

# Research

**B**efore we discuss how to write copy for advertisements, we need to understand what advertising is. Basically, *advertising is placing a message about an idea, product, or service in one or more media (newspapers, television, magazines, radio, outdoors, point of purchase, and direct mail), for which the advertiser pays a fee.* Today, in addition to the media mentioned, businesses and organizations are using the World Wide Web as a medium in which to place advertisements.

Who creates these advertising messages? Usually, professional men and women who work in advertising agencies, specialty firms, or the media create these messages. Sometimes they work in the client's advertising or marketing department. How do they create these commercial messages? They do so by first understanding their client, their client's product or service, and their client's intended consumer.

## THE CLIENT

Many businesses and organizations—both large and small—have marketing departments usually headed by marketing directors. These directors, together with members of their departments, typically produce marketing plans. A thorough marketing plan will discuss the overall business or organization, its sales or growth, its competition, its customers, its future projections, its various objectives, its marketing strategy, its marketing programs including advertising and promotion, its financial situation, and its contingency plans.

Most marketing plans contain the following headings or something similar:

- I. Executive Summary
- II. Situational Analysis
  - A. The External Environment
  - B. The Internal Environment
- III. The Target Market
- IV. Problems and Opportunities
- V. Marketing Objectives and Goals
- VI. Marketing Strategy
- VII. Marketing Tactics
- VIII. Implementation and Control
- IX. Summary
- X. Appendixes

The Executive Summary section is a synopsis of the overall marketing plan. The Situational Analysis section examines in depth the major competition; the economic conditions of the nation, the state, and the community; the political landscape; the legal and regulatory factors; technological changes; cultural trends; current and potential customers; current and anticipated organizational resources; and current and anticipated cultural and structural issues.

The Target Market section describes the target market in terms of demographics, psychographics, geographics, and lifestyles. The Problems and Opportunities section identifies each problem and what is intended to solve it. Also, each opportunity is identified and explained.

The Marketing Objectives and Goals section discusses each marketing goal's respective objectives in terms of sales volume and market share. The Marketing Strategy section examines the target market(s), the major consumer reactions, and the major competitor reactions. The Marketing Tactics section discusses the structural issues, the marketing strategy(ies) in terms of the marketing mix (the four Ps: place, price, product, and promotion), and how each will be implemented.

The Implementation and Control section discusses current costs, current gross margins, projected costs, projected gross margins, input control mechanisms, and output control mechanisms. And the Summary section presents the advantages, costs, profits, and differential advantage of the marketing plan versus the competition's.<sup>1</sup>

Basically, the marketing director of the firm has identified the firm's marketing problem(s) in the marketing plan. A marketing plan can help advertising personnel learn about their client, their client's product or service, their client's consumers, and even their client's marketing problem(s). Consequently, the marketing plan becomes a valuable resource to advertising personnel, especially if they have been given the task of developing an in-depth advertising plan or integrated marketing communications plan, which typically includes the following headings or something similar:

- I. Executive Summary
- II. Situation Analysis
  - A. Company Analysis
  - B. Product Analysis
  - C. Consumer Analysis
  - D. Market Analysis
  - E. Competitive Analysis
  - F. Problems and Opportunities
- III. Target Market Profile
- IV. Advertising Objectives
  - A. Primary or Selective Demand
  - B. Direct or Indirect Action
- V. Advertising (Creative) Strategy
  - A. Objectives
  - B. Product Concept
  - C. Target Audience
  - D. Message
- VI. Advertising Media
- VII. The Advertising Budget
  - A. Method of Allocation
- VIII. Testing and Evaluation
  - A. Advertising Research
  - B. Pretesting and Posttesting

The Executive Summary section encapsulates the advertising plan. The Situation Analysis section reviews the major topics that were presented in the marketing plan. The Target Market Profile section briefly describes the primary (and secondary) target market(s).

