

ANALYSIS OF ADVERTISING ACTIVITY OF COSMETIC COMPANY “VLAD”

T.A. Bondarskaya

Tambov State Technical University, Tambov

Represented by Doctor of Economics, Professor O.V. Voronkova

Key words and phrases: advertising; advertising functions; planning of the advertising campaign.

Abstract: The paper analyzes the advertising activity of the limited liability company on the example of perfumery-cosmetic company “Vlad”. The main principles of the organization of the advertising campaign are revealed. The assessment of the economic efficiency of the advertising campaign is given.

There is no doubt that advertising today is very important. It plays the key role in promoting goods, services, ideas and firm image. The main functions of advertising are to inform customer about the product, introduce it to the potential consumers and persuade them to use it. But advertising differs from a conventional information report focusing on the final result and clear planned actions directed to achieving the result. In any organization advertising is very effective and boosts sales of the product. Advertising can be efficient if it has a competent strategy of the advertising campaign. What is more, it is not enough to take individual advertising actions but it requires the whole complex of regular and purposeful advertising which is carried out according to the single purpose and concept. Working out the strategy of an advertising campaign allows systematizing the whole complex of advertising, as well as making it more effective and at the same time economical as only an effective advertising campaign enables to unite a considerable number of budget resources and to distribute them according to an optimum scheme.

The perfumery-cosmetic company “Vlad” (further the Company) was created in 2001. It specializes in selling perfumery-cosmetic goods and consulting about them. The work of the company shops “Vlad” according to the network scheme (single management, single requirements, single purposes, single forms of accounting and reporting, the centralized work with suppliers, contractors, state bodies) allows reaching the great scale of economy.

The market of perfumery-cosmetic goods in Tambov is sated and stable, thanks to the competent advertising actions. The Company is the leader in the segment of perfumery-cosmetic goods retailing in Tambov. According to wholesale suppliers of perfumery-cosmetic goods the market share of the

Бондарская Т.А. – кандидат педагогических наук, доцент кафедры «Маркетинг»,
e-mail: bta_tgtu@mail.ru, ТамбГТУ, г. Тамбов.

Company in Tambov makes up about 30 percent. The assortment of the perfumery-cosmetic goods makes up more than thirteen thousand items which are in demand and provide a stable profit.

In the course of the advertising campaign of the Company has following advertising aims:

- 1) to create a positive image of the firm with the consumer;
- 2) to establish friendly relationships between the company and the consumer;
- 3) to make a consumer repeat business with the company;
- 4) to make a consumer buy the goods/services of the company;
- 5) to stimulate sales of the goods;
- 6) to accelerate goods turnover of the firm;
- 7) to encourage the customer to become the regular consumer of the goods.

The company uses various means for advertising (Fig. 1).

Considering specificity of activity of the Limited liability Company "Vlad" the organization makes heavy investments into promo-actions, both outdoor and printed advertising; the share of these means of advertising in the budget makes up 38, 19, 17 % respectively.

Advertising means (channels of spreading the advertising information) are chosen to reach the attention of the target audience. Besides the basic criteria when choosing the channels of spreading the advertising messages is ensuring the maximum coverage of the target audience, keeping the balance between the cost of advertising and the advertising budget and conformity of the character of the advertising message to the features of the channel.

The company carries out actions aimed at boosting sales both independently (by an effort of the sales personnel, because there is no promo-personnel in the staff), and by inviting promo-personnel of the manufacturers (it is often used because many manufacturers pay a great attention to it).

The company uses sales stimulation if it is required:

- to increase sales volume in the short-term period;
- to support customer loyalty;
- to attract the attention to new products;
- to support other promotion instruments.

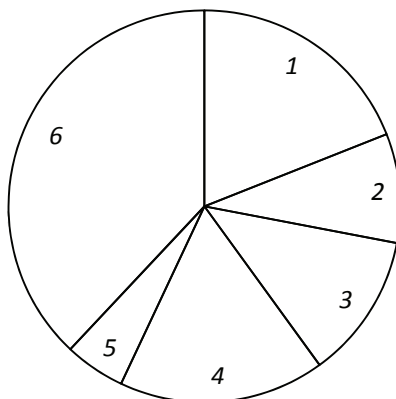


Fig. 1. Using the means of advertising of the Limited Liability Company "Vlad" in 2009:

1 – printed advertising, 19 %; 2 – presentations, exhibitions, 9 %; 3 – PR-actions, 12 %;
4 – outdoor advertising, 17 %; 5 – TV advertising, 5 %; 6 – promo-action, 38 %

The solution to the problems of sales stimulation is reached with the help of various means. There are actions which are aimed not directly at the increase in sales in the shop, but at the creation and improvement of the image of the Company, that indirectly raises the demand for its products. These actions are carried out at exhibitions, presentations, concerts, etc. Sale stimulation seems to be the most effective when it is combined with advertising. The experts of the Limited Liability Company “Vlad” are engaged in the advertising campaign. For advertising of new goods it has been decided to use printed and outdoor advertising. “Tambov-Advertising” has been chosen for outdoor advertising and the agencies “Alliance of Media Groups” and “Region Press” has been appointed for printed advertising; market research has been carried out by the company staff.

To assess the economical efficiency of the advertising campaign the comparison method has been used; the effect of the advertising action has been compared with the expenses for its implementation. The assessment has shown that expenses for goods promotion pay off within three months, and the whole project is profitable.

The assessment of the communication efficiency of the advertising actions, i.e. the assessment of its quality indicators has been made on the example of the printed advertising of new goods through the testing method. The advertising leaflets have been prepared for the consumer assessment of the advertising. The results of testing advertising have shown that advertising is remembered and appeals to the consumers, however it is insufficiently distinguishable. Advertising has a high subjective importance for consumers and is quite unique, but it is not complete enough and plausible for them.

Twelve percent of the interrogated respondents who paid attention to the advertising of the Limited Liability Company “Vlad” have expressed the desire to buy the advertised products, thus enabling to predict the highly economical and communicative efficiency of the advertising campaign.

**Анализ рекламной деятельности
ООО «Парфюмерно-косметической компании «Влад»**

Т.А. Бондарская

ГОУ ВПО «Тамбовский государственный технический университет», г. Тамбов

Ключевые слова и фразы: планирование рекламной компании; реклама; функции рекламы.

Аннотация: Проанализирована рекламная деятельность фирмы на примере ООО «Парфюмерно-косметической компании «Влад». Выявлены основные принципы организации рекламной компании. Дана оценка экономической эффективности рекламной компании.

© Т.А. Бондарская, 2010