EFFECTIVENESS OF THE ADVERTISING PROCESS

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ABSTRACT
The idea that advertising is something someone does to someone else with an identifiable effect permeates most attempts to explain the process by which advertising works. Accordingly, statements of advertising objectives generally delineate what the advertiser would like to do to the consumer. Indeed, it would seem that even though the marketing concept has won some acceptance, it has resulted neither in a parallel theory of the advertising process nor in the specification of advertising objectives mutually advantageous to advertiser and consumer. The purpose of this paper is twofold: (1) to seek a set of criteria for judging advertising effectiveness consistent with the letter and spirit of the marketing concept, and (2) to develop a research paradigm for analyzing the advertising process consistent with the proposition that advertising is effective to the extent that both the advertiser and the consumer accomplish their intentions or objectives. The evaluation of advertising effectiveness is an active area of interest within the advertising research community, and, of course, is most concerned by the advertisers. The most important services in a computer-based advertising infrastructure are advertising effectiveness evaluation, analysis, prediction, and scheduling. This work presents an agent-based modelling and simulation approach to overcome the difficulties. A psychological process is added into the agent negotiation decision function between the information-exchanging process and decision-making process to model more accurate consumer behaviours. A demo version of Simulation Environment of Advertising (SEA) is developed to study the effectiveness of banner advertising on the Internet and provide sample simulation results. The marketing concept has important consequences for advertising research and for judging advertising effectiveness. An attempt is made in this article to show the possibility of several complementary conceptions of the advertising process.

Keywords: auxiliary concepts, advertising effectiveness, impedes progress, multidimensional, multivalued.

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INTRODUCTION
The past decade has witnessed the development of information and communication technologies that enable easy and rapid interaction between customer and advertiser. As a result, advertisers are increasingly relying on various modes of interactive technology to advertise and promote their products and services. A new genre of advertising and marketing communications agencies has emerged, the interactive agency, even as more traditional advertising agencies have embraced interactive technologies. Expenditures for online advertising, only one form of interactive communication, doubled from 1998 to 1999 and are expected to reach $ 21 billion by 2004. Although this will still be less than 10% of all advertising expenditures, there is reason to believe that this estimate underestimates the amount of advertising that is in reality interactive.

Although the Internet is widely heralded as a new medium for interactive communications consumers have already begun to provide evidence that they have integrated the Internet experience into their broader media use. Almost half of all personal computers are in the same room as the television set, and simultaneous viewing of television and access to the Internet are common. Such consumer directed integration of television and the Internet is but one example of interactivity involving the integration of media by consumers. Combinations of older media, such as traditional print and broadcast advertising with the telephone (especially, but not exclusively 800 telephone numbers) have long provided a degree of interactivity.
The Internet is now becoming another possible source of advertising and of data collection. A computer-based integrated environment to support advertising is another new infrastructure in the next millennium.

At the most general level, feedback via sales reflects interactivity. Interactivity is, therefore, a characteristic of the consumer, not a characteristic of the medium; consumers can choose to respond or not. Thus, in this sense interactivity is not really new. What is new, are the speed, scope, and scale of interactivity that is provided by new information and communication technologies. The Internet is a new technology that makes some things simpler, cheaper and easier. It is a new way to communicate with consumers, for consumers to communicate with one another, and a new way to sell products and services to consumers, but it joins other media and distribution channels as vehicles for these tasks. It does have some features, such as hyperlinks, that are different from those found in other media, but other media also have unique characteristics. The increasing technological integration of telephones and television with the Internet also suggests that interactive media, and hence, interactive advertising, are not unique to the Internet.

