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The Effectiveness of Various Upcoming Media on Company's Sales in Karachi Market

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1 January 2020

Online at <https://mpra.ub.uni-muenchen.de/116348/>
MPRA Paper No. 116348, posted 15 Feb 2023 10:46 UTC

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CHAPTER 1

PROBLEM STATEMENT & ITS BACKGROUND

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1.1 INTRODUCTION

ADVERTISING, a form of commercial mass communication designed to promote the sale of a product or service, or a message on behalf of an institution, organization, or candidate for political office. Evidence of advertising can be found in cultures that existed thousands of years ago, but advertising only became a major industry in the 20th century. Today the industry employs hundreds of thousands of people and influences the behavior and buying habits of billions of people. Advertising spending worldwide now exceeds \$350 billion per year.

The advertising business in the country is as old as the nation itself, though it was very much there before partition also, but the changes it has undergone during the past ten years has made more impact than the remaining forty years put together.

Pakistan was known to be a 'sellers' market until about a decade ago; therefore the manufacturers did not have any marketing problem to worry about. The term 'sales' was more in use than 'marketing' and since a seller's market guarantees total sales of whatever is produced; the manufacturers were in relaxed atmosphere and did little as far as marketing is concerned.

Advertisement today has developed from the traditional writings on the wall or television carried by donkey followed by drum-beating lads that paraded round the streets to the emergence of modern tri-vision.

According to analysts, advertising business in the country has undergone three phases during the past fifty years of its existence. The first phase was the period up to the sixties, when the foreign advertising agencies were functioning very well in the country famous among them in those days were Lintas, known then as Lever's International Advertising Service, D.J. Keymers and the representatives of Walter Thompson.

The second phase came when the industry which was still in its development took a downward trend with the government's ban on the repatriation of foreign exchange which forced most of those foreign agencies that were operating the country to pack up.

The third era of the advertising starts with the return of the foreign ad agencies to the country in the form of affiliations with the locals. The purpose of this study is to verify the significance of one of the medium used by companies to advertise.

Philip Kotler, an authority in marketing and a well known writer of text books on the subject has been quoted as saying that “the first thing I would do in a crisis period is to appoint a cost reduction task force too develop a recession business plan.” But he would not let the finance guys in on the effort as they would: “....cut everything that counts-and tell you to stop marketing, when marketing is the only prop that you can turn to”.

In today's competitive world when companies are continuously coming up with new and improved products to satisfy the need of the customers. We see MNC putting so much cost in advertising of their products. Why companies have so huge advertising budgets? Why they spend so much money on brand awareness?

To make sure that the money they are spending on advertising pays them off. For that the companies are always in search of new medium and techniques of advertising which can deliver their message properly to their target market. I hope this study will help the professional working companies to know which medium is the best for them to advertise for their product and how they can reduce their advertising cost by selecting proper television Channel. The medium which I am studying in this report is television Channel. I feel the study will specially help those companies who advertise mostly on different television Channels and also those who don't. How effective is it for companies to advertise on the television Channel? Do people really notice the advertisement on the different television Channels? Does advertising on the television Channel really provoke people to buy things? Does advertising on the different television Channels are just to

create awareness about the new product or to keep the image of the existing product in consumers mind? These are some of the questions I will try to answer in my study.

The study will also focus how advertising on television Channels is different from other medium and comparison of the cost that other medium charges. The study will also focus on the challenges that television channels are facing in today's competitive world and how they market themselves to capture customers. The study will also focus the legal restrictions television channels' faces by the government and what rights have been given to them by the government.

1.2 STATEMENT OF THE PROBLEM

As Marketing Director of P&G Hans Dewaele in an article in Aurora said that Television advertising is a good vehicle, if managed with discipline.

The topic of this study is very broad. The reason I say that it is very broad is because there are so many mediums besides the one I selected to study.

- Radio
- Newspaper
- Television
- Billboards
- Magazines
- Flyers
- Internet

There are so many variables that can be studied in this topic

- Cost
- Effectiveness
- Effect on sales
- Percentage in budget

The problem statement of my study is

**“THE EFFECTIVENESS OF VARIOUS UPCOMMING MEDIA ON COMPANY’S SALES IN
KARACHI MARKET”**

Basically the intention of the research is to study the following grounds:

- ⊗ Has the proliferation of television channels affected the viewer ship of television ads with respect to the fast moving consumer goods (FMCG) category?

- ✘ Finding out whether the trend of placing ads on television is/has shifted towards other modes of advertising with respect to the fast moving consumer goods (FMCG) category.
- ✘ If the trend has shifted or is shifting towards other modes, then what are the main factors for this trend swing?
- ✘ Which Television channels are more viewed by the audience?
- ✘ Is the population of Karachi city aware of other forms of advertising?
- ✘ Apart from the television, which mode of advertising is the best and attracts most of the people?
- ✘ What other modes of advertising are used here, in Karachi?
- ✘ What are the views of the people of Karachi towards the advertising of same product on different television channels i.e., they like it or not? Whether they prefer them or not? etc.
- ✘ Does the future hold anything in store for this mode of advertising?

1.3 SIGNIFICANCE OF THE RESEARCH

ORGANIZATIONAL PERSPECTIVE

I hope this study will help the professional companies to understand the importance of advertising on Television Channels and how effective it is for them. It will help them to decide in future how much amount should be allocated to the Television Channels before making an advertisement budget. This will also help them to understand the constraints Television Channels companies are facing and building up a relationship between them.

The main benefit will be for the FMCG organizations, as they will know whether the trend of placing television ads has shifted towards the different television channels and also know the attitude of people towards the other modes and how they can use them effectively in order to attract people towards their FMCG products and reduce their advertising cost..

TELEVISION CHANNELS' PERSPECTIVE

I hope this study will help in solving the problems that Television Channels companies are facing. How they can come up with new and innovative ways of advertising.

1.4 SCOPE OF THE RESEARCH

The scope of the research was Karachi city. Karachi is considered as the Mini-Pakistan and, therefore, most inferences made here can be projected nationally. Karachi has a very diverse population, all cultures and social groups can be found here.

The period that I am selecting for my study is the last two years because in the last 2 years we have seen a major change in the Television industry.

The scope of my study is that it will help the professional companies to understand the importance of advertising on Television Channels and how effective they can make it. It will help them to decide in future how much amount should be allocated to the Television Channels before making an advertisement budget. This will also help them to understand the constraints Television Channels companies are facing and building up a relationship between them. It will also help the Television Channels to bring some innovation and how they can improve their services in order to get maximum sponsors.

1.5 DELIMITATIONS OF THE RESEARCH

The delimitation is the changing macro environment in our country the political, social technological legal might bring significant change in what I am studying now. The period that I am selecting for my study is the last two years because in the last 2 years we have seen a major change in the Television industry.

The following points could have originated problems:

- ✧ Response from the Advertising agencies.

- ✧ Response from the Television networks.
- ✧ Response from the Fast Moving Consumer Good Companies
- ✧ Response from the sample chosen for the research, in order to assess the attitude of the people.
- ✧ Law and order situation of Karachi city.

1.6 BASIC ASSUMPTIONS

This research was based on the following mentioned assumptions:

The basic assumption that I have made in my study are as follows.

- ✧ The companies are interested in new TV channels.
- ✧ The new TV channels have a large number of viewer ships as compared to old ones.
- ✧ The television is expensive than other modes of advertising.
- ✧ The television channels have an effect on sales of companies product
- ✧ Organizations are aware of the effectiveness and importance of advertising on different TV channels.

1.7 DEFINITION OF KEY TERMS

⌘ FMCG

It is an abbreviation of **FAST MOVING CONSUMER GOODS**. These products are those products that move promptly in the market and usually everyday products fall in this category, for e.g. shampoos, soaps, detergents etc.

⌘ BILLBOARD ADVERTISING

Bill Board advertising is one of the most important types of out door advertising, which is a large, flat sign structure construct outdoors away from the place of business and carries preprinted message regarding any product or service.

⌘ AERIAL ADVERTISING

Aerial Advertising is one of the types of outdoor advertising, in which message is carries through the air or operating (for or by means of aircraft or elevated cables) in the air.

⌘ TRANSIT ADVERTISING

Transit advertising is one of the types of outdoor advertising which is placed inside or outside public transportation vehicles, in train or bus stations and on platforms, and in airport terminals.

⌘ POSTER ADVERTISING

In poster advertising a sign posted in a public place as an advertisement.

⌘ HAND BILL ADVERTISING

An advertisement (usually printed on a page or in a leaflet) intended for wide distribution.

CHAPTER 2

RESEARCH METHODS & PROCEDURES

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2.1 **RESEARCH DESIGN**

✧ **THE NATURE OF THE STUDY**

This study will be a “**DESCRIPTIVE STUDY**”. The reason behind is the identification of different variables, which will be involved in the research in order to analyze their effect.

Also it will be an “**EXPLORATORY STUDY**”. The reason for selecting this is that because there is a lack of information available on my topic.

✧ **STUDY SETTING**

Variables will be neither controlled nor manipulated, and no artificial setting will be created for this study i.e., **NON-CONTRIVED**.

✧ **UNIT OF ANALYSIS**

The basic units of analysis will be,

- ✦ Advertising Agencies.
- ✦ Television Networks.
- ✦ Fast Moving Consumer Good Companies.
- ✦ Residents of Karachi City.

✧ **TIME HORIZON**

The data for this research will be collected over a one month period. The study is cross-sectional in nature because there is no previous research or study on this topic.

2.2 RESEARCH METHOD

The research methods for my research are descriptive and exploratory methods, as discussed earlier

The reason for that is because of huge number of Television Channels in these areas and the amount of people view is huge.

The reason for selecting descriptive method is because it is useful for investigating and analyzing a variety of business and advertising problems.

The reason for selecting exploratory research is that because there is a lack of information available on television. I am going to visit companies for my research

2.2 RESPONDENTS OF THE STUDY

Following were the respondents of the research:

- ✚ The residents of Karachi city. A **sample size** of **100** from different areas.
- ✚ Television Networks operating in Karachi.
- ✚ Media buying House
- ✚ Advertising Agencies operating in Karachi.
- ✚ Fast Moving Consumer Good Companies operating in Karachi.

2.3 RESEARCH INSTRUMENT

The data for this research will be collected through the following instruments:



- ✚ Questionnaire for the consumer point of view.
- ✚ Telephone interview
- ✚ Face to face interviews
- ✚ Unstructured interviews from the organizations under study as mentioned in the respondents of the study section (2.2) which are Television Networks operating in Karachi, Advertising Agencies operating in Karachi, Fast Moving Consumer Good Companies operating in Karachi..
- ✚ Personal observations
- ✚ Internet
- ✚ Magazines

As my research is descriptive and exploratory so it's best to collect descriptive data from questionnaire, interviews, personal observation.






From these instruments I can get the views of people what they think about Television Channels.

2.4 SOURCES OF DATA

Below mentioned will be the sources of data collection:

-  Primary Sources.
-  Secondary Sources.

Most of the data present in the research will comprised of primary data, although secondary data will also be used which will be collected from the following sources:

-  Internet.
-  Magazines.
-  Articles.
-  Cyber Letters.
-  Books.

2.5 TREATMENT OF THE DATA

-  Percentage sampling technique will be used to analyze the data

CHAPTER 3

REVIEW OF RELATED LITERATURE & STUDIES

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3.1 LOCAL LITERATURE

(ADVERTISING) - INDUSTRY GROWTH

Until a few years ago, other modes of advertising were the least preferred and understood advertising medium in Pakistan. The sector was much disorganized and there was a total absence of any standards of reference in terms of quality or cost. Maintenance was a constant issue and in the more remote areas there was no real accountability with regard to continued presence of contracted signs. There were also no serious efforts made to innovate and develop new products.

Gradually all this has changed for the better. Today, there is an increased awareness among the advertisers regarding other modes of advertising as part of the media mix, and the introduction of innovative technology is clearly helping the process. Consequently, there has been a healthy growth in the market, particularly in value terms, and a more professional basis for competition has been created.

New and innovative ideas are becoming increasingly eye-catching. Larger formats continue to remain in vogue and are placed in strategic locations in the major cities. There has also been a spurt in the growth of the small formats; this is regarding the outdoor advertising. Even vertical backlit signs are appearing in selected commercial and business districts. The new emerging technology covering material and design features has added to richness, quality and visibility.

Despite these positive developments there is still considerable room for improvements. Infrequent changes in government policy, and a lack of uniformity in taxes, currently applied on a local basis, are adversely affecting the performance of the industry.

Substantial investments are being made by a number of local companies and advertisers to elevate industry standards in terms of materials and organizational skills. By its very nature, this industry calls for upfront investment and investment is forthcoming. That is indeed a good sign, particularly at a time when the economic situation in the country is still not settled completely.

3.2 FOREIGN LITERATURE

The **TEN** ways Other Modes of advertising are different today

1. Other Modes offer a treasure trove of choices that suit every target, geography, and strategy.
2. Other Modes today are a vital element in every well-conceived plan.
3. Other Modes' category mix is well balanced.
4. Qualitative studies abound.
5. Quantitative data are in ready supply.
6. The quality of creative output is superb.
7. Technology has enabled virtually anything imaginable.
8. Accountability is state of the art.
9. Other Modes are easier to buy.
10. Other Modes are - more than ever before - the last mass medium.

THE MERITS OF TRANSIT ADVERTISING

- ✧ Airport Displays
- ✧ Bus Displays (interior & exterior)
- ✧ Subway and Rail Displays (exterior graphics, interior posters & train cards)
- ✧ Taxi Displays (tops, trunk and interior displays & exterior wraps)
- ✧ Truck side Displays (sides, tails & headers)
- ✧ Vehicle Wraps (cars & vans)

Evidence regarding that outdoor advertising is a critical medium to reach consumers in the 21st century can be judged by the following different statements and remarks:

McDonald's

"Transit advertising is ideal for driving impulse purchase. With so much of our store sales coming from impulse buyers, the big, bold food-focus ad images on a wide array of transit properties are making a significant impact."

Mark Freeman, Owner-Operator, President, McDonalds

Lipton Tea

"The benefits of transit advertising are enormous because it enables us to reach towards our target in a most efficient way both with respect of time and cost which is not possible by other means".

Joel Manby, Marketing Director , Lipton

Six Flags Amusement Parks

"Wrapped buses created an eye-catching, attractive and fun campaign. An added benefit was that the mobility of the campaign introduced our theme park to tourists coming from outer markets."

Linda Taylor, Marketing Director, Six Flags Amusement Parks

NEWSPAPERS. Newspapers are one of the traditional mediums used by businesses, both big and small alike, to advertise their businesses.

ADVANTAGES

- Allows you to reach a huge number of people in a given geographic area
- You have the flexibility in deciding the ad size and placement within the newspaper
- Your ad can be as large as necessary to communicate as much of a story as you care to tell
- Exposure to your ad is not limited; readers can go back to your message again and again if so desired.
- Free help in creating and producing ad copy is usually available
- Quick turn-around helps your ad reflect the changing market conditions. The ad you decide to run today can be in your customers' hands in one to two days.

