

15.2: Advertising in the Promotion Mix

Learning Objectives

By the end of this section, you will be able to

- Define advertising and provide examples.
- Discuss the importance of advertising in the promotion mix.

Advertising and its Importance in the Promotion Mix

Marketers utilize a variety of ways—or media channels—to promote the organization’s offerings. Regardless of the media channel used, marketers must be consistent in the communication they send to customers.

Advertising consists of paid communication messages that identify a brand or organization and are intended to reach a large number of recipients. The most traditional media that are used for advertising include newspapers, magazines, television, radio, Internet, and billboards (see Figure 15.2). The increase in the availability and use of the Internet and other technology has also led organizations to advertise on mobile phones and other digital devices, as well as through email and social media.



Figure 15.2 Billboards are one channel for advertising. (credit: “March04 015” by Lord Jim/flickr, CC BY 2.0)

Like every promotion mix element and media channel, advertising has advantages and disadvantages. Advertising is fairly expensive, so the cost to the organization is high. However, advertising reaches a large audience with one ad, so the cost per exposure is relatively low. For example, just one 30-second commercial during the 2021 Super Bowl cost companies around \$6 million (Steinberg, 2021). But with 96.4 million viewers, the cost per exposure (assuming every viewer sees the commercial) is only around 6 cents per viewer. Because advertising is non-personal and reaches a large audience, the message can get distorted from the marketer’s intention to that of the audience. For this reason, it is difficult to change the message quickly if it is misunderstood, and it is also difficult to capture how well the message was received.

Link to Learning: Cost of Super Bowl Commercials over Time

Super Bowl ads have a large following, and the expense has increased yearly. Check out [this article from The Sporting News](#) that compares the cost of commercials from 1967 to 2022.

Product Advertisements

Product advertisements promote a specific product within the organization’s product mix. These advertisements focus on a single product and intend to bring brand awareness to a product or to differentiate the brand from competitors. In 2013, PepsiCo created a print ad showing a can of Pepsi wearing a Coca-Cola cape, wishing the audience a Happy Halloween. In 2020, Coca-Cola used the same advertisement to counteract the original ad, stating, “Everyone wants to be a hero!” Both are examples of product advertisements, cheekily comparing two fiercely competing brands (Riddell, 2013).

Link to Learning: Pepsi versus Coke

Brands roasting one another through advertisements is not something that PepsiCo invented. It's been done many times. To see the Pepsi versus Coke campaigns, as well as other big brands roasting their competitors, [check out this Bulldog article](#).

Institutional Advertisements

Unlike product advertisements focusing on one product or brand in an organization's product mix, institutional advertisements focus on the organization. This differs also from public relations—discussed next—in that it is a paid form of communication. Institutional advertising aims to create a positive image or support for the entire organization. Institutional ads also have the advantage of creating a positive impact by attracting potential candidates and increasing employee engagement within the organization. At the start of the COVID-19 pandemic, many companies stepped up to help mitigate the pandemic's effects on the country. Early on, Anheuser-Busch switched some of its operations from distilling beer to making hand sanitizer. In April 2020, just one month after the pandemic hit the United States, the company had already delivered over 500,000 bottles of hand sanitizer (Anheuser-Busch, 2020). The company utilized both print and television advertisements to communicate its philanthropic efforts to consumers. It wasn't trying to sell the public a Budweiser but was using the ads to help bolster its image to consumers.

Importance of Advertising

While there has been a major increase in commercial-free television and the ability to skip ads in multiple media platforms, advertising remains an important part of the promotion mix. Advertising assists in consumer awareness—ensuring the audience knows a product or service and its benefits. Advertising also helps to retain customers through reminders and can show audiences that a business aligns with their values. However, with the increase in society's reluctance to believe what they see in advertisements, it is more important than ever that marketers ensure they send the right message at the right time.

Knowledge Check

It's time to check your knowledge on the concepts presented in this section. Refer to the Answer Key at the end of the book for feedback.

1.

Promoting a product in a television commercial aligns with which promotion mix elements?

- a. Advertising
- b. Public affairs
- c. Social media
- d. Institutional advertising

2.

You see a television advertisement from Ford thanking frontline heroes during the pandemic. Which term best describes this advertisement?

- a. Product advertising
- b. Public relations
- c. Institutional advertising
- d. Press relations

3.

As a new marketer in a firm, you are asked to provide the advantages of advertising in an upcoming promotion strategy. Which of the following would be included in your list of advantages?

- a. Advertising's per-exposure cost is an advantage.
- b. Advertising is nonpaid, so it does not cost the company.
- c. Advertising's message is easy to change.
- d. Advertising's effectiveness is easy to capture early.

4.

Breana sees an advertisement that compares Colgate toothpaste with Crest toothpaste. She decides to change her toothpaste brand based on this new information. Which term best describes what Breana has been exposed to?

- a. Institutional advertisement
- b. Public relations
- c. Social media
- d. Product advertisement

5.

Which of the following is a false statement about advertising?

- a. It is still as important to the promotion mix as other elements.
- b. It is the least costly of all promotion mix elements.
- c. It should always be a well-thought-out strategy.
- d. It assists in consumer awareness and brand loyalty.

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