THE ADVERTISING PROCESS

There is, of course, no doubt that advertising in some sense "works" and that it makes a difference. Perhaps it is the very "self-evidence" of the "effects" of advertising which impedes progress toward a more adequate understanding of the process by which advertising works and of the nature of the effects which advertising produces. Most of the published models of the process by which advertising is thought to work are based on simple, mechanical principles. The general belief is that a sender sends a message via some medium to a receiver who, upon intercepting the message, is variously "caused," "triggered," or "stimulated" to react in accordance with the advertiser's intentions. The fact that not all consumers react in quite the same manner has been "explained" in various ways. In attention, selective perception, misinterpretation, forgetting, or just plain fickleness are some of the concepts that have been advanced to account for differences in consumer behavior. Actually, many modern psychologists and behavioral scientists have rejected the mechanical, or stimulus-response, model of psychological and communicative processes as conceptually and empirically inadequate. And those who have adhered to this model have had to add numerous auxiliary concepts to justify empirical phenomena not explained by the original, simple model. It can be demonstrated empirically that communication is not something someone does to someone else. Morally and operationally, the individual human is an autonomous entity who communicates from and to the world around him by attributing meaning and importance to selected data of that world. This fact of life may be overlooked, in part because it is concealed behind people's overlapping expectations, and in part because mechanical models of the advertising process have prevented researchers from "seeing" this process in other than cause and effect terms. To demonstrate the inadequacy of cause and effect models of the advertising process, it is useful to first differentiate between the data and the information people derive from these data. Second, it is useful to differentiate between the intentions that advertisers seek to embody in their ads, and the intentions consumers apply to these same ads. Third, it must be recognized that the complex array of needs, emotions, values, and knowledge underlying human choice behavior is not transferable or communicable as such. People must actively create information and feelings by processing available physical data in the context of their own unique experiences. To put it differently, psycho-
logically passive people cannot be persuaded to purchase particular products. Without active involvement by consumers, advertising can have no "effect" whatsoever. Thus, in view of the fact that information must necessarily be sent or received by humans as physical data, an important question facing the advertising researcher is not what advertising does to people but what people do with advertising. The purposes for which people use advertising will, in turn, be dependent upon at least two sets of conditions:

1. People's feelings, beliefs, and knowledge about the usefulness, believability, and function of advertising. Technically, these are the meta-communicative characteristics of advertising. The conditions involved here apply to all advertising and serve to define, facilitate, and constrain the kinds of information people can, will, and feel they should derive from advertising in general.

2. People's feelings, beliefs, and knowledge about the usefulness and validity of some specific advertisement. Technically, these are the communicative characteristics of advertising. The conditions involved here serve to define the amount and kinds of information particular consumers can and are willing to derive from particular ads.

The traditional models of the advertising process seldom include this distinction between the meta-communicative and the communicative characteristics of advertising. But more important, these same traditional models also tend to neglect the active and indispensable role played by consumers in bridging the gap between messages and action. The creative efforts of advertisers and advertising agencies loom so large in the general image of the advertising process that researchers often overlook the fact that the consumer must be as creative as the advertiser if he is to perceive the intended information or to feel the intended emotion.

OBJECTIVES OF INTERACTIVE ADVERTISING

In general, the goals of interactive advertising tend to be similar to the traditional objectives of advertising. This means that many of the traditional measures of advertising effectiveness remain relevant, even in a world of interactive media. However, interactive advertising also has some properties that expand the range of potential objectives and that facilitate the acquisition of traditional measures of advertising effectiveness. Interactive advertising also has the potential to lessen the 'process loss' associated with uncoordinated advertising, to reduce the difficulties commonly encountered in clearly communicating an advertising message and to help overcome resistance to new products.

At the same time, interactive advertising also has the potential to increase the efficiency and quality of consumers' decisions, increase customers' involvement and satisfaction, and promote trust through reciprocity in information exchange, technical assistance, and reduction of information asymmetry. Finally, marketers can use feedback from consumers to improve their advertising message and intended target, and strategically adjust their customer support, product line, and services provided. Interactive advertising may also produce greater efficiency, trustworthiness, and quality in advertising. Thus, interactive advertising has the potential to fundamentally change the nature of advertising in much the same way that electronic communication infrastructure has changed the nature of group interaction.

Interactive media of various types not only opens new opportunities for communication with and among consumers; it also creates opportunities for creating new measures of consumer response to such communications, as well as to product offerings and other marketing initiatives. Interactive media shift control of the information flow from the marketer to the consumer. This provides many more options for responding to information than previous forms of marketing communication, and it is the response of consumers to these options that provides the basis for new measures of consumer response. For example, providing consumers with the opportunity to search for more information about a product, as is done at many Internet sites, provides an opportunity to monitor the types of information and products that consumers seek at both an individual and aggregate level.