The Advertising Objectives section examines the specifics of what the advertising should accomplish. The Advertising or Creative Strategy section discusses the creative effects—that is, what the advertising and

forms of promotion are supposed to do. If the plan includes other marketing communications, such as sales promotion, public relations, or direct marketing, then each would be listed followed by similar subheads.

The Advertising Media section identifies and provides explanations for the media in which the advertising message will appear. The Advertising Budget section discusses the amount of money that has been allocated to the advertising. Finally, the Testing and Evaluation section identifies the research techniques that will be used to measure the advertising's effectiveness.<sup>2</sup>

The following is a hypothetical example of an advertising or integrated marketing communications plan for Burger King:

- |                                    |   |
|------------------------------------|---|
| I. Executive Summary               | VI. Media Strategy                        |
| II. Situation Analysis             | A. Objectives                             |
| A. Company Analysis                | B. Strategy                               |
| B. Product Analysis                | C. Mix                                    |
| C. Consumer Analysis               | D. Allocation                             |
| D. Market Analysis                 | E. Flow Chart                             |
| E. Competitive Analysis            | VII. Marketing Communications Strategy    |
| F. Problems and Opportunities      | (Sales Promotion, Public Relations, etc.) |
| III. Target Market                 | A. Objectives                             |
| A. Primary Market                  | B. Strategy                               |
| B. Secondary Market                | C. Tactics                                |
| IV. Campaign Objectives            | VIII. Budget                              |
| A. Overall Objectives              | A. Budget Allocation                      |
| V. Creative Strategy (Advertising) | IX. Campaign Evaluation                   |
| A. Objectives                      | X. Appendixes                             |
| B. Strategy                        | A. Appendix A: Primary Research           |
| C. Target Audience                 | B. Appendix B: Creative Executions        |
| D. Manner                          |   |
| E. Tone                            |   |
| F. Creative Tactics                |   |

Advertising agency personnel would conduct the secondary and primary research, develop the overall campaign objectives, plan the media mix, create the advertisements, and calculate the expenditures.

Advertising copywriters would work with the layout artists, graphics personnel, and other creative individuals to develop the print advertisements and broadcast commercials that would be placed in the various media. Specifically, the copywriters would be concerned with the Creative Strategy section of the advertising plan. In addition to understanding the client's product or service, copywriters would have to understand who make up the target market(s)—that is, the consumers who would be inclined to purchase the product. After all, the advertisements and commercials would have to be directed to these individuals.

## WHO ARE THE CONSUMERS?

According to the U.S. Census Bureau, there are more than 281 million people in the United States. Although every state experienced growth during the last decade, growth rates in states differed. For

instance, Nevada grew 66 percent, whereas North Dakota grew 1 percent. The highest growth rates occurred in the western and southern states. The population in the western states grew 19.7 percent, and the population in the southern states grew 17.3 percent.<sup>3</sup>

### *Demographic Segmentation*

**THE AFRICAN AMERICAN MARKET** There are almost 35 million African Americans, totaling slightly more than 12 percent of the country's population. This group has a purchasing power of more than \$570 billion. In the past, African American households spent more on apparel, telephone services, and natural gas than other American households. They also spent a higher proportion of their after-tax income on housing, electricity, transportation, and food consumed at home. The majority of African American families rent apartments or houses. African Americans are becoming more conscious about education, even though less than 15 percent have a college degree.<sup>4</sup> (See table 1.1.)

**THE ASIAN AMERICAN MARKET** There are more than 10 million Asian Americans, totaling almost 4 percent of the country's population. This group has a purchasing power of more than \$250 billion. In fact, this group's purchasing power has grown faster than that of any other group in the United States. The primary reason for this is that Asian Americans are better educated than the average American. Indeed, almost 45 percent have a college education. Consequently, a large proportion of them hold top-level jobs in management or professional specialties.<sup>5</sup> (See table 1.1.)

