in the US (Rodgers & Adenuga pp: 7).

McDonalds utilised a number of communication tools to draw in these target customers. Some of those included:

1. Sponsorship - Having celebrities endorse their brand.
2. Special Packages and Promotional Products - The Famous Order meals are only selling until the 26th of May.
3. PR/Publicity and Social Media - News outlets and social media have been active in generating earned media for the brand. An example of this can be seen through Insider's article titled 'I ranked all of the McDonald's celebrity meals and Saweetie's 'remixed' meal was the most creative'.
4. Advertisement - The campaign's Super Bowl advertisement was able to reach large numbers of potential consumers.

The culmination of these tools provides McDonalds with an ICC that authentically enters '*the brand into culture*' capturing the '*attention of [its] target audiences*' (Rodgers & Adenuga pp: 7).

As Ehrenberg and Barnard point out in an academic piece, advertising is mostly used to refresh or enhance the acceptance of a brand as one to buy or to consider rather than use it to present the brand as the '*best*' to an experienced consumer (2002).

In the case of McDonalds, the advertising is evidently used to refresh or rebrand the company's image. They present themselves as a trustworthy approachable brand that caters for the youth (Schultz 2022). Along with the other tools, the campaign's message is further enhanced.



Figure 3: Untitled Screenshot of the McDonalds 'famous orders' Super Bowl Advertisement (WARC 2022)

CONCLUSION

Although modern advertising is more precise in targeting consumers, it inherently uses the same core principle as the pre digital variant. It does not persuade consumers of the brand's superiority, rather it largely influences the make-up of consumer brand selection.

In today's online world, marketers utilise the individual digital footprints of people to efficiently segment and engage their target audience. To persuade consumers and to create a unique brand, they must use a combination of communication tools, as demonstrated by McDonald's successful "Famous Orders" campaign.

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