To illustrate the power of interactivity, consider the following scenario: a manufacturer of a product offers a description of a product concept. Information about this concept can be obtained by consumers in an interactive environment through an interactive search of various branching trees of information offering more and more detailed information about the product concept. Note that the intensity of search for information (measured by click through rate) can become a surrogate for interest in the product. Indeed, because such search involves deliberate and active decisions by the consumer, it is likely that measures of the breadth and depth of information search will be far better predictors of product interest and eventual purchase behavior than measures currently in use.
It is very likely that measures of intensity of information search bears a strong relationship to product interest and, in turn, to product purchase. Further, interactive media provide the opportunity for direct customer feedback regarding product modifications, likes and dislikes, and improvements. Evaluation of product concepts is but one potential opportunity for using the power of interactive media. By tracking the types of information users of interactive media seek it should be possible to determine the information that consumers find most useful when evaluating a product. Indeed, examination of the information search patterns of users of interactive media may inform positioning decisions. Information provided by the consumer to the marketer can provide a means for customized offers and customized advertising. Indeed, fully interactive advertising would provide the consumer with the opportunity to request information, not simply respond to what is provided by the advertiser.

While the potential of interactive media is clear, much remains to be done to realize that potential. For example, numerous measures of intensity of search for information (click-through rates) might be constructed which vary in their capacity to capture the depth and breadth of search. There is also the important issue of establishing a link between such measures and more traditional measures of purchase interest and intent. In addition, new issues arise in the context of interactive advertising that do not arise, at least to the same extent, in the context of traditional advertising.

For example, there is the question of whether and when consumers wish to be engaged by an interactive medium. There is also the question of how much information consumers are prepared to provide advertisers or even how much information consumers are prepared to allow marketers to capture about the interaction. Finally, there are issues of satiation of response that arise in the context of measures based on interactive media that do not arise with more traditional measures. Consumers have only limited time and resources, and therefore, are unlikely to be able to sustain large numbers of on-going interactive relationships.

Advertising Effectiveness

The main “actors” related to the effectiveness in the advertising activities are consumer, advertisement, product/service, medium, and environment. The advertising effectiveness can be studied from the different manifestations of these actors.

- **Consumers** are audience of the advertisement and potential purchasers of the product or service. Many models of consumer behavior have been developed to measure the advertising effectiveness [Brierley97]. For example, in the attitude model in [Wheatley69], the effects of advertising on consumers can be described as a sequence of stages or steps that begins with an awareness of the existence of what is being advertised, through the knowledge on what the product or service has to offer, favorable attitudes, preference over all other possibilities, and the conviction that the purchase would be wise, and finally culminates in the actual purchase of the product or service.

- **Advertisement** in a traditional sense can influence the consumer behavior. In new media advertising on the Internet, the advertisement can be influenced by the consumer behavior as well to manifest the effectiveness. For example, click through rates of banner advertising on the web can be used to measure its effectiveness.

- **Product/service** represents the motivation of the advertising. Advertising is often used to try to increase sales of a product or the use of a service, to improve the firm’s “corporate image” to persuade people that the company is benevolent and trustworthy, or to change people’s behavior such as anti-smoking. So the advertising effectiveness can be also measured through the achievements of the motivation, such as the profit and the brand value.

- **Medium** is the carrier of the advertising message. The principal media may be classified as newspapers, magazines, radio, TV, direct mail, Internet, outdoor and so on. The first criterion for effectiveness is that sufficient numbers of the target audience should get to see or hear the advertisement, which is mostly decided by the nature of the medium. For example, a TV advertising at peak-time like 6:00pm to 10:00pm, or a banner advertising on a famous web page like Yahoo with millions of visitors a day, can be considered to be more effective.

- **Environment** includes other factors around the medium that can affect the advertising. The environment can influence the audience attention and involvement level. For example, not all the people in front of a TV is watching TV let alone TV advertising.
Broadly speaking, the advertising effectiveness is achieved through the interactions of these actors, and factors in consumers, advertisement, product/service, medium, and environment are all related to the advertising effectiveness. In a narrow sense, the advertising effectiveness means only the effectiveness of the advertisement, which considers only the interaction between the consumer and advertisement excluding factors of product/service, medium and environment.

There are many techniques for advertising effectiveness measurement, such as test based on memory, opinion and attitude ratings, projective testing, laboratory tests and content analyses, and inquiries and sales measures [Lucas63]. The problems in the measurement of advertising effectiveness can be grouped into four major classifications. Not all of these problems are, however, explicitly identified in each of the approaches used in advertising evaluation.