DISADVANTAGES

- Ad space can be expensive
- Your ad has to compete against the clutter of other advertisers, including the giants ads run by supermarkets and department stores as well as the ads of your competitors
- Poor photo reproduction limits creativity
- Newspapers are a price-oriented medium; most ads are for sales
- Expect your ad to have a short shelf life, as newspapers are usually read once and then discarded.
- You may be paying to send your message to a lot of people who will probably never be in the market to buy from you.
- Newspapers are a highly visible medium, so your competitors can quickly react to your prices

- With the increasing popularity of the Internet, newspapers face declining readership and market penetration. A growing number of readers now skip the print version of the newspaper (and hence the print ads) and instead read the online version of the publication.

MAGAZINES. Magazines are a more focused, albeit more expensive, alternative to newspaper advertising. This medium allows you to reach highly targeted audiences.

ADVANTAGES

- Allows for better targeting of audience, as you can choose magazine publications that cater to your specific audience or whose editorial content specializes in topics of interest to your audience.
- High reader involvement means that more attention will be paid to your advertisement
- Better quality paper permits better color reproduction and full-color ads
- The smaller page (generally 8 ½ by 11 inches) permits even small ads to stand out

DISADVANTAGES

- Long lead times mean that you have to make plans weeks or months in advance
- The slower lead time heightens the risk of your ad getting overtaken by events
- There is limited flexibility in terms of ad placement and format.
- Space and ad layout costs are higher

YELLOW PAGES. There are several forms of Yellow Pages that you can use to promote and advertise your business. Aside from the traditional Yellow Pages supplied by phone companies, you can also check out specialized directories targeted to specific markets (e.g. Hispanic Yellow Pages, Blacks, etc.); interactive or consumer search databases; Audiotex or talking yellow pages; Internet directories containing national, local and regional listings; and other services classified as Yellow Pages.

ADVANTAGES

- Wide availability, as mostly everyone uses the Yellow Pages
- Non-intrusive
- Action-oriented, as the audience is actually looking for the ads
- Ads are reasonably inexpensive
- Responses are easily tracked and measured
- Frequency

DISADVANTAGES

- Pages can look cluttered, and your ad can easily get lost in the clutter
- Your ad is placed together with all your competitors
- Limited creativity in the ads, given the need to follow a pre-determined format
- Ads slow to reflect market changes

RADIO

ADVANTAGES

- Radio is a universal medium enjoyed by people at one time or another during the day, at home, at work, and even in the car.
- The vast array of radio program formats offers to efficiently target your advertising dollars to narrowly defined segments of consumers most likely to respond to your offer.
- Gives your business personality through the creation of campaigns using sounds and voices
- Free creative help is often available
- Rates can generally be negotiated
- During the past ten years, radio rates have seen less inflation than those for other media

DISADVANTAGES

- Because radio listeners are spread over many stations, you may have to advertise simultaneously on several stations to reach your target audience
- Listeners cannot go back to your ads to go over important points
- Ads are an interruption in the entertainment. Because of this, a radio ad may require multiple exposure to break through the listener's "tune-out" factor and ensure message retention
- Radio is a background medium. Most listeners are doing something else while listening, which means that your ad has to work hard to get their attention

TELEVISION

ADVANTAGES

- Television permits you to reach large numbers of people on a national or regional level in a short period of time
- Independent stations and cable offer new opportunities to pinpoint local audiences
- Television being an image-building and visual medium, it offers the ability to convey your message with sight, sound and motion

DISADVANTAGES

- Message is temporary, and may require multiple exposure for the ad to rise above the clutter
- Ads on network affiliates are concentrated in local news broadcasts and station breaks
- Preferred ad times are often sold out far in advance
- Limited length of exposure, as most ads are only thirty seconds long or less, which limits the amount of information you can communicate
- Relatively expensive in terms of creative, production and airtime costs

DIRECT MAIL. Direct mail, often called direct marketing or direct response marketing, is a marketing technique in which the seller sends marketing messages directly to the buyer.

Direct mail includes catalogs or other product literature with ordering opportunities; sales letters; and sales letters with brochures.

ADVANTAGES

- Your advertising message is targeted to those most likely to buy your product or service.
- Marketing message can be personalized, thus helping increase positive response.
- Your message can be as long as is necessary to fully tell your story.
- Effectiveness of response to the campaign can be easily measured.
- You have total control over the presentation of your advertising message.
- Your ad campaign is hidden from your competitors until it's too late for them to react
- Active involvement - the act of opening the mail and reading it -- can be elicited from the target market.

DISADVANTAGES

- Some people do not like receiving offers in their mail, and throw them immediately without even opening the mail.
- Resources need to be allocated in the maintenance of lists, as the success of this kind of promotional campaign depends on the quality of your mailing list.
- Long lead times are required for creative printing and mailing
- Producing direct mail materials entail the expense of using various professionals - copywriter, artists, photographers, printers, etc.
- Can be expensive, depending on your target market, quality of your list and size of the campaign.

TELEMARKETING. A telephone sale, or telemarketing, is an effective system for introducing a company to a prospect and setting up appointments.

ADVANTAGES

- Provides a venue where you can easily interact with the prospect, answering any questions or concerns they may have about your product or service.
- It's easy to prospect and find the right person to talk to.
- It's cost-effective compared to direct sales.
- Results are highly measurable.
- You can get a lot of information across if your script is properly structured.
- If outsourcing, set-up cost is minimal
- Increased efficiency since you can reach many more prospects by phone than you can with in-person sales calls.
- Great tool to improve relationship and maintain contact with existing customers, as well as to introduce new products to them
- Makes it easy to expand sales territory as the phone allows you to call local, national and even global prospects.

DISADVANTAGES

- An increasing number of people have become averse to telemarketing.
- More people are using technology to screen out unwanted callers, particularly telemarketers
- Government is implementing tougher measures to curb unscrupulous telemarketers
- Lots of businesses use telemarketing.
- If hiring an outside firm to do telemarketing, there is lesser control in the process given that the people doing the calls are not your employees
- May need to hire a professional to prepare a well-crafted and effective script
- It can be extremely expensive, particularly if the telemarketing is outsourced to an outside firm
- It is most appropriate for high-ticket retail items or professional services.

SPECIALTY ADVERTISING. This kind of advertising entails the use of imprinted, useful, or decorative products called advertising specialties, such as key chains, computer mouse, mugs, etc. These articles are distributed for free; recipients need not purchase or make a contribution to receive these items.

ADVANTAGES

- Flexibility of use
- High selectivity factor as these items can be distributed only to the target market.
- If done well, target audience may decide to keep the items, hence promoting long retention and constant exposure
- Availability of wide range of inexpensive items that can be purchased at a low price.
- They can create instant awareness.
- They can generate goodwill in receiver
- The items can be used to supplement other promotional efforts and media (e.g. distributed during trade shows).

DISADVANTAGES

- Targeting your market is difficult.
- This can be an inappropriate medium for some businesses.
- It is difficult to find items that are appropriate for certain businesses
- Longer lead time in developing the message and promotional product
- Possibility of saturation in some items and audiences
- Wrong choice of product or poor creative may cheapen the image of advertiser

GAPS TO BE BRIDGED BY THIS STUDY

The study is going to help the Television stations how they can attract more advertisers and improve their content quality and do research about themselves relating to viewership. That will help them a lot in getting attention of the media planners and the organizations.





The study will also help the organization in understanding the importance of the Television and its effectiveness and how its better in reaching one to one with the target audience.

The study will highlight the areas where television channels can improve and will also help the organization to make their advertising plan more effectively and cost efficiently. This study has also shown that since past few years, other modes of advertising have become very significant for influencing consumer behavior.

Other modes of advertising are no doubt, very effective, both from the organization and consumer perspective and in the present scenario when every body is busy in his or her daily life and no one has time to watch television regularly. Through the proliferation of television channels consumers are getting in the habit of zipping the channels and therefore, the other modes of advertising are starting to build strong foundations due to their constant exposure and direct reach.

3.4 AREAS FOR THE FURTHER STUDIES

The areas for further studies are as follows

-  Peak time of viewership
-  Cost-benefit analysis of television
-  Comparison of television cost with other mediums
-  How TV channels can improve their content quality to attract advertising.

CHAPTER 4

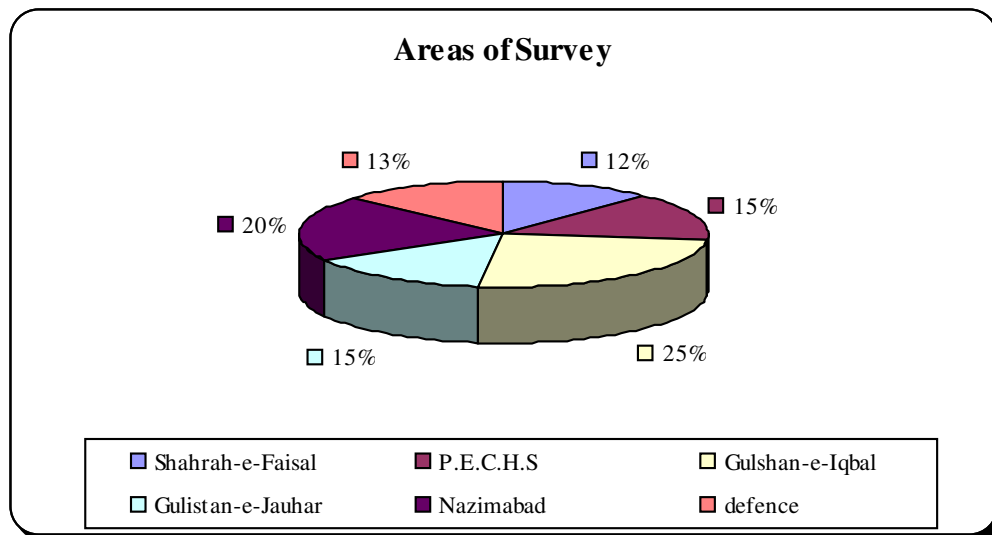
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Frequency and percentage distribution of the response of the survey from different areas of city

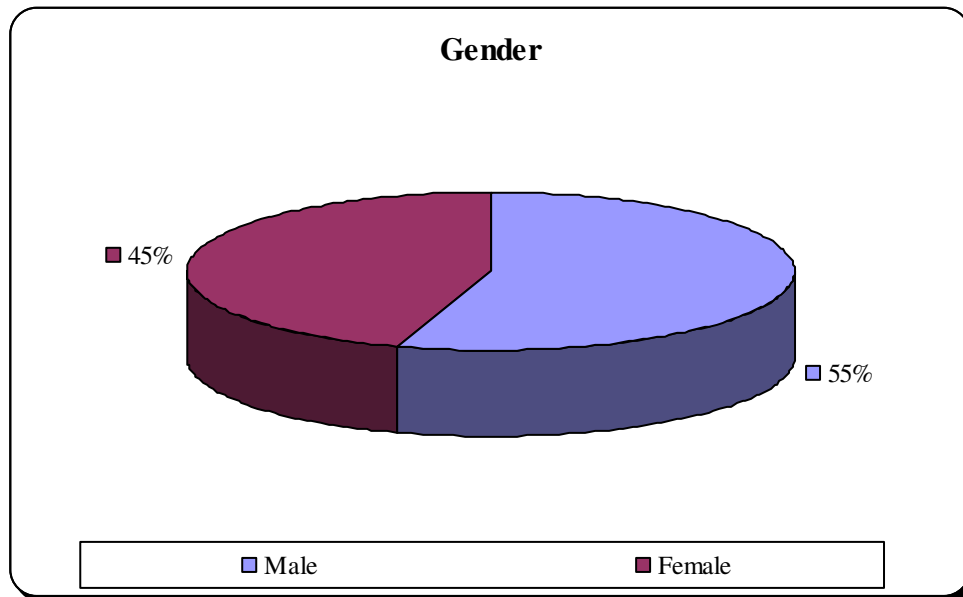
Areas of Survey	Frequency	Percentage
Shahrah-e-Faisal	12	12%
P.E.C.H.S	15	15%
Gulshan-e-Iqbal	25	25%
Gulistan-e-Jauhar	15	15%
Nazimabad	20	20%
Defence	13	13%



The above shown graph presents the areas in which the survey was conducted from within Karachi city. The sample size was 100 and was randomly selected. The percentages show the weightage of the sample selected from each area.

Frequency and percentage distribution of respondents by their Gender

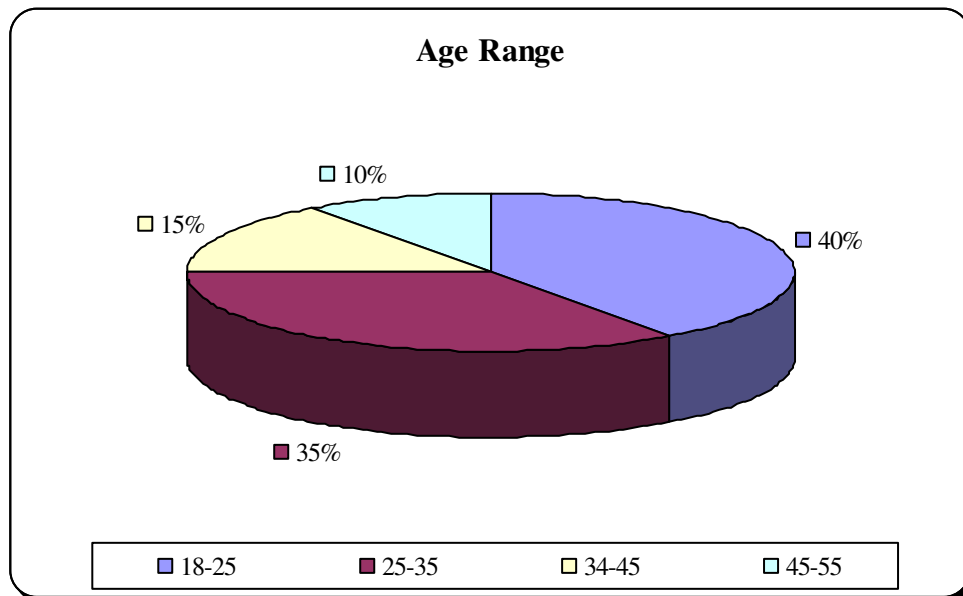
Gender	Frequency	Percentage
Male	55	55%
Female	45	45%



This graph shows the number of males and females which responded to the questionnaire survey. 55% of the sample size was males and the rest of them were females.

Frequency and percentage distribution of respondents by their Age

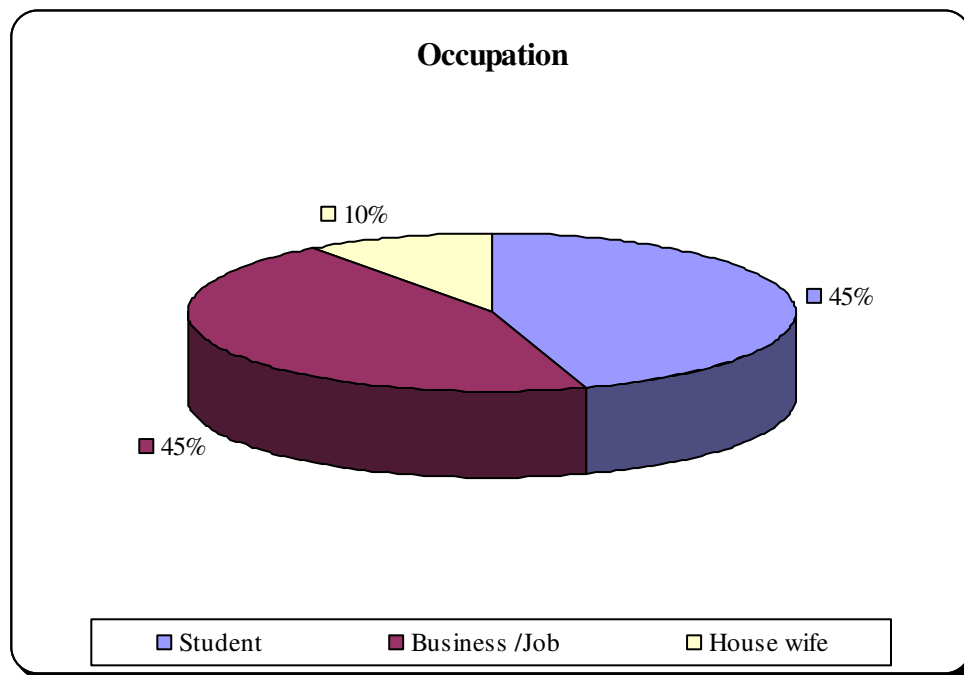
Age Range	Frequency	Percentage
18-25	40	40%
25-35	35	35%
34-45	15	15%
45-55	10	10%



This graph shows the age groups selected for the survey. 18-25 years were 40% because these are youngsters and students and moreover they are the ones who are now days targeted by the FMCG organizations. Secondly there were 25-35 year of age people who responded to the survey and these people belong mostly to the corporate world.

