3.1 Communication models

A simplified model of communication workflow was created by Harold D. Laswell in 1948 and then extended and amplified by Wilbur Schramm in 1971. Here, both senders and receivers encode and decode thoughts or one party wishes to communicate something to another party. The receiver can transpose position and become the sender by transmitting information back to the original sender, in this model.

Market research and marketing information systems serve as mechanisms enabling senders to develop and transmit decodable messages more accurately. In the absence of extrasensory perception, exact transmission of thought is impossible. The best result that a sender can hope for is that some elements of the sender's thoughts are retained in the consumer's long-term memory, where they can be tapped during purchase decisions. Thus, if there is a key to communication from a consumer perspective, it lies in the domain of memory and the way in which messages are decoded and consumers allocate meaning to appropriate stimuli. The average consumer is exposed to about 2,500 commercials a day, most of which are automatically screened out as irrelevant. From all available messages, consumers select those, which
they wish to pay attention to. A very basic model for the way consumers process messages is shown in the following figure:

**Consumer Information Processing Diagram**

All marketing communication can be measured against this model. First, marketing communication can have no effect unless it reaches the sense organs of those who are to be influenced. However, exposure alone is insufficient to ensure communication has taken place. Consumers must
allocate processing capacity to the incoming message or stimulus. Here the memory determines what is relevant, meaningful, and preferably creative, because the more times the same message is transmitted through the same media the less communication effectiveness it has. At this stage the memory is operating in short-term mode, and the problem here is that the short-term memory (STM) has very limited processing capacity. Any message that is not paid attention to is lost within thirty seconds. Assuming the message is attended to, it must be comprehensible; that is, it must correspond or fit what the receiver already knows are has stored away in long term memory (LTM). Suppose the message is unusual. For example, a particular brand fails to live up to expectations, or price rises markedly, or the company is enjoying negative publicity. Each of these circumstances may create a new node or belief in LTM, which may act in helping consumers behave differently, to purchase a new brand. This is another reason for integrated approaches to marketing communication.

Assuming that the message is understandable and meaningful (it fits in) then it must either be accepted or part of a person's cognitive structure, rejected, or yielded to. Yielding is recognizably a function of persuasion, and persuasion is the essence of marketing communication. The majority of consumers do not want to be ‘told’. Marketing communication is never about creating the loudest marketing voice; rather it is about meaning. Meaning is not in messages, nor it is media vehicles. Instead, consumers
allocate meaning to messages. Senders transmit intended meaning; receivers decode received meaning. When there is yielding or acceptance to a communicator's message or positive meaning is received, the essence of the message must undergo something analogous to an unconscious feeling system in LTM.

The nodes, beliefs, schemes, scripts and memory organization packets into which long term memory is divided are simply ways of describing associated links or connections among knowledge structures, beliefs and information. Each of these may be activated during information processing and either is screened out or accelerates or retards meaning allocation. Marketers attempt to provide information that will facilitate consumers learning either by strengthening linkages among memory concepts or developing entirely new linkages. One can see how important it is to develop messages that will deliver intended meaning, then review to see if such meaning have been decoded.

The other three models – the cognitive processing model, the hedonic experiential model, and a elaboration likelihood model developed by Richard Petty and John Cacioppo are also useful.

Understanding of communication workflow is incomplete without understanding of the reason why consumers may decode different meaning from the same messages. The answer is that memory
organization structure is different, because each person's field of experience is unique. Following diagram is useful analogy.

![Diagram of communication model](image)

**Fields of Experience**

Fields of experience are the sum total of all the experiences – knowledge, emotions, feelings, signs, symbols, gestures, mathematical notations etc - a person has accumulated during a lifetime. These fields underpin the memory organization packets. Considering, for example the “Mermaids” ad for Levis jeans. Here a handsome young man wearing a pair of Levis jeans falls over board during a storm. To the background music of “Underwater Love” we become aware that he is to be rescued by mermaids. First, the mermaids kiss him, which enables him to breathe. Then their attention switches from the young man to his jeans, which they try to remove. He escapes and swims to the surface, to the disappointment of the mermaids. Based on the fields of experience
concept, whether the mermaids want the young man, his jeans or what's inside the jeans? It is not enough simply to place a message within a field of experience. Meaning is in the mind of receiver. Hence, the greater the overlap between a sender's field of experience and a receiver's field of experience, the greater the probability that messages encoded by the sender will be decoded appropriately. Likewise, the smaller the overlap between the sender's and receiver's fields of experience (based on lack of understanding), the greater the probability of messages being seen as irrelevant, and hence not worthy of attention.