- **Specification of goals.** Goals can be diverse especially in different advertising research, which decide all other research processes. The specification of a goal can include issues/hypothesis, examples and possible deliverables.
- **Acquisition of data.** The problems of data availability are common to all approaches to evaluating advertising. Traditional methods include questionnaire, sampling, inquire, interviews, group discussions, and so on.
- **Development of framework.** This is the kernel to explain how to exploit the data, through analytical procedures, to achieve research goals.
- **Procedures of analysis.** Many analytical techniques are developed. For example, correspondence analysis [Hair95] can examine the interdependence relationships among variables.

Though some of the computer techniques such as database have been used in the advertising research, further applications have not been found. This work introduces an agent-based modeling and simulation approach, which can be used to develop a unified computer modeling and simulation environment to assist the advertising effectiveness research to solve different kinds of problems. The main benefits to the media research industry include:

- **Low Cost.** Once the computer environment is established the research cost will be much lower than the traditional advertising research approaches.
- **Quick Response.** Once the models are founded, computers can implement complex simulation processes in several minutes at most. And the research results can easily retrieved from the simulation data according to different requirements.
- **Unification.** The software system can be implemented to be so flexible that it can meet almost all kinds of requirement of advertising effectiveness research.
- **Extensible.** The simulation environment for advertising effectiveness evaluation can be extended to meet high-level requirements such as strategic planning and tactical decisions.
- **Reusable.** The consumer models can be reused to meet different research requirements, which is difficult to achieve in other approaches.

In short, using computer simulation technology can make advertising effectiveness research much cheaper, faster and easier. The agent-based modeling approach and the simulation environment are described in Section 3 and 4 respectively.

**Advertising is an Information-Exchanging Process:**

Many factors influence the advertising effectiveness, which are shown in Table 1. Some of the information must be exchanged between the actors. Information exchanging is the basic process, which can stimulate the psychological process and decision-making process. Also new information-exchanging process can be started by the result of decision-making process.
<table>
<thead>
<tr>
<th>Actors</th>
<th>Factors</th>
<th>Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer</td>
<td>Resources</td>
<td>Time; Money; Information reception and processing capabilities</td>
</tr>
<tr>
<td>Knowledge</td>
<td>Product knowledge; Usage knowledge; Purchase knowledge</td>
<td></td>
</tr>
<tr>
<td>Attitudes</td>
<td>Cognitive Component (Beliefs); Affective Component (Feelings); Conative Component (Behavioral Intentions) [Engel95]</td>
<td></td>
</tr>
<tr>
<td>Motivation</td>
<td>Need; Involvement; Self-concept</td>
<td></td>
</tr>
<tr>
<td>Personality</td>
<td>Id; Ego; Superego (Psychoanalytic Theory)</td>
<td></td>
</tr>
<tr>
<td>Personal Values</td>
<td>Compliant; Aggressive; Detached (Socio-Psychological Theory)</td>
<td></td>
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<tr>
<td>Sociable; Relaxed; Internal control (Trait-Factor Theory)</td>
<td></td>
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</tr>
<tr>
<td>Advertisements</td>
<td>Type</td>
<td>Picture; Animation; Audio; Video; Multimedia</td>
</tr>
<tr>
<td>Physical factors</td>
<td>Size; Position; Shape; Color; Contrast; Intensity; Isolation; Movement; Scene changes</td>
<td></td>
</tr>
<tr>
<td>Content</td>
<td>Price or value; Quality; Performance; Components or contents; Availability; Special offer; Taste; Package or shape; Guarantee or warrantees; Safety; Nutrition; Independent research; Company-sponsored research; New ideas [Abernethy96]</td>
<td></td>
</tr>
<tr>
<td>Product/service</td>
<td>Category</td>
<td>Arts &amp; Humanities; Business &amp; Economy; Computers &amp; Internet; Education; Entertainment; Government; Health; News &amp; Media; Recreation &amp; Sports; Reference; Regional; Science; Social Science; Society &amp; Culture</td>
</tr>
<tr>
<td>Brand</td>
<td>Worldwide; National wide; Local</td>
<td></td>
</tr>
<tr>
<td>Information</td>
<td>Price or value; Quality; Performance; ......</td>
<td></td>
</tr>
<tr>
<td>Medium</td>
<td>Type</td>
<td>Newspapers; Magazines; Radio; TV; Direct mail; Internet; Outdoor; Yellow page</td>
</tr>
<tr>
<td>Abilities</td>
<td>Using attention-getting device; Conveying details; Stimulating emotions; Changing attitude; Involving the audience; Precipitating action; Cost to reach target market; Creating awareness; Communicating product/brand image; Communicating corporate image [Leong98]</td>
<td></td>
</tr>
<tr>
<td>Environment</td>
<td>Culture</td>
<td>Values; Norms; Relationships; Work habits and practice; Language; Time consciousness; Beliefs and attitude</td>
</tr>
<tr>
<td>Social class</td>
<td>Income; Wealth; Power; Occupation; Mobility; Class consciousness; Interaction</td>
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<tr>
<td>Personal influence</td>
<td>Reference groups influence; Word-of-mouth influence</td>
<td></td>
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<tr>
<td>Family</td>
<td>Individual roles; Spousal roles; Feminist roles; Gender; Singles; Divorce; Late marriages</td>
<td></td>
</tr>
<tr>
<td>Situation</td>
<td>Communication; Purchase; Usage; Unexpected</td>
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</tbody>
</table>