Frequency and percentage distribution of respondents by their occupation

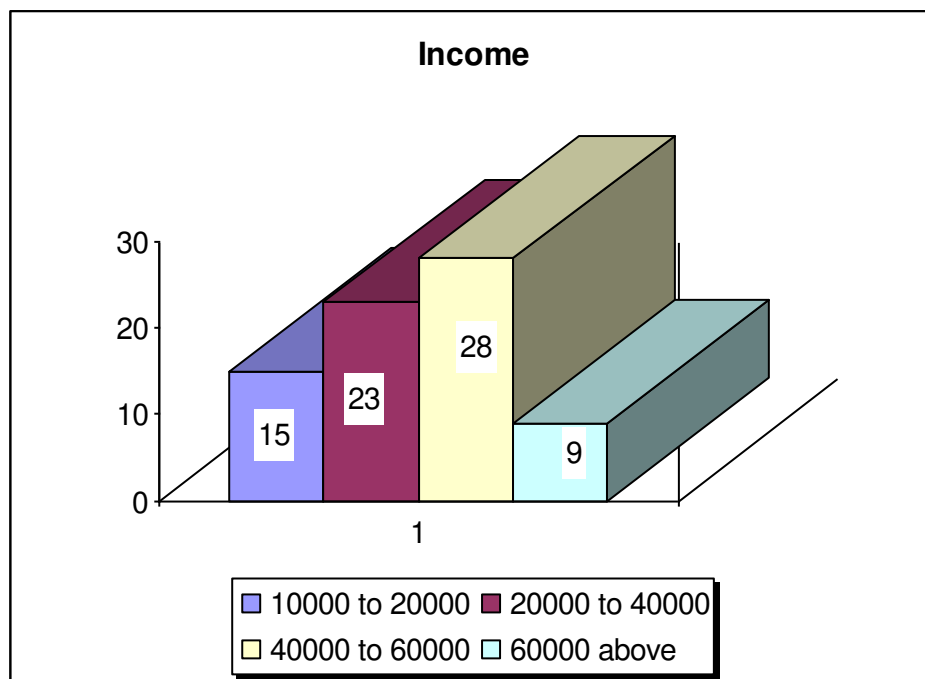
Occupation	Frequency	Percentage
Student	45	45%
Business /Job	45	45%
House wife	10	10%



This graph is about the occupation of the sample selected. Students and business/job occupied people were mostly selected as they are the target for FMCG organizations these days.

Frequency and percentage distribution of respondents by their income level

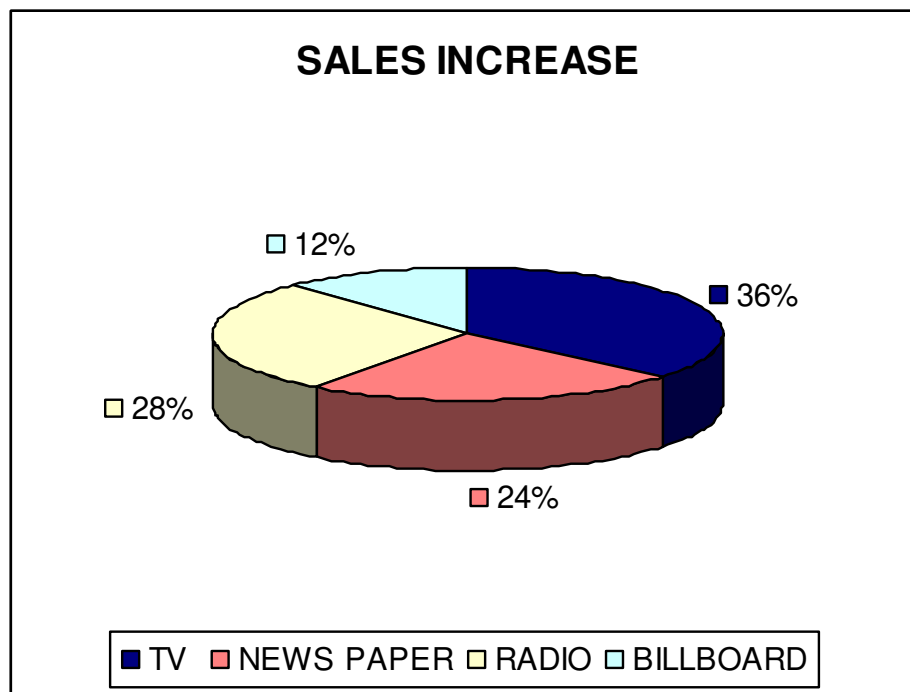
Range	frequency	percentage
10000 to 20000	15	20%
20000 to 40000	23	31%
40000 to 60000	28	37%
60000 above	9	12%



This graph is about the income level of the sample selected. Ranging from 10000 to 20000, and maximum limit was 60000 and above. People were mostly selected as they are the target for FMCG organizations these days.

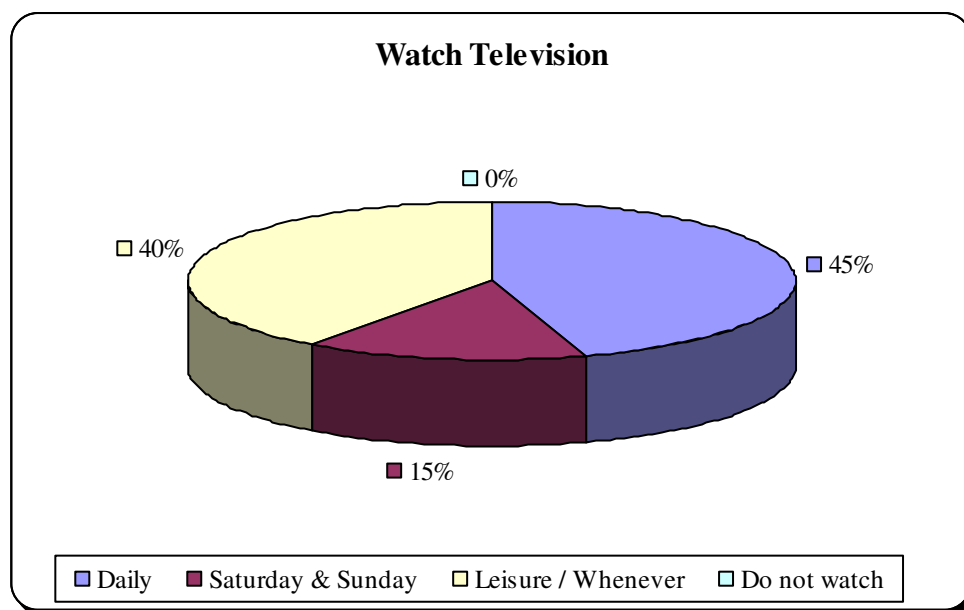
**Frequency and percentage distribution for medium good for
increasing sales**

MEDIUM	FREQUENCY	PERCENTAGE
TV	18	0.36
NEWS PAPER	12	0.24
RADIO	14	0.28
BILLBOARD	6	0.12



Frequency and percentage distribution of respondents by their viewing of television

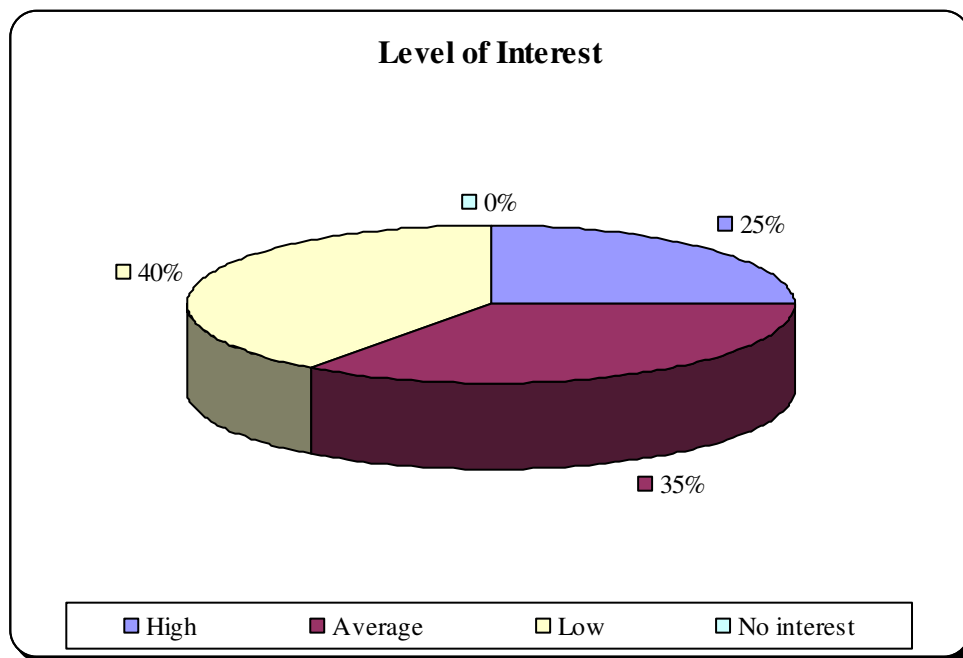
Watch of Television	Frequency	Percentage
Daily	45	45%
Saturday & Sunday	15	15%
Leisure / Whenever	40	40%
Do not watch	0	0%



Everyone watches television. This graph is about how much the people (sample) watch television, out of which daily and leisure / whenever stand out with the percentages of 45% and 40% respectively.

Frequency and percentage distribution of respondents by interest in watching Ads on Television

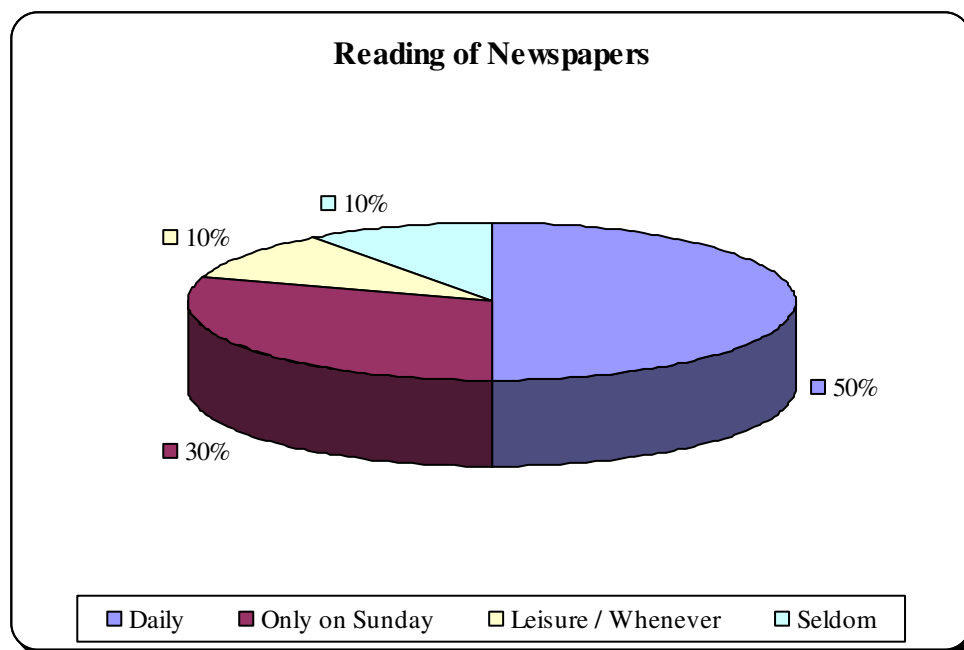
Level of Interest	Frequency	Percentage
High	25	25%
Average	35	35%
Low	40	40%
No interest	0	0%



This graph shows the level of interest of people in watching television ads when watching. 25% of the people watch ads on television with high level of interest which is a very small proportion as compared to the Low (40%) and Average (35%) interest.

Frequency and percentage distribution of respondents by their reading of Newspapers

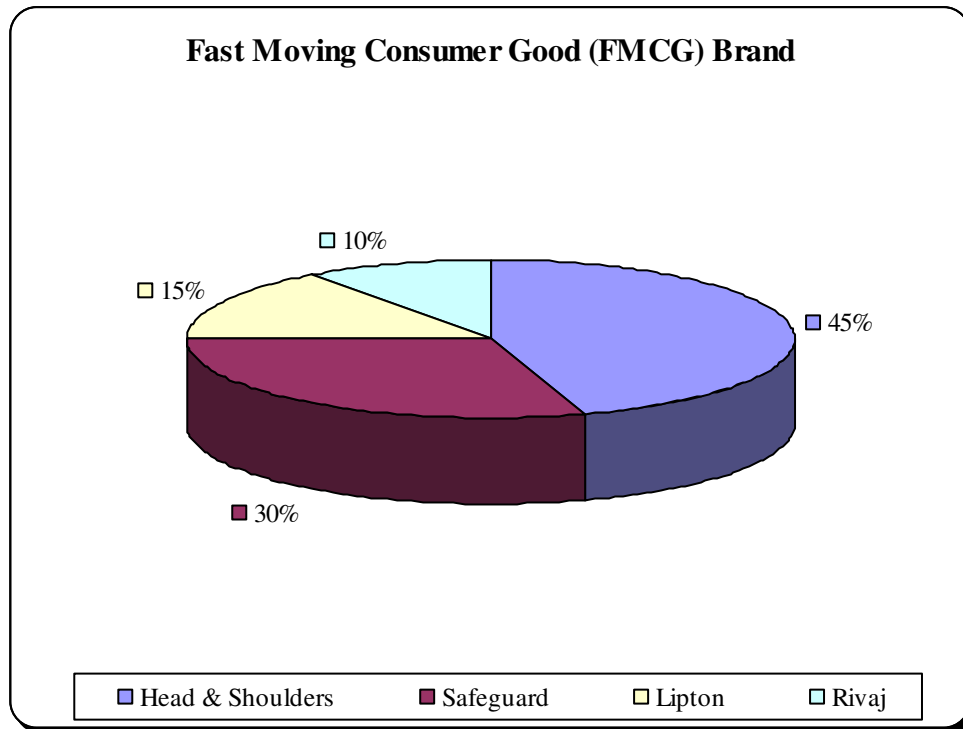
Reading of Newspapers	Frequency	Percentage
Daily	50	50%
Only on Sunday	30	30%
Leisure / Whenever	10	10%
Seldom	10	10%



This graph shows how frequently people read newspapers. Daily stand out with 50% whereas 30% read only on Sundays.