3.2 Global communication –

The world of advertiser, the broadcaster and the print publisher has grown tremendously over the year. Technical developments such as satellite television, multimedia and the Internet promise to make global communications simpler. Faster and infinitely more far-reaching, thus bringing nations closer together. Countering this trend have been cultural differences, which have combined to keep countries in many respects tightly ensconced within national boundaries. One of the most important of these cultural ‘barriers’ to communication is language. Serious linguistic obstacles have had to be overcome in order to achieve current levels of harmony in trade, legislation and cultural exchange, and those obstacles remain important and problematic for the media and advertising industries, whose stock-in-trade is almost entirely in communication.
Aspects of language and its impact on commercial communication are examined herewith. As international advertising becomes more prevalent, the issue of message overspill from one country to another is also becoming more important. Finally, the globalization of the advertising industry needs to be examined with regard to current technological advance and to the potential audience that marketers will face in the twenty-first country. Whether the main focus will still be the individual country, or whether the international dimension will take the ascendant. The technology facilitating communication that has led to the need for fewer and more widely spoken languages. Simple telecommunications and to a growing extent, satellite communications, have been among the driving forces. World-lancing technology such as the Internet, and services such as satellite television, allow more and faster communications to take place between different nations than at any time in the past. Add this to the advances in travel, the encroachment of popular culture on even the remoter corners of the globe, and continuing mass migration, and it becomes possible to explain the growing desire to learn the dominant languages of the world.

The globalization of media, and the advent of the ‘global information society’ do not imply that people are being ‘globalised’. Nationalism, individualism and the tendency for people to organize society along cultural, linguistic lines means that the recipients of global communications will remain as diverse as ever. What is said, what is to be
communicated about increasingly standardized products may be constant at the strategic level, but how it is communicated must vary according to the characteristics of the recipient. Creative expression has always had to take into account consumer’s needs, preferences, attitudes and beliefs.

Frequently, these are shaped by historical or cultural differences as well as by different stages of market development. Therefore, to be relevant, advertising expression for a single brand may need to differ between national & regional markets. New media do not change this fundamental characteristic, but new media are likely to offer even greater opportunity for tailoring to meet the needs of ever more segmented audiences. People’s attitudes and habits where eating, drinking and health-care are concerned, vary widely between and within countries. People have firm, specific and differing views and habits, particularly about what goes into or onto their bodies. Advertising suppose to understand and respect these different views and habits if it is to be relevant - and not only for food, drink and health-care products.
3.3 Relevance of TV and TV advertisements to Communication -

Many of the technologies being developed in television are receiving attention because of two factors. First, there is the drive to sell: Selling entertainment; selling products; getting information to sell things more effectively; selling services, selling ease and convenience. Secondly, there is the belief that emerging technologies are capable of delivering the ability to meet these goals. Whilst this may seem commonplace, what is interesting about the current situation is just how widespread this belief is. There is considerable disagreement as to what consumers will eventually accept, there seems to be tacit agreement that there will be developments that can change consumer habits or spending patterns.
3.4 Communication theory for TV media –

There is a trend that suggests issues of change in the modes of advertising. These modes may be classified as one-to-one messaging (1:1), interactive messaging (M:M) and mass messaging (1: M). The players in the advertising industry – advertisers, advertising agencies, media buyers, newspaper and magazine publishers, commercial television operators – are expert in mass messaging and have considerable experience in segmentation as well as the development of one-to-one messaging of advertising material. The direct mail industry has a precursor to 1:1 advertising messaging. Also, the advertising industry has been developing, over many years, the techniques of sponsorship and barter to utilize advertising space among communication of interest. This suggests that as new 1:1 and mass messaging advertising space emerge, the advertising industry will utilize such facilitation or will participate by acquisition.
Research designs and data collection and analysis methods need to fit the research objectives. Qualitative research uses open-ended questions and is analyzed informally. This method is employed with small groups of people because it is time consuming. Quantitative research uses fixed responses on a written or oral questionnaire. It lends itself to statistical analysis if the random sample of survey respondents is large enough. Networks, stations, and systems use both quantitative and qualitative research, although certain topics and types of questions lend themselves to different research designs and methods.

Questions about image and concepts tend to be answered most effectively by qualitative research while questions about media usage tend to be best answered by using quantitative analysis. For example, if a television or radio station wants information about its image or about the image of its on-air personalities, a series of focus groups may be held with viewers or listeners to obtain in-depth qualitative information on viewer perceptions. On the other hand, if a television wants to know how many people are watching a particular program or during a particular day part, some type of fixed-choice questionnaire will be used to gather the desired quantitative information. Questions about news and program product often use a combination of research methods.
3.6 Market Segmentation –

If a market is made up of people whose characteristics and wants are different, the market is heterogeneous. Marketers need to identify the characteristics and wants of different groups of people within the overall market, because one marketing mix may not satisfy all of them. Nor will product differentiation by itself be sufficient to cater to their wants. Market Segmentation is far more prevalent today than mass marketing.