TABLE 1.1 *Breakdown of the U.S. Population by Race*

RACE	TOTAL	PERCENT
One race	274,595,678	97.6
White	211,460,626	75.1
Black or African American	34,658,190	12.3
American Indian and Alaska Native	2,475,956	0.9
Asian	10,242,996	3.6
Native Hawaiian and Other Pacific Islander	398,835	0.1
Other	15,359,073	5.5
Two or more races	6,826,228	2.4
<i>Race alone or in combination with one or more other races</i>		
White	216,930,975	77.1
Black or African American	36,419,434	12.0
American Indian and Alaska Native	4,119,301	1.5
Asian	11,898,826	4.2
Native Hawaiian and Other Pacific Islander	874,414	0.3
Other	18,521,486	6.6
Hispanic or Latino (of Any Race)	35,305,818	12.5
<b>Total</b>	<b>281,421,906</b>	<b>100.0</b>

Source: U.S. Census Bureau.

TABLE 1.2 *Breakdown of the U.S. Population by Age*

AGE	TOTAL	PERCENT
Under 5 years	19,175,798	6.8
5 to 9 years	20,549,505	7.3
10 to 14 years	20,528,072	7.3
15 to 19 years	20,219,890	7.2
20 to 24 years	18,964,001	6.7
25 to 34 years	39,891,724	14.2
35 to 44 years	45,148,527	16.0
45 to 54 years	37,677,952	13.4
55 to 59 years	13,469,237	4.8
60 to 64 years	10,805,447	3.8
65 to 74 years	18,390,986	6.5
75 to 84 years	12,361,180	4.4
85 years and over	4,239,587	1.5
Median age (years)	35.3	

Source: U.S. Census Bureau.

**THE HISPANIC AMERICAN MARKET** There are more than 35 million Hispanic or Latino Americans, totaling more than 12 percent of the country's population. This group rivals the African American group for being the largest minority group in the United States.

Although Hispanic Americans can be found across the country, about two million reside in New York City. Other large pockets of Hispanics can be found in California, Florida, Illinois, and Texas. Overall, this group has a purchasing power of more than \$425 billion. In fact, this group's purchasing power has grown faster than that of the African American group.

Hispanic Americans earn less than other groups, but they spend more on food consumed at home, telephone services, and apparel. They also spend a higher proportion of their after-tax income on housing, personal care products, and services. However, they spend less on reading material, education, tobacco, health care, and entertainment. The majority of Hispanic households rent apartments or houses.<sup>6</sup> (See table 1.1.)

**THE AMERICAN INDIAN AND ALASKA NATIVE MARKET** There are more than two million American Indian and Alaska natives in the United States, totaling almost 1 percent of the country's population. Most American Indians live on reservations, where most of their business and leisure activity occurs. Alaska natives reside in the Northwest, primarily in Alaska. These groups do not fare as well as other groups, economically speaking, although certain subgroups within each have seen improvement.<sup>7</sup> (See table 1.1.)

**THE YOUTH MARKET** There are almost 40 million boys and girls under the age of 10 and another 40 million-plus from 10 to 19 years of age in the United States, for almost 29 percent of the population. There are more than eight million children enrolled in preschool or kindergarten. There are almost 33

TABLE 1.3 *Breakdown of Family Households in the United States*

HOUSEHOLDS BY TYPE	TOTAL	PERCENT
Family households (families)	71,787,347	68.1
With own children under 18	34,588,366	32.8
Married-couple family	54,493,232	51.7
With own children under 18	24,835,505	23.5
Female householder, no husband present	12,900,103	12.2
With own children under 18	7,561,874	7.2
Nonfamily households	33,692,754	31.9
Householder living alone	27,672,706	25.8
Householder 65 years and over	9,722,857	9.2
Households with individuals under 18	38,022,115	36.0
Households with individuals 65 years and over	24,672,706	23.4
Average household size	2.59	
Average family size	3.14	

Source: U.S. Census Bureau.

million children enrolled in elementary school, almost 16 million children enrolled in high school, and almost 16 million enrolled in college or graduate school.<sup>8</sup>

**THE YOUNG MATURE MARKET** There are almost 59 million men and women between the ages of 20 and 35 in the United States, for almost 21 percent of the country's population.<sup>9</sup> (See table 1.2.)