Frequency and percentage distribution of respondents by FMCG Brands

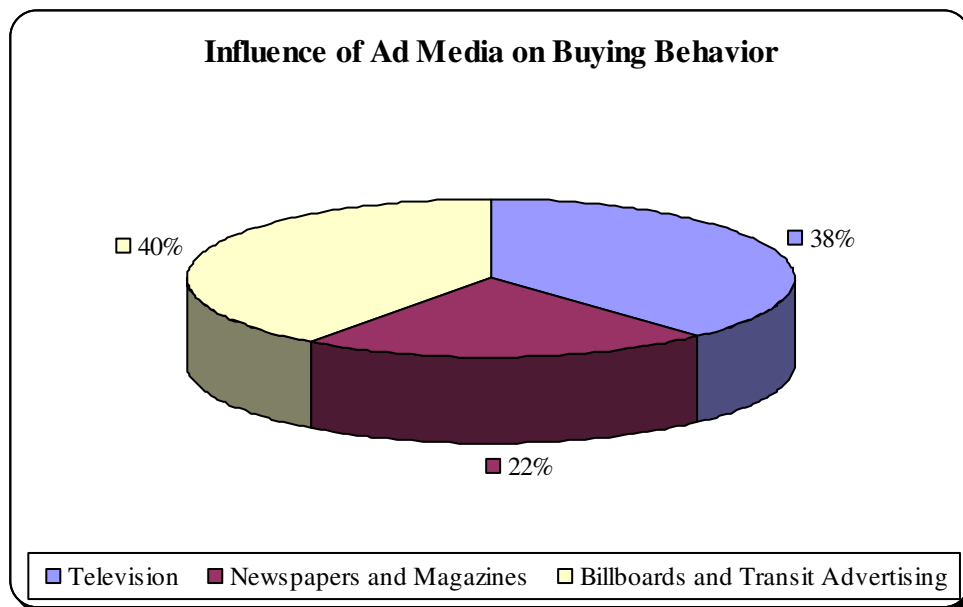
FMCG Brand	Frequency	Percentage
Head & Shoulders	45	45%
Safeguard	30	30%
Lipton	15	15%
Rivaj	10	10%



This graph shows the most favorite brand among consumers, which is Head & shoulders (45%), then comes Safeguard (30%) and then Lipton.

**Frequency and percentage distribution of respondents by the
influence of advertising media on their buying decision of
FMCG Products**

Media	Frequency	Percentage
Television	38	38%
Newspapers and Magazines	22	22%
Billboards and Transit Advertising	40	40%

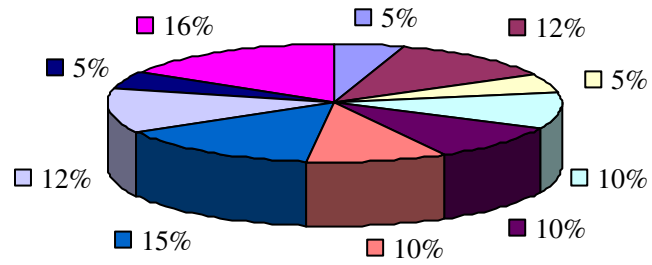


Here the most influencer is the Billboards & Transit Advertising among the ad Medias, share of 40%.

**Frequency and percentage distribution of respondents by their
attention towards billboards due to various features**

Features	Frequency	Percentage
Size of the billboard	5	5%
Color & graphics	12	12%
Product message	5	5%
Location	10	10%
Size of the billboard & color and graphics	10	10%
Size of the billboard and product message	10	10%
Size of the billboard and location	15	15%
Color and graphics and product message	12	12%
Color and graphics and location	5	5%
Product message and location	16	16%

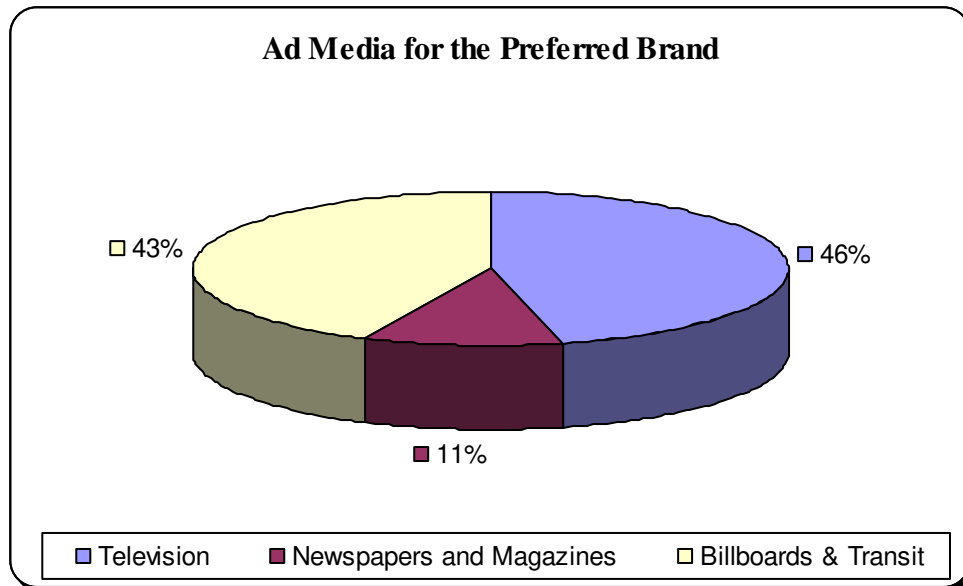
Attention towards Billboards w.r.t its various features



- Size of the billboard
- Color & graphics
- Product message
- Location
- Size of the billboard & color and graphics
- Size of the billboard and product message
- Size of the billboard and location
- Color and graphics and product message
- Color and graphics and location
- Product message and location

Frequency and percentage distribution of respondents by their preference of media for their FMCG Brand

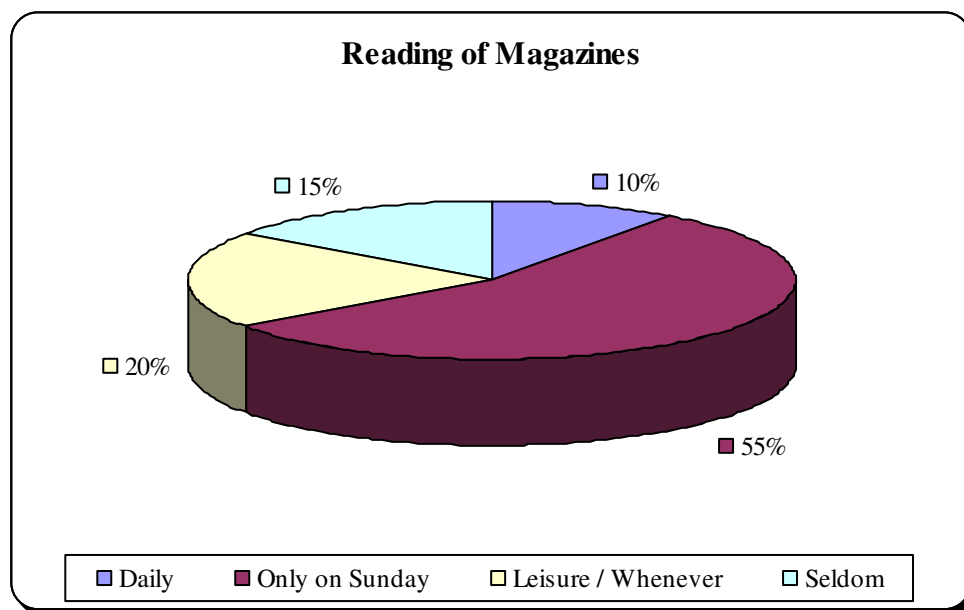
Media	Frequency	Percentage
Television	46	46%
Newspapers and Magazines	11	11%
Billboards & Transit	43	43%



The most preferred ad media by the consumers for their favorite brand is still television but secondly comes the billboards & Transit advertising.

Frequency and percentage distribution of respondents by their reading of Magazines

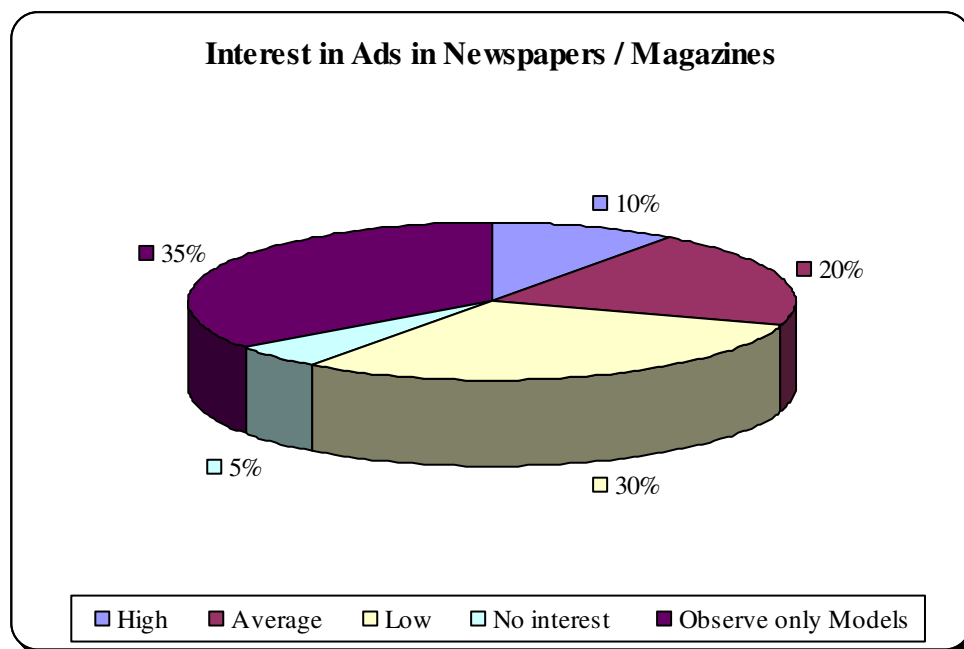
Reading of Magazines	Frequency	Percentage
Daily	10	10%
Only on Sunday	55	55%
Leisure / Whenever	20	20%
Seldom	15	15%



This graph shows how frequently people read magazines. 55% read only on Sundays and 20% in Leisure / Whenever.

Frequency and percentage distribution of respondents by their Interest in watching Ads on Newspapers/Magazines

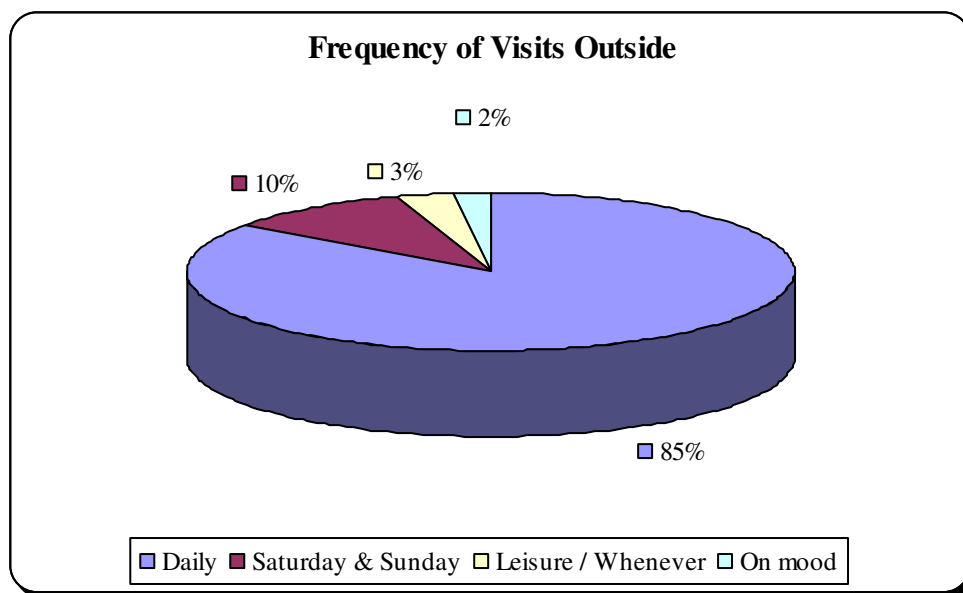
Level of Interest	Frequency	Percentage
High	10	10%
Average	20	20%
Low	30	30%
No interest	5	5%
Observe only Models	35	35%



Level of Interest in watching ads in newspapers / magazines is presented here, 35% observe only models and 30% show low level of interest, but average interest is shown by 20% which is acceptable.

Frequency and percentage distribution of respondents by their outside visit from their home

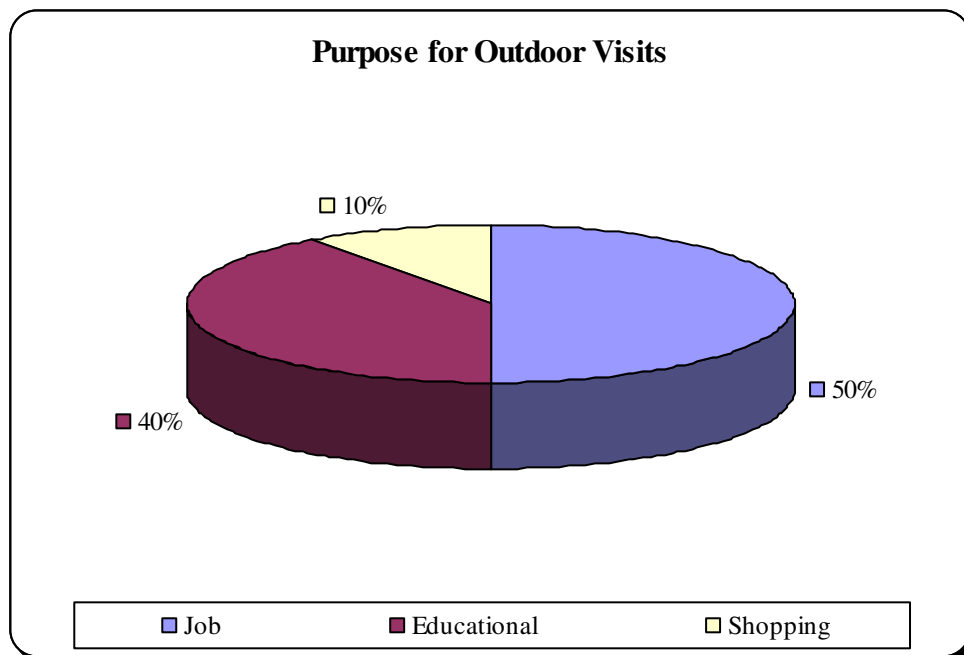
Frequency of visit	Frequency	Percentage
Daily	85	85%
Saturday & Sunday	10	10%
Leisure / Whenever	3	3%
On mood	2	2%



This graph shows how frequently people travel. 85% of the people travel daily, irrespective of the purpose of visit.