**Psychological Process**

There are two main reasons for adding psychological process before decision-making process. One is that it is more accurate to model the consumer because advertising usually stimulates emotions first and then may have effects on human’s decision. The other is that advertising effectiveness sometimes can only be evaluated at psychological layer and there can be no explicit effects on the decision and behavior of the consumers. In order to represent psychology-layer effects, psychological states and processes must be included. There are five main activities in the psychological process illustrated in Figure 3.
• **Exposure.** Psychological process begins when patterns of energy in the form of stimulus inputs reach one or more of the five senses. Exposure occurs from physical proximity to a stimulus that allows the opportunity for one or more senses to be activated. In the consumer agent, the stimuli are the received information and several factors like the knowledge, need/motivation, and personality of the consumer can be used to determine the state of *isNoticed*.

• **Attention.** Not all the stimuli that activate our sensory receptors during the exposure stage will receive additional processing. It is impossible for us to process all the stimuli available at any given moment. Attention can be defined as the allocation of processing capacity to a stimulus. This will influence the awareness and adaptation of the consumer. The awareness turns the consumer's attention to the advertisement. The adaptation describes the level the consumer becomes habituated to a stimulus. The attitude to the stimulus, which is the most important psychological state, is also initiated.

• **Comprehension.** This is the third stage, which is concerned with the interpretation of a stimulus. The comprehension includes stimulus categorization, elaboration and organization. It has further effects on the attitude begins to influence the preference.

• **Acceptance.** This focuses on the persuasive effect of a stimulus. The state of *isConsidered* is used to decide whether a decision-making process should be triggered.

• **Retention.** This final stage involves the transfer of stimulus interpretation and persuasion into long-term memory.

There are also stimuli from the decision-making process. This means that the process of making decision can also has effects on ones psychological states. But it influences the activity of retention directly.

### 3.3 Decision-Making Process

Not all of the psychological processes can result in a decision-making process. There are different kinds of decision-making process, but the results (e.g. consumer’s behavior) are all taken as interactions of actors and simulated as negotiations among agents. The decision is made based on the model data, the information received and current psychological states. The main activity in this process is *Need Recognition*, which decides whether there are necessities for further actions. The model of the process can be rule-based and many previous works can be referred to.

### NEW THEORETICAL FRAMEWORK FOR ADVERTISING EFFECTIVENESS

Most scholars generally concede that the effects of advanced technologies are less a function of the technologies themselves, and more a function of how these technologies are adapted by people. Thus, the effects and effectiveness of interactive advertising may differ from anticipated outcomes as consumers and marketers respond.
and adapt to changes in their own environments. This suggests that research on interactive advertising should focus on the dynamic processes by which consumers and marketers incorporate advanced technologies into their reciprocal communications. DeSanctis and Poole (1994) have proposed adaptive structuration theory, an extension of structuration theory, to explain the interplay between the structures of technology, relevant actors, and changes in technology and behavior that arise from such interplay.