Market Segmentation is the process of identifying smaller markets that exist within a larger market. These groups are called segments. People in a given segment are supposed to be similar in terms of criteria by which they are segmented and different from other segments in terms of these criteria. Market Segmentation helps marketers tailor make marketing mixes to the needs of the people in the segments identified as target markets. These are 2 market segmentation strategies: 1) The concentration strategy 2) The multi-segment strategy.

3.7 Consumer market segmentation –

A segmentation variable is some characteristic of people in the overall (mass) market that aids in dividing it.
### Segmentation Variables

Above figure shows 4 categories of segmentation variables that are often used in segmenting consumer markets.

3.8 **Market Segmentation : Global perspective -**

The economic upswing in the Asian high-growth markets has lead to the emergence of a significant middle class, in Thailand known as the “have somes.” Its size varies with the population and the level of growth. In Korea, with a 1995 GDP ranked 11th in the world, the majority of the 45 million inhabitants can be classified as middle class. Most of the people live in the urban areas. In fact, the core of the market for global companies is in the large metropolitan areas, from Bangkok and Jakarta to Manila and Seoul.
However justified from an economic perspective, avoiding the rural areas where people tend to be less well off can create some political problems. Multinational entrants can not always count on a welcome with open arms, especially from governments with socialist leanings. So far pro-western capitalist governments, but the financial crisis at the end of the 1990’s flows, essentially cutting itself off from the foreign money that had so far fueled much of its growth, have led the Asian growth markets. One would expect that once the capital flows are again freed up, the multinational entrants would have to pay attention not only to economic fundamentals but also to the social problems in these countries.

Segmentation in most of these markets does in fact have to start with the underlying culture, ethnic, and religious roots. The cultures in these countries vary a great deal. People in Hong Kong and Singapore are basically Chinese but also cosmopolitan. Taiwan and Korea each have quite unified national cultures. South Asia generally exhibits a mix of Indian, Chinese and native cultures. During the 1980’s the Indian market started to divide into two large segments: a still impoverished rural population and an increasingly well-off urban middle class. As the new opportunities pulled people away from the countryside, cities became huge metro-politan markets, and towns grew into cities. This trend was strengthened after the further market-opening measures of the early 1990’s. The disposable income of the Indian middle-class has increased

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considerably. Not only has there been strong economic growth but trends in family planning have changed, with households having fewer children. This has also meant that in many families the wives, often well-educated, have started contributing to the family income. Traditional habits are changing, and the Indians are even starting to have cold cereal for breakfast.

3.9 Emergence of Global Consumer –

In a milestone ‘Harvard Business Review’, author Theodore Levitt said, “The world is being driven towards a single converging commonality… the emergence of global markets for globally standardized products”. He sought to differentiate between old-style multinationals versus new-style global firms that saw the world as one market to be reached with a distinct marketing mix. There is strong evidence that homogeneous segments of demand exists within heterogeneous global markets, especially for items such as jeans, burgers, cameras, cars, sunglasses and many other product categories. Product categories and brands can be standardized, but that does not necessarily mean that global demand can be created by global (universal) appeals. Many global marketing texts indicate that global firms take advantage of global opportunities when available, reap the advantages of learning and experience curve effects where possible, but also adapt when and where necessary. This is especially important in
the cultural domain where perception of the same advertisement or other promotional activity may be radically different. Moreover, the “world” envisaged by Lavitt has been joined by China (1.2 Billion consumers), Eastern Europe (500 Million consumers), India (1 Billion consumers), and newly industrializing countries such as Indonesia, Thailand, Singapore and countries in south America such as Chile, Argentina, Brazil.

3.10 Advertising budget: Global perspective -

Spend on advertising & sales promotion differs from organization to organization. Ideally the budget for advertising should neither be an unbearable burden nor so light that it is a sheer waste. When the product is still 'new' in the market & company is not sure about its future, several commit the error of having very limited advertising. Also many cut down the advertising budget, when the product sales is low. Once the product is introduced & the competition is fierce, advertising support becomes vital.

In domestic market, a common method for advertising budgets is ‘percentage -of-sale’, setting a certain percentage of last year’s sales as next year’s budget. The figure arrived at can be adjusted by considering a changing competitive situation, increasing growth objectives, or a squeeze on company profits; but percentage-of-sales has the advantage of establishing a stable and predictable expenditure level tied to revenues,
the percentage chosen can be calibrated against the industry average ratio of advertising to sale, making for easy comparisons with competitors.