Frequency and percentage distribution of respondents by their various purposes for the outside visit from their homes

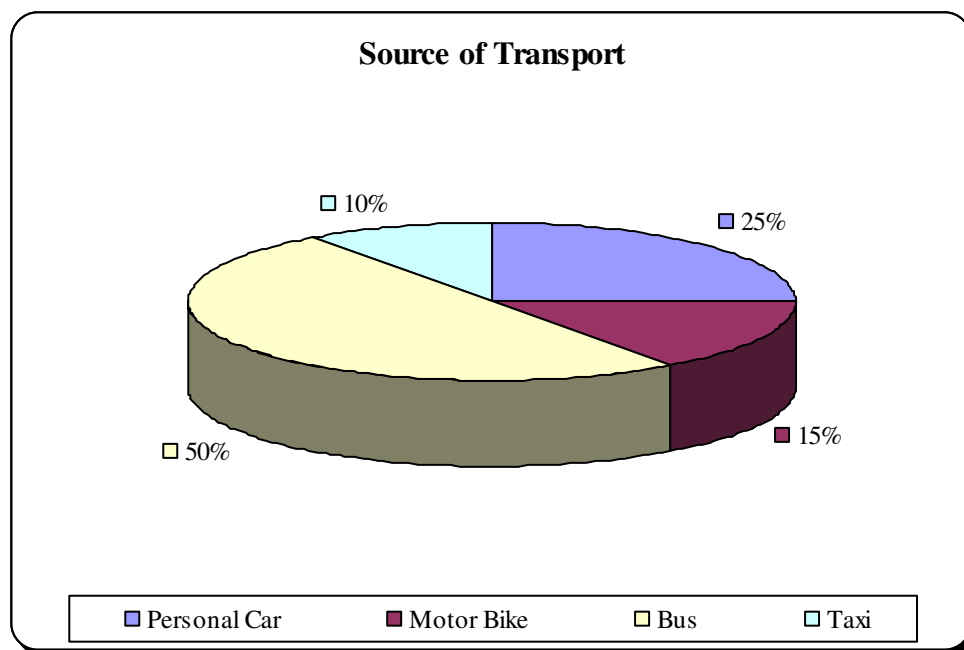
Purpose	Frequency	Percentage
Job	50	50%
Educational	40	40%
Shopping	10	10%



Purpose of visits is shown here in the graph. 50% of the people travel due to the job reasons and 40% for education.

Frequency and percentage distribution of respondents by their source for the outside visit from their homes

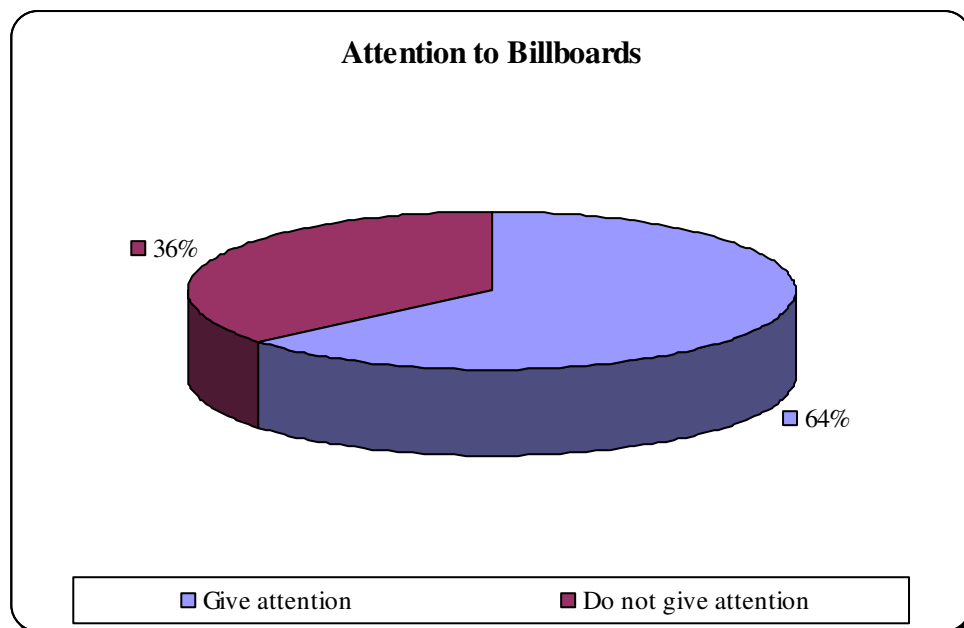
Source of Transport	Frequency	Percentage
Personal Car	25	25%
Motor Bike	15	15%
Bus	50	50%
Taxi	10	10%



How people travel, by what means is shown here. 50% by buses, 25% by personal car whereas 15% by motor bikes.

Frequency and percentage distribution of respondents by their attention to the ads on billboards while traveling outside

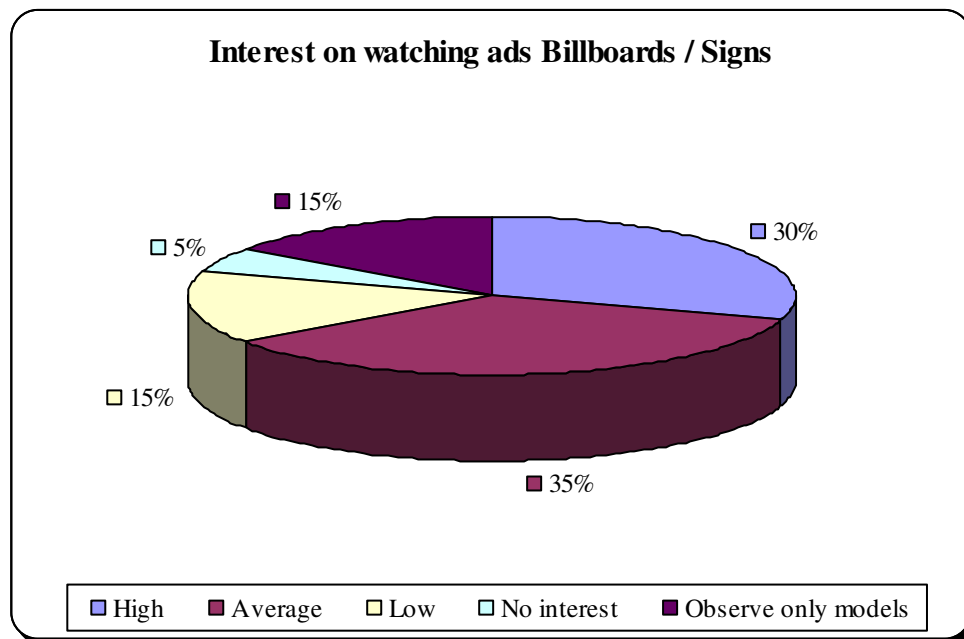
Status	Frequency	Percentage
Give attention	64	64%
Do not give attention	36	36%



Paying attention to billboards, 64% do pay attention to them which is quite a high number.

Frequency and percentage distribution of respondents by their Interest on reading and observing the billboards / signs

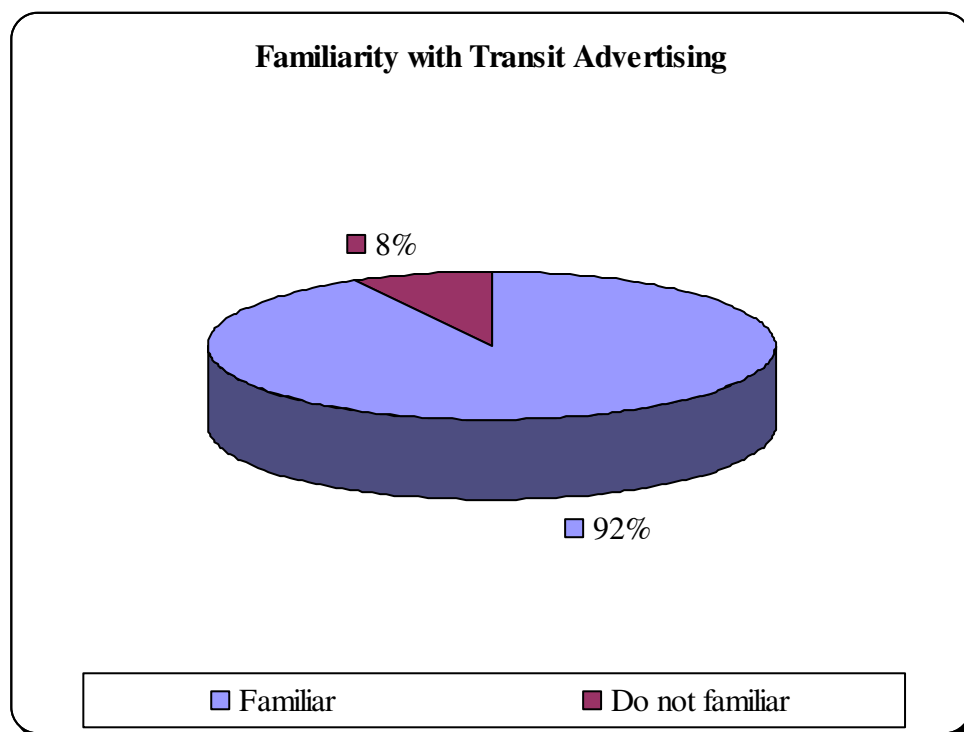
Level of interest	Frequency	Percentage
High	30	30%
Average	35	35%
Low	15	15%
No interest	5	5%
Observe only models	15	15%



High (30%) and average (35%) level of interest stand out here when paying attention question arises and this is acceptable as it is covering 65% of the share.

Frequency and percentage distribution of respondents by their familiarity with transit advertising

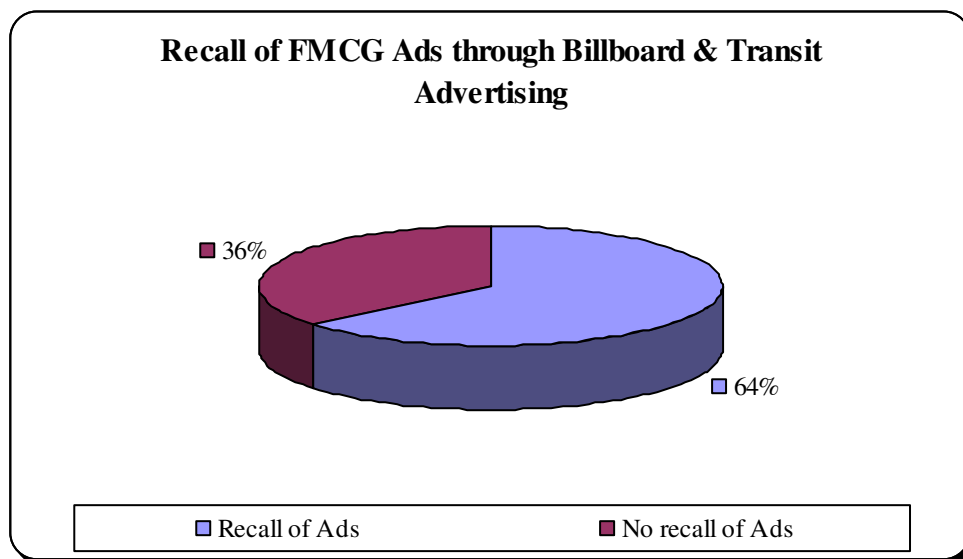
Status	Frequency	Percentage
Familiar	92	92%
Do not familiar	8	8%



How many people are familiar with Transit advertising? 92% are aware of this method of advertising is shown here.

Frequency and percentage distribution of respondents by their recall of the ads through billboard and transit advertising

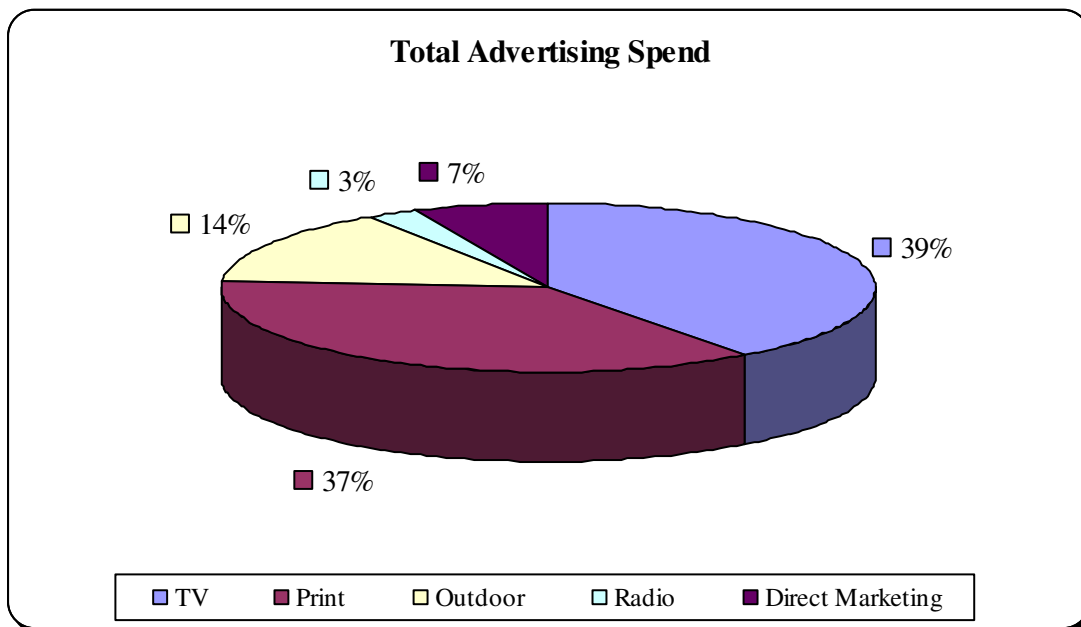
Status	Frequency	Percentage
Recall of Ads	64	64%
No recall of Ads	36	36%



Through Billboards and Transit Advertising the recall is very high (64%).

Total Advertising Spend

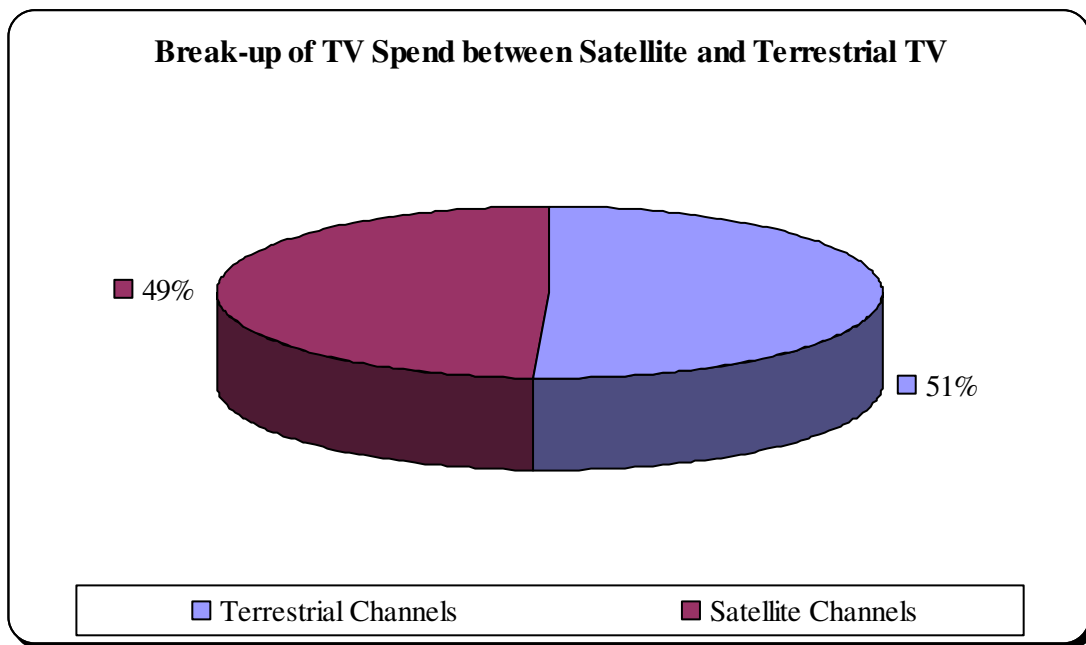
Media	Rs. Billion	% Share
TV	3.9	39.80%
Print	3.6	36.70%
Outdoor	1.4	14.30%
Radio	0.25	2.60%
Direct Marketing	0.65	6.60%
TOTAL	9.8	100.00%



Here is the total advertising spend of all the Medias present. Television dominates and will be dominating, because it is still the most widely accepted and strong medium in Pakistan as well as around the world. Second comes the Print Media with a share of 37% which is not a small amount of share, and this shows that trend has shifted towards the other modes, but not dramatically and drastically.