For example, Poole and DeSanctis (1989) used structurational concepts to examine how groups appropriated the interaction rules of their decision support systems, thereby structuring their group communications and reinforcing or modifying their systems' influence over time. Such an adaptive model may also be an appropriate conceptual framework for examining the effects and effectiveness of interactive advertising. Ongoing interaction between consumers and marketers may be conceived of as a special case of structuration. Structuration involves the production, reproduction, and transformation of social institutions, which are enacted through the interaction between individuals and institutions.

Application of structuration theory to interactive advertising would involve the identification of the ways in which consumers shape the production, reproduction, and transformation of the advertising message, future products and services and relationships with marketers and other consumers. This interaction can, in turn, shape the actions taken by advertisers. Structurational concepts can be used to examine how marketers and consumers appropriate interaction rules to influence the effectiveness of advertising and other jointly beneficial outcomes. Following structurational terminology interactive advertising may be regarded as a social institution that is produced, reproduced, and modified when consumers engage in interactive communication. As a social institution, advertising both shapes and is shaped by consumer preferences.

MEASURING ADVERTISING EFFECTIVENESS

One important reason for the reliance on mechanical models of the advertising process appears to arise from the need and predilection of advertisers to measure the effects of advertising. Indeed, the argument for some measure of the relationship between advertising effort and purchasing behavior has such an extremely strong intuitive appeal that its attainment often seems worth the cost of a few simplifying assumptions. It should be noted that sales is not the only criterion used in measuring the effects of advertising. Some researchers have sought to establish communications or non-purchase measures of advertising effects. Changes in consumers' product awareness, attitudes, preferences, and loyalties are examples of such communications effects of advertising. The differences between sales and communications measures of advertising effects have been elaborately discussed by several researchers. The differences are largely a question of technical accuracy, in as much as the reasoning underlying applications of sales and communications criteria are quite similar. The issue of concern here is conceptual adequacy rather than technical accuracy. For example, sales and communications measures of advertising effectiveness both take into account only selected residuals of the advertising process, but neither measures the effectiveness of the process itself. Quite contrary to the spirit of the marketing concept, advertising effectiveness is still measured only in terms of the advertiser's costs and benefits. That is, existing means of measuring advertising effectiveness serve the purposes of the advertiser interested in "selling what he makes." These same means, however, do not and cannot possibly serve the purposes of the advertiser interested in "delivering a standard of living. In view of the role necessarily played by consumers in the advertising process, there is no way, on the basis of the traditional theories of the advertising process, to decide just who or what it is that is effective. Is it the consumer who is an effective receiver, or is it the ad or the medium which delivers an effective message, or is it the copywriter who is an effective sender? Traditional models do not attempt to answer these questions. And, from a policy point of view, intelligent answers to these questions seem both necessary and crucial.

In sum, advertising is here viewed as effective only to the extent that it is mutually advantageous to advertisers and consumers. Indeed, effectiveness does not seem a meaningful concept apart from some understanding of the purposes or objectives of both consumers and advertisers. Or, to put it differently, a measure of the effectiveness of the advertising process should include some assessment of the costs and benefits from the point of view of both consumers and advertisers.

Levels of Analysis and Description The particular statements made concerning communication systems and the particular standards adopted for the purpose of assessing advertising, media, and messages will depend upon the assumptions and the conceptual constructs underlying the analysis. Five different ways of analyzing and describing the advertising process (and, with appropriate modifications, any communication process) are suggested here

88
1. One can think about communication systems in terms of physical data dissemination and in terms of dissemination techniques and media. The reduction of advertising phenomena to physical messages and movements of messages allows the application of many well developed and time tested physical science models and measurement techniques. Also, it enables the use of terminology familiar from everyday encounters with the physical world. The mechanistic model of consumer behavior necessarily involved is based on the assumption that words, pictures and media comprise the essence of communication.

2. One can think about communication systems in cognitive or psychological terms. Given this approach one becomes involved in such concepts and terms as perception, conception, information processing, thinking and the like. This approach quite clearly goes beyond the realm of physical phenomena and measurement is extremely difficult. The basic assumption here is that communication is a uniquely individual and human phenomenon.

3. One can think about communication systems in functional terms. Here one leaves the world of psychological phenomena as such and enters a world of utility, usefulness, operation-al requirements, instrumental purposes, and economic values. In other words, the concern here is with the functions (informative, persuasive, confirmative) that advertising performs in the consumer's communication system. The basic assumption is that human communication is purposeful and intentional in nature.