**THE MATURE MARKET** There are almost 83 million men and women between the ages of 35 and 55 in the United States, totaling almost 30 percent of the country's population. There are more than 24 million men and women between the ages of 55 and 65 in the United States, for almost 9 percent of the country's population.<sup>10</sup> (See table 1.2.)

**THE "GOLDEN YEARS" MARKET** There are almost 35 million men and women who are in their "Golden Years"—that is, 65 years of age and older in the United States, totaling more than 12 percent of the country's population.<sup>11</sup> (See table 1.2.)

**HOUSEHOLDS IN THE UNITED STATES** The average household in the United States has 2.59 individuals. The average family household in the United States has 3.14 individuals.<sup>12</sup> See table 1.3. There are more than 71 million family households in the United States, making up more than 68 percent of the total households in the country. Married couples head more than 54 million, or 51.7 percent, of these family households, whereas only females head almost 13 million, or 12.2 percent, of these family households. There are more than 38 million households, or 36 percent, that have individuals under 18 years of age, and there are more than 24 million households, or 23.4 percent, that have individuals 65 years of age and over.<sup>13</sup> (See table 1.3.)

**EMPLOYED POPULATION 16 YEARS AND OVER** More than 40 million people work in management or some other professional field, and almost 35 million work in sales or some related field. More than 19 million work in service fields, and more than 19 million work in production and transportation fields.<sup>14</sup> (See table 1.4.)

**INCOME AND BENEFITS FOR ALL HOUSEHOLDS** More than 10 million households earn less than \$10,000 a year, whereas more than 20 million households earn between \$50,000 and \$75,000. More than 27 million households earn between \$15,000 and \$35,000. The median household income is \$41,349, and the mean household income is \$55,263.<sup>15</sup> (See table 1.5.)

TABLE 1.4 *Breakdown of the U.S. Employed Population 16 Years and Over by Occupation, Industry, and Class of Worker*

OCCUPATION, INDUSTRY, OR CLASS OF WORKER	ESTIMATED TOTAL
<b>Occupation</b>	
Management, Professional, and Related	43,380,156
Service	19,672,918
Sales and Office	34,735,733
Farming, Fishing, and Forestry	960,317
Construction, Extraction, and Maintenance	12,355,807
Production, Transportation, and Material Moving	19,132,137
<b>Industry</b>	
Agriculture, Forestry, Fishing, and Hunting	1,873,713
Mining and Utilities	1,684,241
Construction	8,873,677
Manufacturing	18,508,011
Wholesale Trade	5,000,281
Retail Trade	15,507,231
Transportation, Warehousing, Information, and Communication	9,671,996
Finance, Insurance, Real Estate, and Leasing	8,961,233
Services	53,987,168
Public Administration	6,169,516
<b>Class of Worker</b>	
Private Wage and Salary	103,599,330
Government	18,376,263
Self-employed	7,278,574
Unpaid Family	982,900

Source: U.S. Census Bureau.

TABLE 1.5 *Income and Benefits for All Households in the United States*

INCOME	ESTIMATED TOTAL
Less than \$10,000	10,022,803
\$10,000 to \$14,999	6,995,026
\$15,000 to \$24,999	13,994,472
\$25,000 to \$34,999	13,491,042
\$35,000 to \$49,999	17,032,000
\$50,000 to \$74,999	20,017,509
\$75,000 to \$99,999	10,479,853
\$100,000 to \$149,999	8,125,132
\$150,000 to \$199,999	2,336,503
\$200,000 or more	2,239,229
Median household income	\$41,349
Mean household income	\$55,263

Source: U.S. Census Bureau.

**LANGUAGE SPOKEN FOR THOSE FIVE YEARS AND OVER** Almost 210 million people in the United States speak only English, and almost 45 million people speak a language other than English. Almost 27 million people speak Spanish.<sup>16</sup>

**THE EDUCATED MARKET** There are almost 16 million people in the United States with a graduate or professional degree and another 28 million-plus people with a bachelor's degree. More than 11 million have an associate's degree, and more than 36 million have some college credit. More than 52 million have a high school diploma. Fewer than 33 million people have less than a high school diploma in the United States.<sup>17</sup> (See table 1.6.)