Although percentage-of-sales is popular among firms from most countries, it is not a very useful method for setting 'global' advertising budgets. Even if total worldwide revenues can be used as a base, it is not clear what the appropriate percentage would be, which country's industry average should be used as a starting point. Different countries show widely different levels of advertising-to-sales ratios for the same industry, depending on media availability, competitive situation, and so on. Since the percentage-of-sales approach sets advertising on the basis of past sales, it is of little use when a shift from multi domestic to global advertising is contemplated. 'Competitive parity' approaches, where advertising budgets are set on the basis of what competitors spend, are also of relevance in global advertising. The main difficulty is to identify the appropriate parity to actual and potential competitors from different countries, many of which have very different market presence. Competitive parity is most appropriate when the major global competitors are from the same countries, as with Coca-Cola and Pepsi or with Sony, Mitsubishi, Sharp and other Japanese players in consumer electronics.

Budgeting for global advertising typically involves some version of the so-called 'objective-task' method favored domestically by more sophisticated
marketers. In this method of objectives of the advertising are first made explicit and quantified, after which the requisite media spending to reach the required exposure levels is specified. Although precise calibration of spending is difficult because of the uncertainty in gauging worldwide audiences of media vehicles, the basic logic is sound. After the initial specification of the job to be done by advertising (target percentage of awareness or certain reach and frequency figures), the creative solutions and the media schedules likely to attain the levels desired are developed.

This is work requiring the expertise of an advertising agency with a global network. The budgeting done for global advertising involves an unusually large amount of agency in-put, since assessing the feasibility and cost of global campaigns requires input from the local branches in the agency's global network. Partly for this reason, the drive toward global advertising is often spearheaded by an agency with global reach.

3.11 Concept of culture -

Culture is usually defined as the underlying value framework that guides an individual's behavior. It is reflected in an individual's perceptions of observed events, personal interactions and the selection of appropriate responses in social situations. The framework encompasses 'objective' reality as manifested in societal institutions and 'subjective' reality as socialized predispositions and beliefs.
Culture manifests itself in learned behavior, as individuals grow up and gradually come to understand what their culture demands for them. “Culture” is not just an abstraction but also a physical reality. The functions of a society — the “what a society does” — are not very different across countries. Everybody has to get food, shelter, job, clothes, status, success, social recognition, pride, comfort, peace of mind, a center for his existence, power, some influence over others etc! These are the objectives of people’s behavior all over the world. The relative amount of time and resources allocated to these activities may vary, but the tasks remain. Accomplishing these tasks varies a great deal across culture.

The modern concept of culture focuses directly on observable behavior. It recognizes that culture not only predisposes the individual toward certain behavior, but eliminates other behavior. Consequently, culture creates a repertoire of behavioral skills. Culture directly influences what people will do and what people can do. This interpretation of culture is very useful for global marketing managers. It suggests that culture is more important for how managers should decide, less for what the decision should be. Culture affects implementation and execution of strategies more than their formulation.

It is essential for advertising to be ‘culture-specific’: to speak to people with shared values in their own terms. Otherwise, it will not work. Foreign-
language messages are 'de facto' encoded unless the recipient has the necessary linguistic skills to unscramble them. Similarly, those with the relevant experience and interest can only readily understand non-verbal communications using visual images and those with the relevant experience and interest can only readily understand music. The elimination of linguistic and other cultural differences in India is neither likely nor desirable – The Indian government needs to promote the learning of the majority Indian languages in order to foster the creation of a multilingual society in India. Cultural differences cause problems for advertising agencies, but they are problems that agencies are uniquely equipped to solve: through original creative work and media selection. The differences are more of a challenge for agencies than a barrier. The creation of advertising that is culture-specific is helped by the fragmentation of media that makes segmentation possible and the communication cost effective. Niche marketing in particular, and the communication of relevant, well-targeted advertisements in general, limits consumer irritation caused by irrelevant overspill. Agencies have a vested interest in addressing target audiences with pertinence and respect.

3.12 Concept of cross culture -

There are several ways of classifying cultures across countries. First, one needs to recognize that cultures and countries do not necessarily go together. Countries with large populations such as India, China, U.S are
really multicultural, meaning that they contain a wide variety of cultures within their borders. The same goes for some smaller nations, such as the former Yugoslavia, Belgium, Canada and South Africa. In other cases, several countries can be seen as one cultural grouping. Example include the Scandinavian countries like Denmark, Norway, Sweden and Latin American countries like Venezuela, Colombia, Ecuador etc. High versus Low Context Cultures- An Important distinction between cultures is between high and low context cultures.