4. One can think about communication systems in structural terms. That is to say, one can think in terms that enable one to view advertising (either a total campaign or a single ad) as one element of either a producer's or a consumer's communication system. One possible research topic here would pertain to the relative prominence of advertising as a source of information for consumers. The basic assumption here is that an individual's communication system has significant enduring or stable characteristics or that an individual's data acquisition indeed is "systematic" to a significant degree.

5. Finally, one can think about communication systems from a moral or ethical point of view. The current interest in truth in advertising, for example, appears to be part of an attempt to develop a philosophy of advertising. Unfortunately, the controversy surrounding advertising as a means of facilitating the performance of a free market economy is fraught with pseudo issues and emotional outbursts which bear little resemblance to a well considered philosophy. Intelligent discussion of these issues is not, of course, facilitated by the fact that advertising researchers themselves are using inadequate models of the advertising process.

These five ways of thinking about communication and, more specifically, about advertising, comprise logically complementary approaches to researching and to creatively intervening in the communication systems of consumers. The key features of this paradigm are:

1. Each of the five different elements of an individual's communication system can be studied from five different and complementary points of view.

2. Since each of the five approaches to the analysis and description of the advertising process implies a conceptualization of that process different from that of the others, five different yet complementary criteria for the assessment of advertising effectiveness logically emerge.

The conceptual categorizations emerging from the paradigm outlined invite a far more detailed description of the advertising process than space permits here. With these conceptual categories potentially ranging from the physical characteristics of awareness (biological and neurological enablers and constraints) to the moral characteristics of commitment (moral attitudes toward advertising constituting an integral part of the individual's identity), some have clearly greater intuitive appeal than others.

But even in a more general sense there are many interesting consequences of the fact that several logically complementary ways of thinking exist regarding advertising and communication systems. Thus, advertising can be effective in psychological terms and quite ineffective in functional terms and vice versa. That is, an ad (or campaign) can evoke communication which leads to behavior not associated with purchasing (or even to behavior oriented toward avoiding purchase) of the advertised product. This is not a very surprising conclusion. But note also that advertising can be useful even if consumers do not derive the information intended by the advertiser. To put it differently, advertising can be useless even if it is "truthful" and "false" even if it is useful.

But what does all this do to the idea of advertising "effectiveness"? It is, of course, possible to avoid this issue merely by maintaining that effective advertising is advertising that sells. But since sales are after the fact events, a resolution of the issue raised above still seems necessary. At the present time it seems possible to do little more than repeat the criteria outlined above and suggest some of the implications for the creation and measurement of
advertising effectiveness. In light of a consumer centered concept of the advertising process, the most effective advertising campaign would seem to be that which:

1. Provides the most efficient means of physically disseminating and receiving the data required;
2. Provides the best possible means for the advertiser to say what he wants to say, and for the consumer to "receive" what he can, will, and should receive (psychological characteristics);
3. Provides the functionally most suitable and relevant guidance for exchange and consumption behavior;
4. Provides the best structural match or fit with other elements in both the advertiser's and the consumer's communication systems;
5. Is strategically, ethically, and legally as sound as possible.

Taken together, these five statements comprise a broad definition of the term "advertising effectiveness." Each statement implies a criterion which frequently conflicts with the criteria implied by one or more of the other statements. Resolution of these conflicts could be an important task for future research of the advertising process. Though criteria such as these increase immensely the complexity of the measurement issue, they also open up some possibilities for innovations which perhaps have not hitherto been obvious.

**INTERACTIVE ADVERTISING DOES NOT WORK ALONE**

Advertising is only a part of a total marketing effort. A product that is poorly positioned, overpriced, inadequately distributed, badly packaged, or inferior to competition may suffer sales declines even though the advertising itself is well-conceived and professionally executed. The specific contribution of advertising to sales has always been difficult to ascertain. Interactive advertising may well make the determination of precisely what marketing actions produced a particular outcome even more difficult to do. The influence of any particular advertising message may be less important than the cumulative reciprocal communication between advertiser and consumer. Recently, several scholars have argued that the increasing availability of information, and the sophistication of the technology for obtaining, processing and analyzing this information, are blurring the boundaries of the several elements of the marketing mix.