Although none of the information above should be used alone to determine consumers for a specific target market, advertising copywriters may use much of it as well as the following information to determine the warm and hot prospects for a client's product or service.

### *Generational Segmentation*

**THE GENERATION Y MARKET** This group includes those born between 1980 and 1995 and is 60 million-plus strong—or three times larger than the so-called Generation X group. Marketers pay particular attention to those who are in their teens, about 31 million individuals.

Generation Y is the fastest growing demographic group under 65 years of age in the United States, and its members spend about \$275 billion a year. Not necessarily eager to conform, this group has a tendency to try what is new. Members purchase online primarily because they grew up with the Internet, and they usually have the latest electronic innovations in their rooms. Unlike Generation X, this group has preferred khakis instead of jeans for years. Many have had VCRs or DVD players and a remote for their televisions. They are more racially diverse than members of Generation X, and one in three is not white. One in four lives in a single-parent household. Three in four have working mothers. Until September 11,



2001, war was unknown to them. They have never experienced a major recession. As a result, their attitude is buy now and pay later. They are not as devoted to their jobs as members of Generation X. In fact, they are not afraid to quit their jobs for others. Although younger members of this group have a weekly allowance that varies from \$25 to \$175, the majority receives about \$50 a week.

Contrary to popular opinion, these members save and even invest some of their money. For years, advertisers had a difficult time selling their brands to this group, but today that has changed. In fact, boys and girls prefer certain brands, including Tommy Hilfiger, Old Navy, Abercrombie & Fitch, Limited Too, American Eagle, Borders, and Best Buy.

This generation also influences what their mothers or fathers purchase at the grocery store. If both parents work, then some of the members of this group do some of the grocery shopping for the family.

Members of Generation Y are aware of their world and enjoy being entertained. They are concerned about the environment. They do not like to see others belittle people. They have seen violence at school, in Oklahoma City, and in New York City. They have seen so-called reality television. They like to communicate via cell phones and computers. They even like to learn via computers. They expect feedback and rewards for what they do.<sup>18</sup>

**THE GENERATION X MARKET** Born between 1965 and 1979, this group of almost 50 million individuals was raised on television and computers. Unlike Generation Y, however, this group is more cynical, primarily because of growing up when the country faced economic and social problems such as a major economic recession, which in turn caused corporations to downsize, parental separation or divorce, and, of course, the AIDS epidemic. This group has been saturated with advertising; consequently, its members do not necessarily react positively toward a lot of the advertising they view, read, or hear.

This group uses the computer and enjoys listening to music. A greater proportion of this group is unemployed or underemployed. A greater share is also living at home.

This group spends a greater proportion of its income on eating out, alcohol, clothes, and electronics. Members of this group desire a home of their own, a lot of money, a swimming pool, and a vacation

TABLE 1.6 *Educational Attainment of Citizens in the United States*

LEVEL OF EDUCATION	ESTIMATED TOTAL
Less than 9th grade	12,328,762
9th to 12th grade, no diploma	20,364,795
High school graduate (including equivalency)	52,427,005
Some college, no degree	36,456,924
Associate degree	11,493,115
Bachelor's degree	28,563,252
Graduate or professional degree	15,929,046
Percent high school graduate or higher	81.6
Percent bachelor's degree or higher	25.1

Source: U.S. Census Bureau.

home. This group has \$125 billion of discretionary income. Its members desire the prestigious brands that offer the most value for the money. Members of this group have discriminating tastes and do not care for being labeled by marketers. Nor do they care for companies that promote their products with exaggerated claims. They appreciate advertisements that contain humor. However, they desire, if not demand, to be informed about products or services as well as to be given reasons as to why they should purchase products or services. To them, products have to fulfill a practical need, whether it is social, psychological, or financial. Members of this group consider themselves experimenters—that is, they gather information from various sources, not just the traditional media. Therefore, advertisers, if they desire to reach members of this group, have to use newer media such as the Internet.