Break-up of TV Spend between Satellite and Terrestrial TV

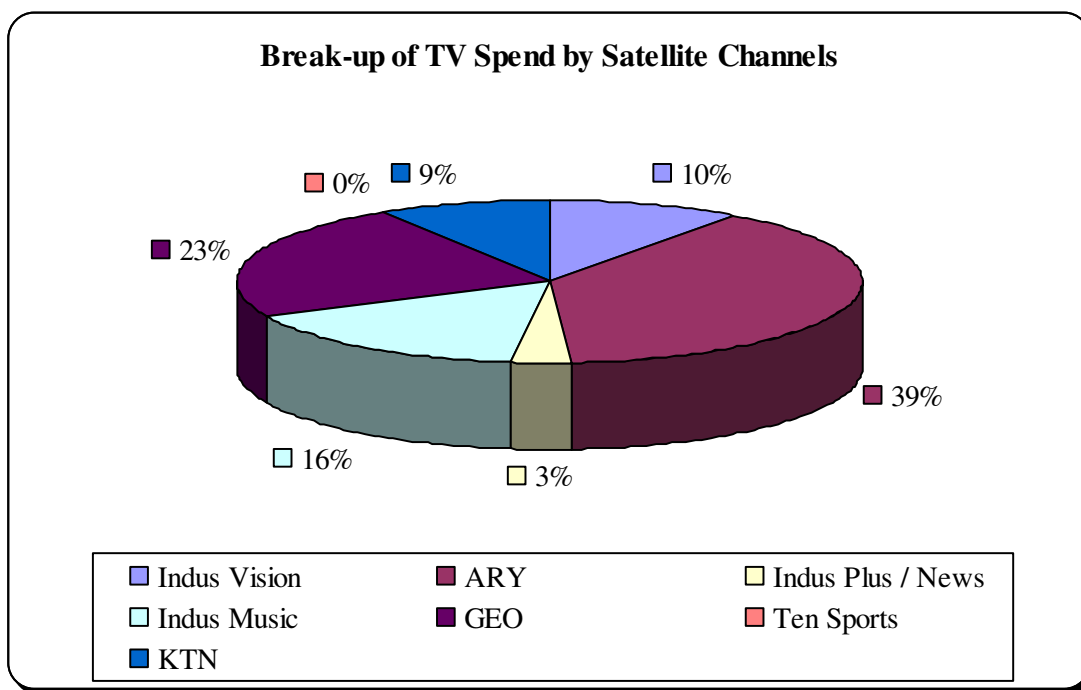
TV Channels	Rs. Billion	% Share
Terrestrial Channels	1.981	50.80%
Satellite Channels	1.91	49.20%
TOTAL	3.981	100.00%



Here is the Break-up between the terrestrial and the satellite TV channels. 51% belongs to the terrestrial channels, whereas 49% belongs to the satellite channels.

Break-up of TV Spend by Satellite Channels

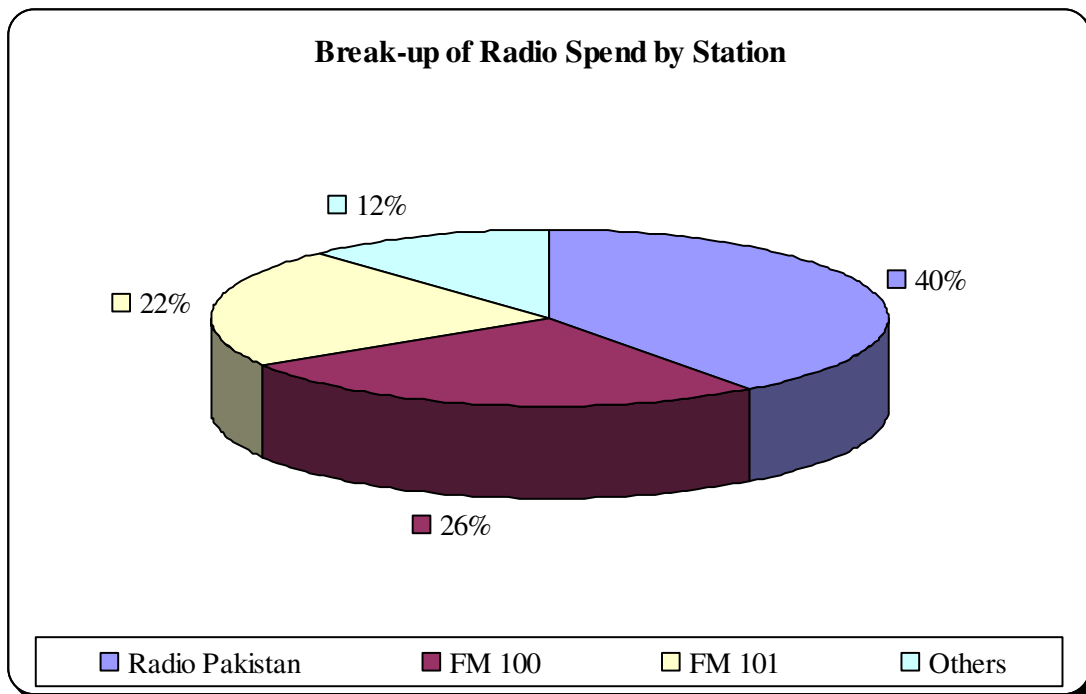
Satellite Channels	Rs. Billion	% Share
Indus Vision	0.191	10%
ARY	0.745	39%
Indus Plus / News	0.057	3%
Indus Music	0.306	16%
GEO	0.439	23%
Ten Sports	0	0%
KTN	0.172	9%
TOTAL	1.91	100%



Here is the break-up of TV Spend by satellite channels. Highest shares go to ARY and GEO (39% & 23% respectively)

Break-up of Radio spend by Station

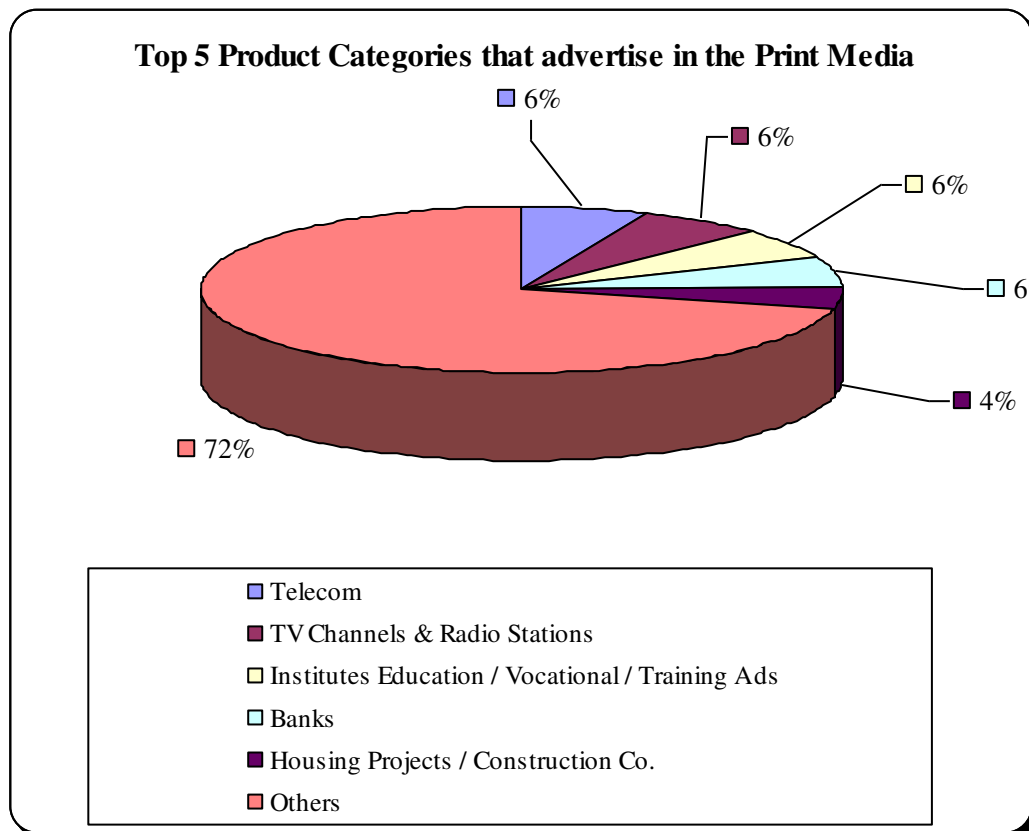
Radio Stations	Rs. Billion	% Share
Radio Pakistan	100	40%
FM 100	65	26%
FM 101	55	22%
Others	30	12%
TOTAL	250	100%



Here is the break-up of Radio Spend by stations operating in Pakistan. Highest share goes to Radio Pakistan as it is a Government organization and second highest share belongs to FM 100, one of the first FM stations to start operation in Karachi.

TOP 5 PRODUCT CATEGORIES THAT ADVERTISE IN THE PRINT

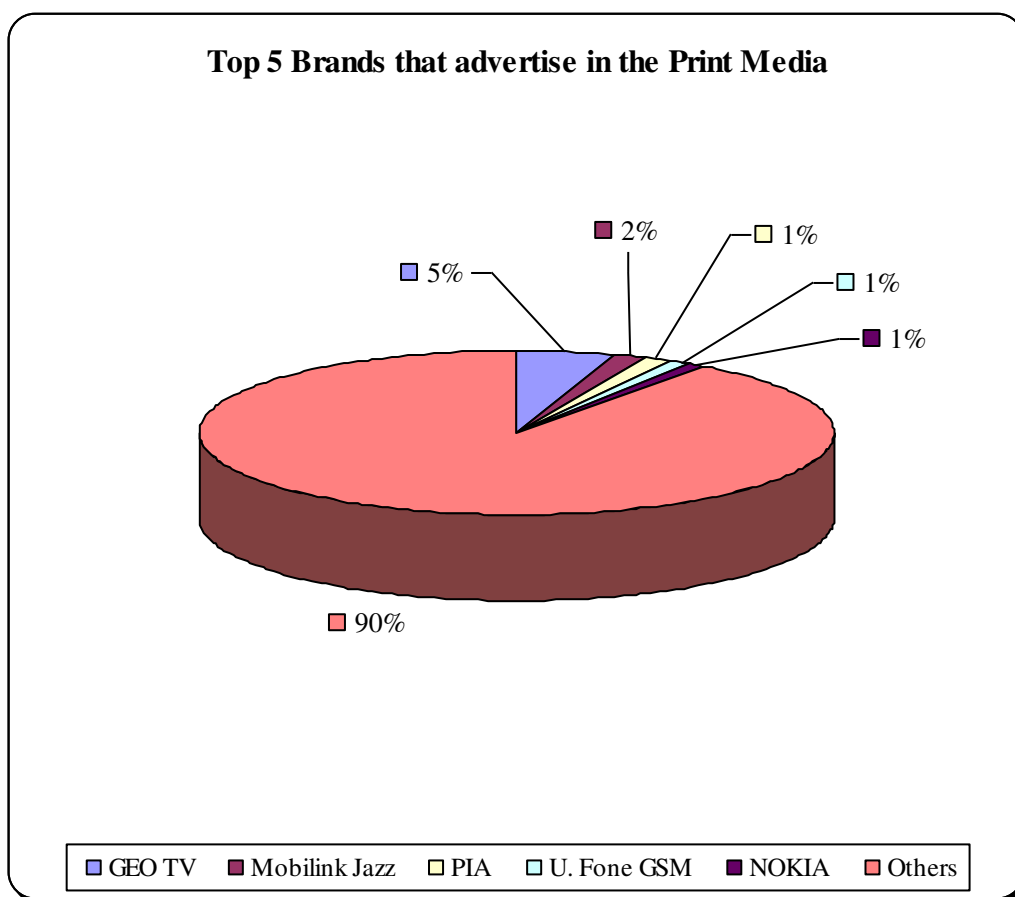
Product Categories	% Share
Telecom	6.48%
TV Channels & Radio Stations	6.28%
Institutes Education / Vocational / Training Ads	5.95%
Banks	5.61%
Housing Projects / Construction Co.	4.42%
Others	71.26%



These are the top 5 product categories that advertise in the Print Media. Most of them have a 6% share in the market for placing ads in the Print media except for Housing project / Construction Co.

TOP 5 BRANDS THAT ADVERTISE IN THE PRINT MEDIA

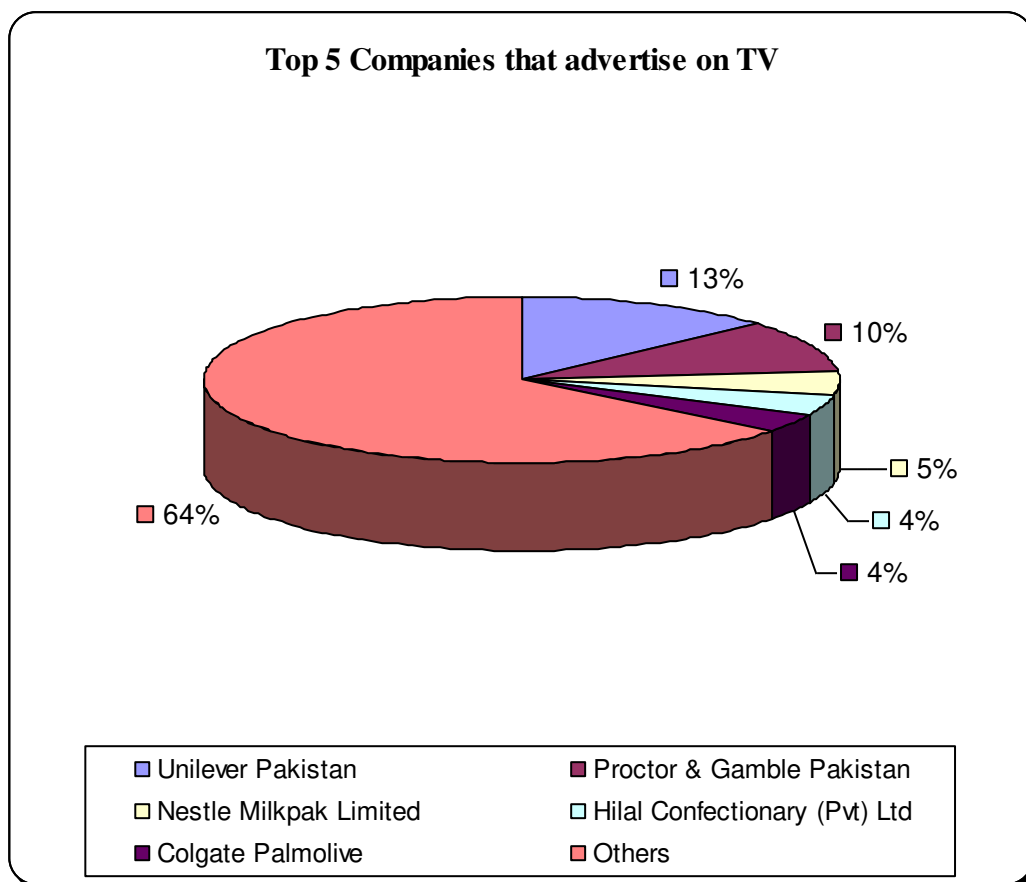
Brands	% Share
GEO TV	4.95%
Mobilink Jazz	1.71%
PIA	1.26%
U. Fone GSM	1.19%
NOKIA	0.81%
Others	90.08%



GEO TV places ads in the print media the most and is the leader.

TOP 5 COMPANIES THAT ADVERTISE ON TV

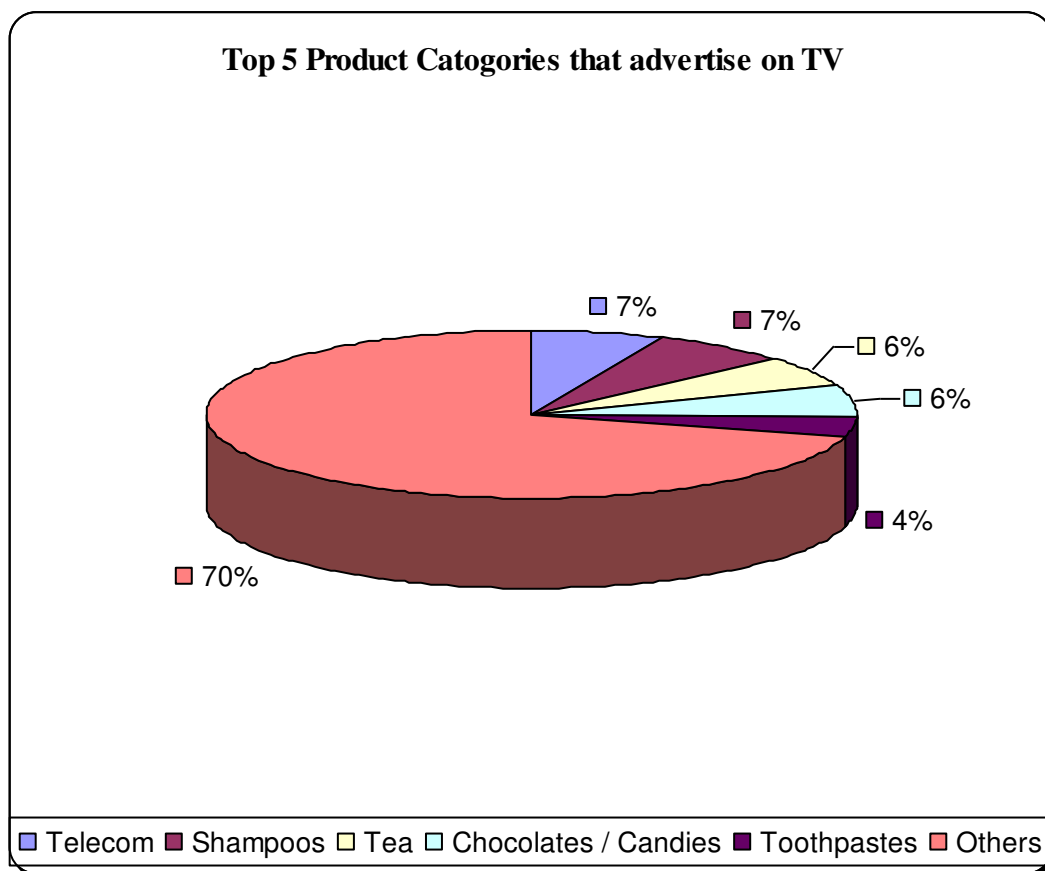
Companies	% Share
Unilever Pakistan	13.38%
Proctor & Gamble Pakistan	10.01%
Nestle Milkpak Limited	4.71%
Hilal Confectionary (Pvt) Ltd	3.96%
Colgate Palmolive	3.54%
Others	64.40%



Top 5 companies that advertise on TV, in which Unilever has the highest market share, and then Proctor & Gamble (10%)

TOP 5 PRODUCT CATEGORIES THAT ADVERTISE ON THE TV

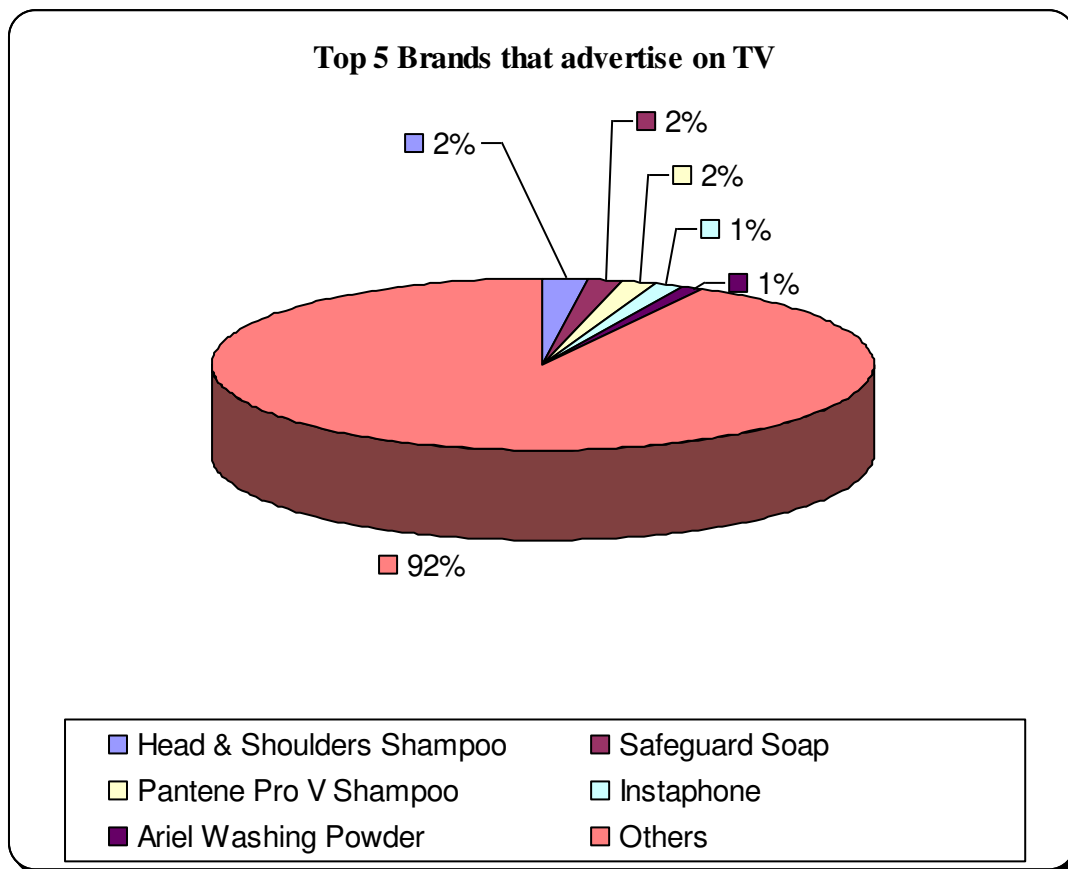
Product Categories	% Share
Telecom	6.71%
Shampoos	6.64%
Tea	6.18%
Chocolates / Candies	6.10%
Toothpastes	3.54%
Others	70.83%



Telecom and shampoos take the lead here in placing ads on television.

TOP 5 BRANDS THAT ADVERTISE ON THE TV

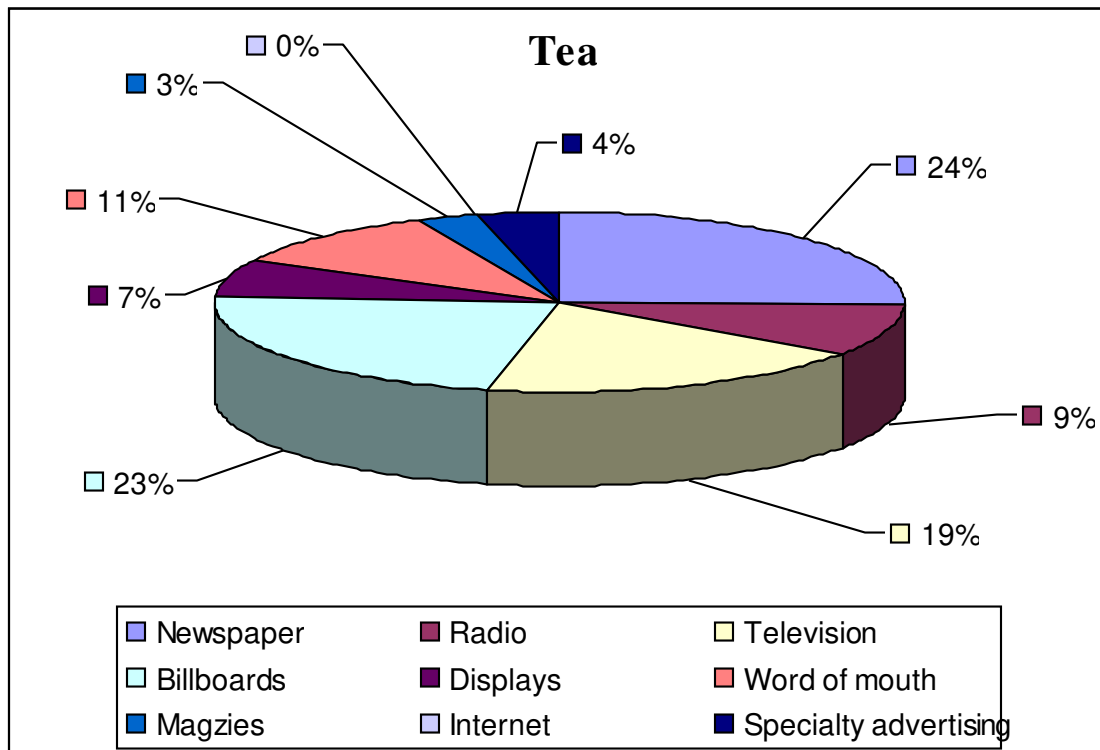
Brands	% Share
Head & Shoulders Shampoo	2.11%
Safeguard Soap	1.86%
Pantene Pro V Shampoo	1.54%
Instaphone	1.32%
Ariel Washing Powder	1.24%
Others	91.93%



Head & Shoulders, Pantene and Safeguard are the top 3 brands that advertise on TV.

Frequency and percentage distribution of respondents persuade through the different medium of advertising

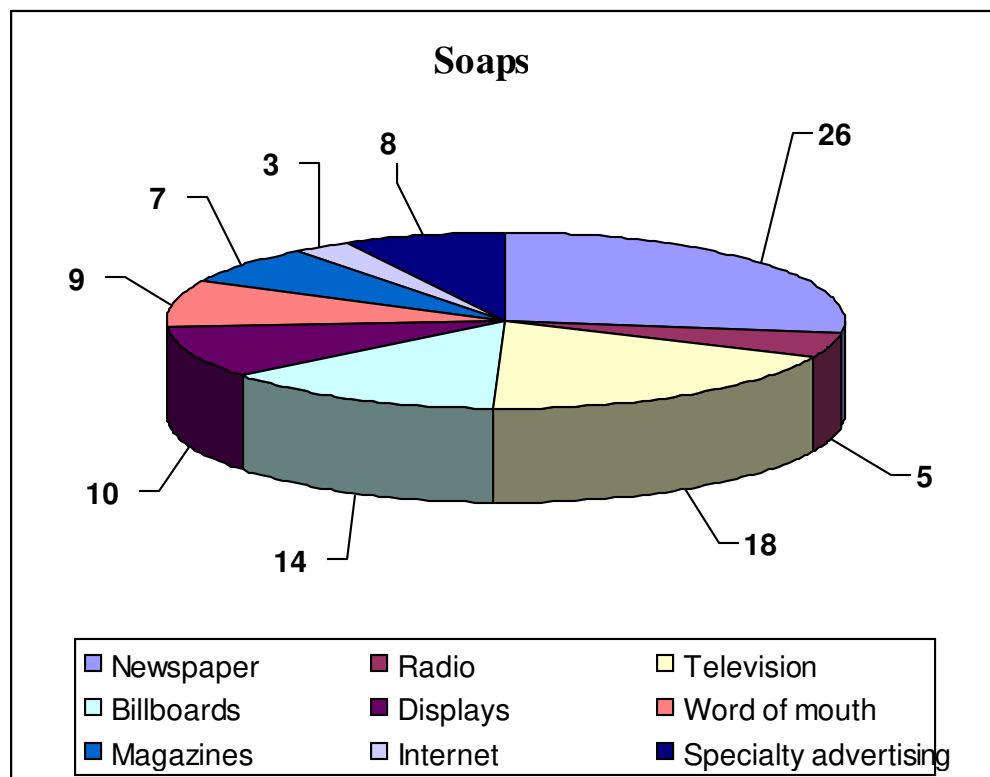
Medium	Response	Percentage
Newspaper	19	24 %
Radio	7	9 %
Television	14	19 %
Billboards	17	23 %
Displays	5	7 %
Word of mouth	8	11 %
Magazines	2	3 %
Internet	0	0 %
Specialty Advertising	3	4 %



This graph shows the level of respondents persuaded by different mediums of advertising in which newspapers effects 24 %, television effects 19 % , billboards effects 23 % and rest of the mediums effect on the sales but with quite equal ratio.