There have also been calls for changes in the organization of both the marketing function and the firm itself to accommodate this blurring of traditional functional lines within marketing and between marketing and other functional disciplines within and external to the firm. This blurring of boundaries has been partially recognized by calls for "integrated communications," but the blurring extends beyond communication activities. Distribution and communication are becoming inextricably linked, and decisions about the one are increasingly difficult to make in isolation from the other. Indeed, it may be difficult to differentiate some marketing activities as clearly serving an advertising or distribution function. Similarly, where interactive advertising is used to better design products, it will be impossible to separate the effects of communication from product design.

Models of consumer response that focus only on the effects of advertising, or that attempt to separate advertising effects from other effects of the marketing mix are likely to be less than helpful or even misleading. Rather than measure the effectiveness of interactive advertising, it may be more useful to measure the effects of integrated marketing programs. Similarly, other consumers and other sources of information may play a role as great or greater than interactive advertising. Discovering consumers' use of these sources and how they integrate such information into decision making will be a challenging research question.

**SOME IMPLICATIONS**

Let it be emphasized that the exchanges of products and services are being accepted as the ultimate end and raison d'etre of advertising. But the data one would use in assessing the effectiveness with which this key function of advertising is accomplished depend in large measure upon how one thinks about (conceptualizes) the advertising process. And, though sales are the key aim of advertising, it would seem that, by thinking of advertising as the cause of sales, millions of dollars have been wasted either on attempting to "make" people do what they intended to do anyway or on attempting to "make" people do what they had no intentions of doing whatever the incentive. Equally important is the fact that advertising appears to be used by consumers for purposes which have little or nothing to do
with the purchase of goods and services.' Though little is known in a scientific sense about the manner in which people use advertising, it would seem that the mere presence of countless advertising messages necessarily modifies either favorably or unfavorably the individual consumer's environment in quite a significant way. If the advertising process were thought of not as something someone does to someone else but as a phenomenon of human communication designed, managed, and operated for the mutual advantage of buyers and sellers, perhaps more efforts would be devoted to:

1. Upgrading and protecting the legitimacy and therefore the usefulness of advertising as an information source.
2. Designing advertising programs as if they were information systems aimed at enabling the consumer to rely on them as sources of necessary, useful, and inspiring information when and where such information serves his purposes.
3. Measuring the effectiveness of advertising as one would measure the effectiveness of an information system. That is to say, seeking to measure effectiveness not only by the number of decisions made by all consumers, but also by the contributions of advertising to the soundness of these decisions.
4. Creating or modifying media and data displays (ads) to improve qualitatively and quantitatively upon communicative possibilities (in contrast with present attempts to improve upon communicative probabilities) at the consumer advertisement interface. That is, to aim for a richer communication experience rather than a more determinate one.

These are just a few implications of thinking about advertising from the point of view of the mutual interests of consumers and advertisers. The main point is that if advertisers chose to think of themselves and their customers as members of the same organization as individuals with a common goal then the "problem" of advertising effectiveness would look different. Just as the test of an in-company information system involves some conception of the needs and requirements of the user, so the test of advertising should involve some measure of how well it enables both the advertiser and the consumer to get where they both want to go.

CONCLUSION

It must be emphasized that the thoughts outlined in this article hold no promise of solving or even simplifying the existing problems of advertising and advertising research. Rather, the aim is to point out that most of these existing problems are born of the way advertisers have chosen to think about advertising. To change one's mode of thinking about advertising will not eliminate problems of advertising and advertising research. But it may change them.

Advertisers and advertising have been severely criticized in recent years. But whether or not the criticisms are reasonable, advertisers have thought about advertising in a way which renders them incapable of taking into account, let alone seriously dispute, the critics' allegations. On the one hand, the critic assumes that advertising is effective and concerns himself with the nature of these effects. On the other hand, the advertiser has yet to decide whether advertising is effective and, if so, how and in what way it is effective. Furthermore, those who create advertising need qualitative data. They need data which will aid them in deciding what to say in their advertisements. But the traditional way of thinking about advertising effectiveness calls primarily for quantitative data. Even if it is known that a particular campaign was effective, decision makers and creative people are often left to rely on their hunches concerning why it was effective. These are some of the reasons for advocating a different way of thinking about the advertising process and a different direction in advertising re-search. Whether the consequences of this particular way of thinking are to be preferred over those emerging from traditional models has yet to be established. But then, one does not legislate ways of thinking, one proposes them.

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