On the other hand, the older and more educated segments of Generation X tend to become loyal to specific brands, much like those classified as baby boomers. Also, they tend to be more conservative, and, to a certain extent, they conform in order to achieve what they desire or feel they need in life.

Although it has been reported that they are environmentalists, they are less likely than baby boomers to use recycled products. This does not necessarily mean that they are not concerned about the planet; it simply means that they believe that one individual cannot make much of a difference. Nonetheless, many actually recycle glass, magazines, newspapers, and plastic. Many Generation Xers prefer smaller, fuel-efficient cars and trucks. Few prefer larger, gas-guzzling cars and trucks.

Members of this group tend to marry later. Indeed, many remain single until they reach their thirties. However, when compared with members of other groups, they tended to take on greater responsibilities during their teenage years. They also enjoy greater autonomy.

Many in this group are concerned about their personal appearance; consequently, they purchase large quantities of cosmetics and other grooming products. They also purchase more clothing than they need. However, they prefer natural fibers. For instance, females prefer cloth coats to fur, T-shirts or sweatshirts to blouses, and skirted suits to pants. Males and females prefer workout clothes to specialty clothes such as leotards and tennis outfits. Basically, they prefer comfort instead of glamour.

They enjoy traveling, especially the college-educated segment, and they use travel agents, airlines, and hotels, much like baby boomers. They travel within the United States and abroad, and no matter where they go they tend to locate individuals who are in their age groups.

Many Generation Xers have given up on Social Security, believing that it will not be available when they retire. As a result, they have opened individual retirement accounts. Many have given up on Medicare, too, believing that it will not be available when they retire. Consequently, many believe that they will have to pay for their medical coverage after they retire.

Many in this group desire to work for themselves, not for others. Many are opening their own businesses. Capitalism is popular but not that popular. They do not desire the same material goods and services as their parents and grandparents, for instance.

The members of this group do not vote in presidential elections as often as members of other groups; however, those who do usually vote for the more liberal and Democratic candidates. In 1992, they cast a higher percentage of votes for Ross Perot than any other group did.

Although they prefer designer jeans and designer athletic shoes, they do not cater to network news programs or major daily newspapers. Skepticism and disillusionment are part of their psychological makeup. However, they tend to be happier in their jobs than baby boomers. They may be cynical when

it comes to government and other established institutions, but they are optimistic when it comes to their own selves. According to a survey by Yankelovich Partners, members of Generation X fall into four distinct groups based on attitudinal factors:

**Yup and Comers:** This group accounts for 28 percent of Generation X and has the highest levels of education and income. They focus on intangible rewards, not material wealth, and they are confident about themselves and their future.

**Bystanders:** Primarily female African Americans and Hispanics, this group represents 37 percent of Generation X. This group works hard, favors established brands, enjoys shopping, and desires romance.

**Playboys:** This mostly single, white, and male group accounts for 19 percent of Generation X. Self-absorbed, fun-loving, and impulsive, this group prefers pleasure and material goods.

**Drifters:** This group represents 16 percent of Generation X. This group is the least educated, and its members are frustrated with their lives. Members of this group seek security and status and choose brands that offer a sense of belonging and self-esteem.<sup>19</sup>

Many members of Generation X continue to receive financial help from their parents, especially for emergency situations. Many feel obligated to repay their parents for the help they have provided. Many, even those who have moved out on their own, continue to keep in contact with their parents, sisters, brothers, half sisters, half brothers, stepfathers, stepmothers, grandparents, aunts, uncles, cousins, and friends.<sup>20</sup>

**THE BABY BOOMER MARKET** Baby boomers were born between 1946 and 1964, after World War II, and include almost 78 million individuals in the United States. They account for almost 50 percent of the dollars spent each year. They have reached their forties and fifties. