

A Study on Role of Advertising Agencies in Chennai

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Abstract - The advertising agency establishes a link between advertise and media owners. An advertising agency provides competent advice. It has easy access to and close contracts with numerous sources of initial information. The primary role of advertising agencies are planning and creating advertising campaigns for its clients and placing advertisements in various media. The agency then creates the advertising campaign and contracts for time and space with selected media. The traditional role of the advertising agency has changed over the years . It has improved from an organization that develops, designs and launches print, radio and television ads, to an organization that does all that and more -- it builds content, provides branding and includes diverse marketing strategies. The advertising could be on social media, using mailer coupons or using content strategies. The agency should state clearly the reasons as to why this is the best way the business and niche to succeed. Hence the study focuses on the role of advertising agencies in Chennai.

Keywords – Advertising, Agency, media.

I. INTRODUCTION

Advertising agencies are Professional body of experts playing an active role in advertising plan and campaigns to offer sources in advertising clients that on a commission or a fee basis .It provides a quality and range of service greater than any modern commercial world. It provides a specialized knowledge, skills and experience needed to generate effective advertising plans and campaigns layouts for advertisements, getting blocks made for layouts, the description of brands, designing the package for undertaking the market research. Besides planning and executing the advertising campaign, the advertising agency also performs several other services like, preparing sales promotion advertising on marketing management or public relations, preparing and distribution of information etc.

The advertising agency works as an agent or consultant, the advertiser who is manufacturer, wholesaler or retailer of the advertiser It also provides services and guidance on advertising and marketing problems relatively low cost. It employs the services of highly experienced specialists in different aspects of advertising and provides various advertising facilities.

The advertising agency establishes a link between advertise and media owners. An advertising agency provides competent advice. It has easy access to and close contracts with numerous sources of initial information. The primary role of advertising agencies are planning and creating

advertising campaigns for its clients and placing advertisements in various media. The agency then creates the advertising campaign and contracts for time and space with selected media.

STATEMENT OF THE PROBLEM:

Advertising agencies are acting as the tool for selling the product for the marketers. Though, they are more in the number, the major problems faced by them are

1. Change in the technology
2. Demanding clients
3. More competitors
4. Rapid change in the media
5. Shrinking margins

OBJECTIVES OF THE STUDY

1. To identify the role of Advertising Agencies in Chennai.
2. To measure the role of Advertising Agencies.

II. RESEARCH METHODOLOGY

Research Methodology is a way to solve the research problem. This chapter presents the methodology adopted to identify the advertising agencies from the population considered for the study.

SCOPE OF THE STUDY:

Advertising agencies are considered as the promotional tool for advertising the product. The present study is confined to an analysis of advertising effectiveness through advertising agencies in Chennai city. It also helps to find out the gap for improving themselves. Chennai, being an metropolitan city and well known historical and tourist place and the big city, the following places were chosen for the study.

1. North Chennai
2. South Chennai

SOURCES OF DATA**PRIMARY DATA**

Primary data was obtained from the advertising agencies in Chennai city through structured questionnaire. The proposed questionnaire was classified under the following heads:

1. Types of advertising
2. Services offered by Advertising agencies
3. Overall rating of advertising agencies
4. Different ways to advertising
5. Modern methods of advertising

SECONDARY DATA

Secondary data was collected through the books, journals, dissertations, reports and websites. It helped the researcher to gain knowledge about the concepts used for the study.

SAMPLING METHOD:

A research needs a careful planning for selecting the sampling method that will be suitable for the study. The researcher has identified advertising agencies in Chennai and the areas like north Chennai, south Chennai was taken for the study. The advertising agencies taken for the study were homogenous and exploratory random sampling techniques was adopted. The researcher has identified the areas and the places where the advertising agencies are located.

PERIOD OF THE STUDY:

THE PERIOD OF THE STUDY FROM 2015 TO 2017.

LIMITATIONS OF THE STUDY

1. The findings of the study are purely an outcome of the responses given by the sample respondents.
2. Due to time availability, the sample size was taken as up to 250 respondents
3. The findings of the study may be relevant only to the study area viz., Chennai State.
4. The advertisers' responses are subject to personal bias.

III. REVIEW OF LITERATURE

Suman and Mansi (2014) in a descriptive study of 50 respondents in Delhi, analyzed the cause and effect relationship of advertising and consumer perception. The aim of the study was to examine the effect of advertising in insurance industry. They concluded that advertising is very important for any business, and it significantly results in brand recall.

Adithya (2013) in a study of 220 respondents (18-30 years) in the region of Karnataka observed that most persons preferred TV to other media of advertising. They even found the ad message as reverent, which affect the purchase decision. Study of television advertising on brand and advertisement awareness attitude and purchase intention

Dachis (2011) discusses the manipulative effect of advertising, where the consumer is dominated by his emotions instead of logic.

Lamb, Hair & McDaniel (2009) have highlighted that advertising has an information effect, whereby the consumer gets information about various products and services. They also talk about the transformational effect of advertisements, where the consumer's unfavorable attitude can be transformed in to a favourable attitude

Sutherland (2008) observes that in low involvement products the effect of advertisement is difficult to introspect, as the effect of one time exposure is small. The acceptability of claims increases with repetition. And at times the consumer is indifferent between alternative brands.

Changizi (2008) talks about the non-conscious effect of advertisement. He observes that direct exposure of advertisement influences the preference of consumers, but the consumers are more affected by advertisements that they are not conscious while seeing.

IV. ANALYSIS OF DATA

Table No.1 Mean and SD of Social Awareness in Role of Advertising Agency's

Awareness factors	Mean	SD
Anti Smoking Campaigns	4.880	0.432
Animal cruelty Prevention	4.740	0.560
Child abuse Awareness	4.740	0.560
Auto Safety	4.780	0.461

Based on the mean score Anti smoking campaigns (4.880) is the most important factor, followed by anti safety (4.780) and so on.

Table No. 2 Mean and SD of Media in Role of Advertising Agency's

Media factors	Mean	SD
Awareness	4.920	0.272
Profits	4.620	0.486
Brand	4.720	0.532
Demand	4.740	0.440

Based on mean score, Awareness (4.920) is considered as the important factor in role of Advertising agencies followed by demand (4.740), Brand (4.720), Profits (4.620).

Table No.3 Mean and SD of Manufacturers in Role of Advertising Agency's

Manufacturers factors	Mean	SD
Increase Sales	4.920	0.272
Explores New Market	4.600	0.567
Controls Prices	4.760	0.513

Based on mean score, increase sales (4.920) is considered as the important factor in manufacturers in role of advertising agencies followed by controls prices (4.760) and explores new market (4.600).

Table No. 4 Mean and SD of Middle men in Role of Advertising Agency's

Middlemen factors	Mean	SD
Quick Sales	4.840	0.418
Acts as Salesmen	4.640	0.481
Retail Price Maintenance Possible	4.760	0.473

Based on the mean score, quick sales (4.840) is considered as the important factor followed by retail price maintenance possible (4.760),acts as salesmen (4.640)

Table No.5 Mean and SD of Sales force and Advertising in Role of Advertising Agency's

Table No. 8 One Way ANOVA of Role of Advertising Agencies

Factors		Sum of Squares	df	Mean Square	F	Sig.
Social Awareness	Between Groups	10.456	2	5.228	1.665	.191
	Within Groups	775.420	247	3.139		
	Total	785.876	249			
Media	Between Groups	37.149	2	18.574	6.548	.002
	Within Groups	700.675	247	2.837		
	Total	737.824	249			
Manufacturers	Between Groups	30.900	2	15.450	12.330	.000
	Within Groups	309.500	247	1.253		
	Total	340.400	249			
Middle Men	Between Groups	5.600	2	2.800	2.231	.110
	Within Groups	310.000	247	1.255		
	Total	315.600	249			
Sales Force and Advertising	Between Groups	27.025	2	13.512	10.702	.000
	Within Groups	311.875	247	1.263		
	Total	338.900	249			
Consumers	Between Groups	21.600	2	10.800	12.350	.000

Sales force factors	Mean	SD
Creates colorful background	4.880	0.382
Reduces burden of job	4.660	0.553
Instills self confidence	4.840	0.418

Based on mean score creates colourful background (4.880) is considered as the important

Factor, followed by instills self confidence(4.840),reduces burden of job (4.660)

Table No.6 Mean and SD of Consumers in Role of Advertising Agency's

Consumer factors	Mean	SD
Decision Making	4.880	0.326
Better Quality	4.680	0.467
Saves time	4.800	0.448

Based on mean score ,decision making(4.880)is the most important factor , followed by saves time (4.800),followed by better quality(4.680)

Table No. 7 Mean and SD of Society of Role of Advertising Agency's

Social factors	Mean	SD
Living Standards	4.900	0.361
Generates employment opportunities	4.760	0.428
Provides new horizons of knowledge	4.680	0.509
Upholds culture of nation	4.480	0.808

Based on mean score, living standards (4.900) is the most important factor , followed by generates employment opportunities (4.760),followed by provides new horizons of knowledge (4.680)and upholds culture of nation(4.480)

	Within Groups	216.000	247	.874		
	Total	237.600	249			
Society	Between Groups	73.025	2	36.513	15.446	.000
	Within Groups	583.875	247	2.364		
	Total	656.900	249			
	Total	6679.696	249			

VII. CONCLUSION

The above table illustrates the role of advertising agencies in Chennai, among the seven factors taken for the study media, manufacturers, sales force and advertising, consumers and society were highly significant at 1 percent level. The F value was the highest for the society when compared with the other factors (15.446)

V. FINDINGS

1. The advertising agencies played a vital role in creating social awareness. Among the four factor studies the anti smoking campaigns tops the list.
2. Among the media factors the advertising agencies concentrated in creating awareness more than earning profit are creating demand.
3. With respect of manufacturers the advertising agencies were mainly involved in increasing the sales.
4. For the middlemen the advertising agencies helped in quick sales.
5. The advertising agencies creates colourful background for the products.
6. It helps the consumers to take prompt decisions.
7. The agencies had improved the standard of living of the consumers by providing updated products
8. The factors like media, manufacturers, sales force and advertising, consumers and society were highly significant at 1 percent level

VI. SUGGESTIONS

1. The advertising agencies should create awareness about child abuse, as it is becoming the most prominent evil nowadays
2. Brand awareness must created among the consumers
3. The agencies should concentrate on controlling the price of the products.
4. The agencies should help in retail price maintenance.
5. It should take efforts to reduce the burden of the job.
6. The advertising agencies should strive to provide better quality products.
7. They should concentrate in upholding the culture of our nation.

The role of the advertising agency has evolved over the years . It has changed from an organization that develops, designs and launches print, radio and television ads, to an organization that builds content, provides branding and includes diverse marketing strategies. Because the lines of advertising and the role of advertising agencies has become so broad, it is important that the agency chosen helps the organization to determine the most appropriate advertising venue for the products. The advertising could be on any social media, using mailer coupons or using content strategies. The agency should state clearly the reasons as to why this is the best way business and niche to succeed.

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