Frequency and percentage distribution of respondents persuade through the different medium of advertising

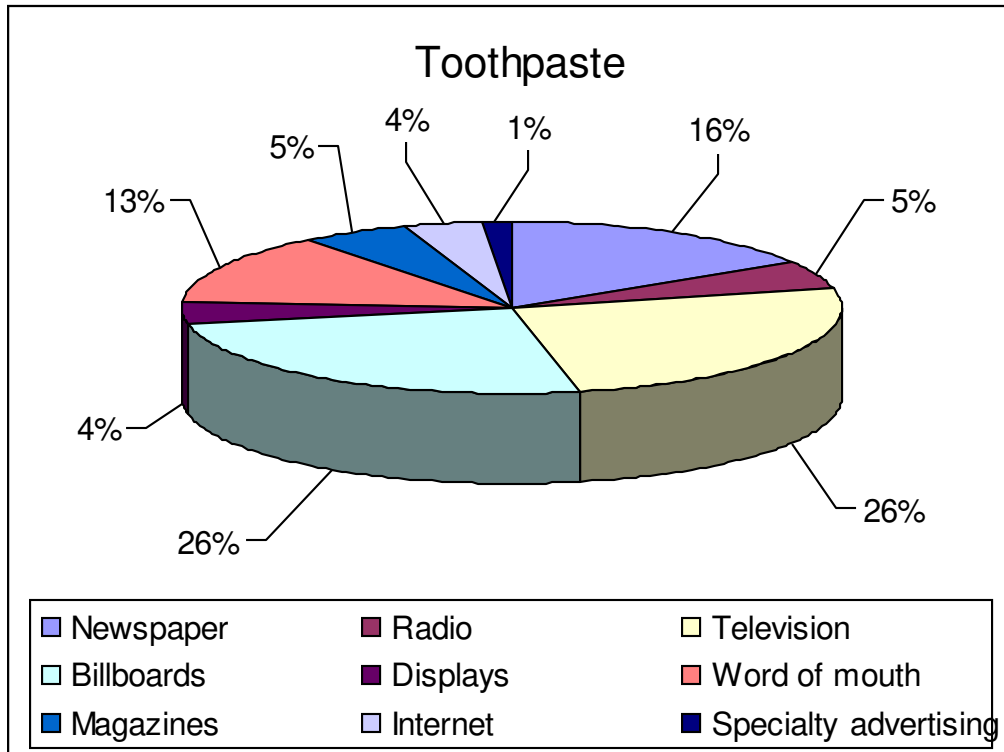
medium	response
Newspaper	28
Radio	5
Television	19
Billboards	14
Displays	10
Word Of Mouth	9
Magazines	7
Internet	3
Specialty Advertising	8



This graph shows the level of respondents persuaded by different mediums of advertising in which newspapers effects 28 respondents, television effects 18 respondents , billboards effects 14 respondents and rest of the mediums effect on the sales but with quite low ratio.

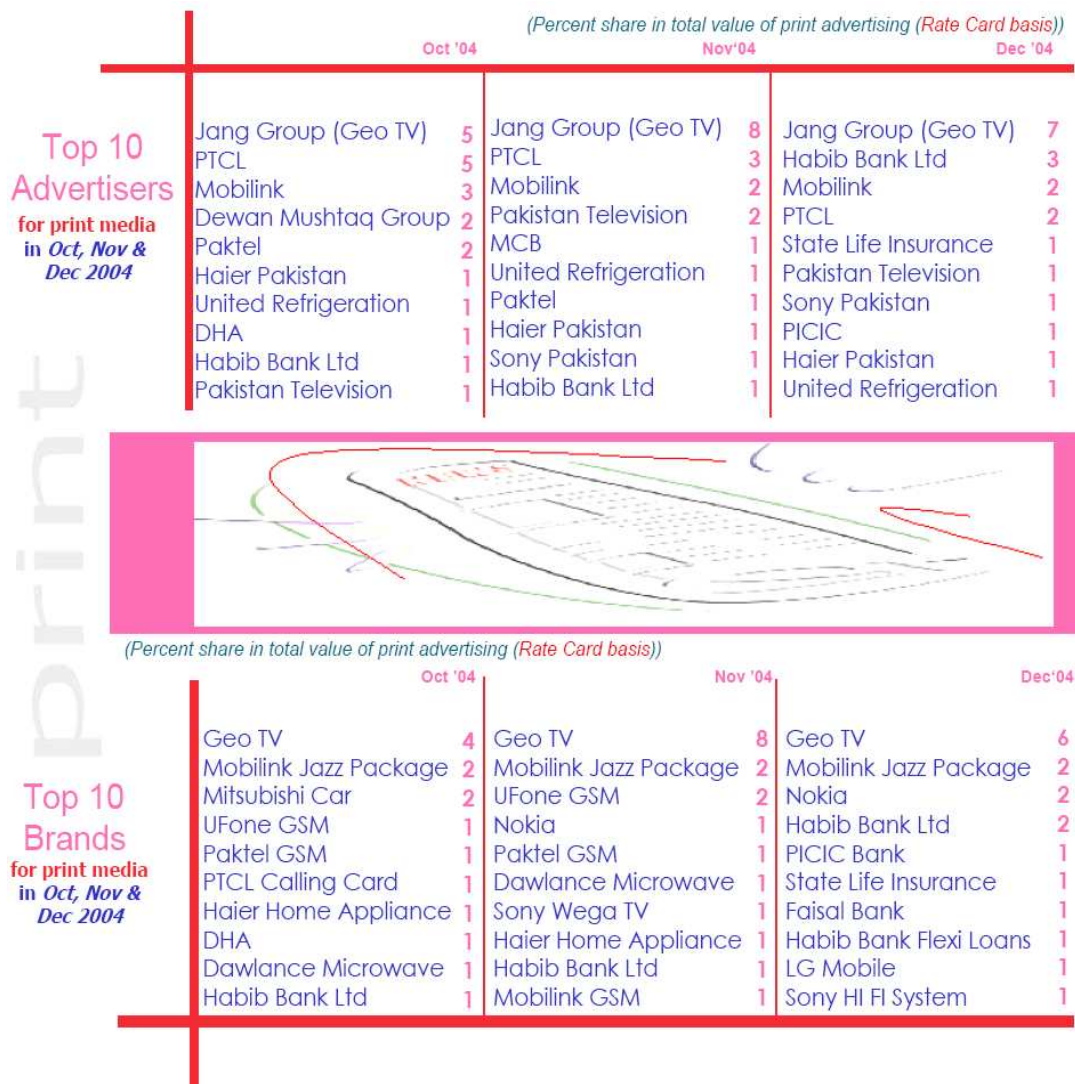
Frequency and percentage distribution of respondents persuade through the different medium of advertising

Medium	Response
newspaper	12
radio	4
Television	19
billboards	19
displays	3
word of mouth	10
magazines	4
internet	3
specialty advertising	1



This graph shows the level of respondents persuaded by different mediums of advertising in which newspapers effects 16% respondents, television effects 26 % respondents , billboards effects 26 % respondents, 13% respondents are persuade byword of mouth and rest of the mediums effect on the sales but with quite low ratio

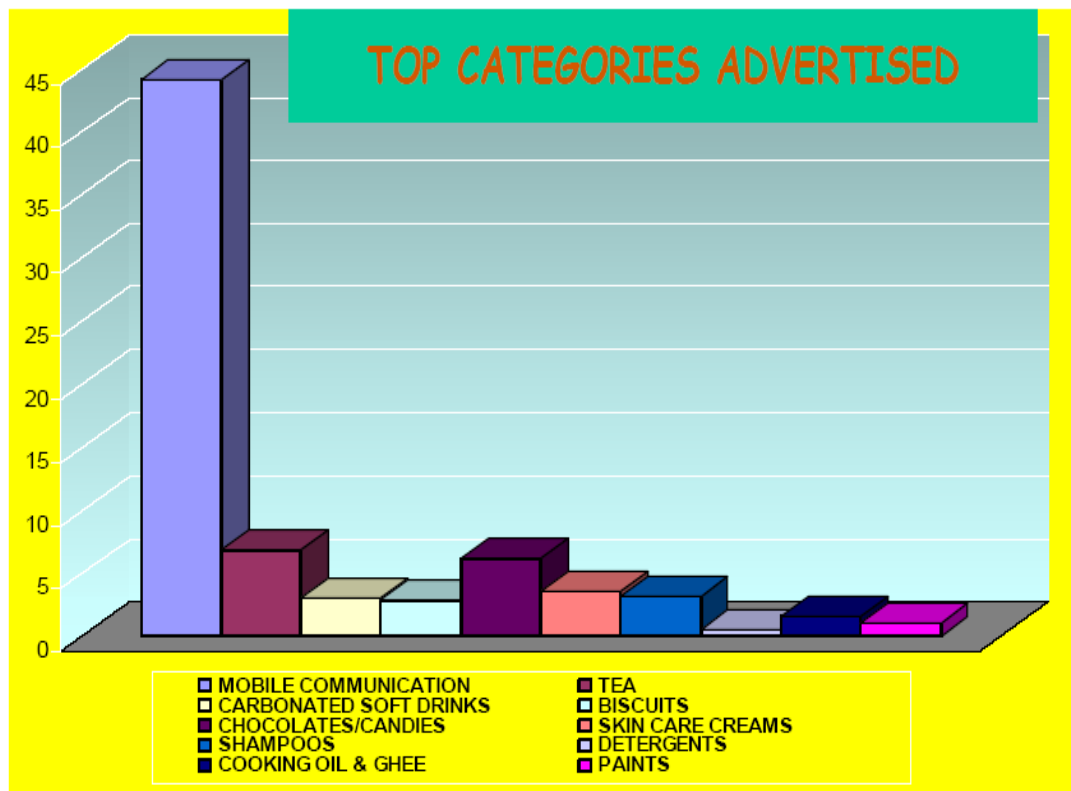
Jang group assertively promotes Geo TV and its programs in Print and therefore has come out as the top advertiser in the last quarter of 2004. It is attention-grabbing that the telecom, white & brown goods and financial sectors have been prominent when it comes to Print Ad Spend lately.



- Govt. of Pakistan & related organizations are not included in the commercial top ten advertisers' ranking
- Jang and Dawn have been included as the top advertisers based on their advertising frequency/space.
- The individual figures above are not very prominent due to the fact that Services, Classified and Government advertising enjoy the lion's share, leaving the rest with relatively meager portions.

Advertisers delve around for occasions like Eid as they yearn for cashing in on the consumer's inclination to spend generously on festive events. Television medium during the holiday period of Eid gets its due attention as special entertainment programs are telecast to pursue the viewers and resultantly the advertisers.

Mobile communication companies come out as top advertisers during Eid or other religious occasions as there is still a lot of potential for growth in this sector and consumer base is expanding with each passing day. Also, with the advent of winter season companies producing snacks, biscuits, tea etc. increase their advertisements. This fact is also reverberated by the data gathered as tea and biscuit categories came second and fourth in terms of ad spend during this season



TOP CHANNELS IN TERMS OF NUMBER OF SPOTS AIRED

ARY DIGITAL	29 %
KTN	14 %
GEO	12 %
PTV WORLD	11 %
PTV NETWORK.....	09 %
THE MUSIK.....	09 %
INDUS MUSIC	07 %
INDUS VISION	04 %
INDUS PLUS / NEWS	02 %

NEW BUSES USED AS EFFECTIVE ADVERTISERS

The outdoor advertising business has taken the new turn after the arrival of new imported buses under the provincial government’s urban transport scheme (UTS) as advertisers are using these buses to promote their products.

“Outdoor advertising has multi-dimensional outputs not only generating revenues for the private sector and for the government as well and it is also a good source of information for the general public,” said an official of the outdoor advertising department of the city government.



The current trend of advertising on the sides of buses started from by June last year after a Swedish firm introduced new imported buses in the city for public transport. The official said advertising on one bus costs between Rs 500,000 to Rs 600,000 annually, with the major share going to the bus operators, while the printing and pasting cost of vinyl sheets ranges from Rs 500 to Rs 600 per square feet. The advertising charges for the 'Metro' bus service are between Rs 75,000 to Rs 100,000 per bus per annum due to the smaller size.

"This industry is improving as the business is getting positive response from both the bus operators and the commercial firms like Sony, Lipton, Tapal, Shan and National foods and others," said Munawwar Hasan of Vital Links, a bus advertising firm.

"Advertisement on these new imported and locally assembled large buses is not only attractive and it is easier to convince the companies to advertise." He said the flex sheets used to prepare the ads are imported from a number of countries including USA, Europe and China while its printing is done in Karachi.

The trend of advertising on buses started from the Metro buses in Karachi about three years ago, but the sudden boom in business has caught the official agencies off guard. The new boom has occurred due to the success of UTS jointly launched by the Sindh government and the Karachi's city government.

CHAPTER 5

SUMMARY OF FINDINGS, CONCLUSIONS & RECOMMENDATIONS

CONTENTS

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5.1 SUMMARY OF THE FINDINGS

Following are the findings of the research from the perspective of the organizations:

- ✘ Most of the FMCG companies consider the other modes of advertising as effective mediums apart from the television.
- ✘ The popularity and effectiveness of the TV advertising remains still at the top and will remain at the top, but a shift has taken place towards the other modes of advertising like print, outdoor advertising.
- ✘ Due to the proliferation of TV channels, people have started zipping (scrolling through channels) and this is the main reason why the trend has shifted towards the other modes of advertising.
- ✘ All the leading FMCG companies in Karachi are using billboard advertising for producing impact on the consumer's buying behavior.
- ✘ Almost 50% of the FMCG companies are using transit advertising.
- ✘ All the FMCG companies pay attention on size of the billboard, color & graphics, product message and locations while preparing billboards.
- ✘ The advertising budget of the FMCG companies has been increased recently as compared to past as they are now focusing the other modes of advertising as well.
- ✘ Most of the FMCG companies are using various sizes of billboards on different locations both for permanent and short time period.
- ✘ FMCG companies are also using two forms of transit advertising, one on buses and another on buses terminals for advertising.
- ✘ There has been a significant increase in the number of national brands and companies that advertise in the print media from last year.

- ✱ Unilever Pakistan, the top spending print advertiser for the last two years has dropped out of the top 5 completely this year.

5.2 CONCLUSIONS

After careful treatment of the data, here are the conclusions drawn, with respect to the findings above.

The conclusion of my study is that the new television channels do help in increasing the sales of organization's product and help a lot the advertisers and the media planners in making a cost effective campaign. But at the same time as the media planners and advertisers are interested in new television channels, they want television channels to do research about the viewers need and want so they can come up with programs which can increase their listener ship and also improve their program quality.

Organizations are aware by the fact that outdoor advertising is an effective advertising medium and therefore the majority of tea companies are using billboard and transit for creating the awareness about their brand in consumer mind.

Due to the busy schedule of the day most of the consumers prefer to watch TV when they get time and therefore they have a very low interest in watching ads on TV and the consumers who watch TV regularly have also little interest in watching ads because of the presence and bombardment of many channels and due to which they are engaged in zipping of channels.

Most of the respondents do job / business and study due to which large number of the population go outside from their home daily and spend most of their time outside their home, therefore outdoor medium can be a great opportunity to be availed.

Most of the consumers don't prefer to watch the ads on magazines and newspapers with high interest. Most of the respondents remain outside from the home almost every day in

a week and they spend most of the time outside the home due to this it has become impossible for them to neglect the outdoor advertising.

Outdoor advertising has increased significantly once the advertisers have realized that it is a very strong medium to advertise on and that is the reason why you see so many billboards, signboards etc on the roads, pavements etc.

Most of the consumers give attention to the billboards when they are traveling outside their home. The result shows that a large number of consumers are aware about the billboards and they give their attention towards it, which is an evident of the success of the outdoor advertising regarding its growing impact on the consumer behavior

Most of the respondents give attention towards transit advertising and most of them moves in buses while traveling therefore they are getting exposure through it.

A number of respondents want to see the ads of their favorite tea brand on outdoor advertising because they believe it plays an important role in influencing their buying decision.

Most of the respondents have successfully recalled the ads of their favorite tea brands which they have seen in billboards and transit and this specifies that consumers see the ads on billboards and transit with interest.

Outdoor advertising is an effective media for the long term regarding creating awareness and entrance in the long-term term memory of the consumers which is the main objective of outdoor advertising as well as organization.

RECOMMENDATIONS

The recommendations are as follows

- ✚ Television is an cost effective medium for the organizations
- ✚ It's very good for doing road shows and live events.
- ✚ It can help in today's world where other mediums are getting very much expensive.
- ✚ It is also good for regional advertising
- ✚ The television channels need to conduct research.
- ✚ The need to come up with innovative ideas.

Some of the television channels need to improve their programmes quality.

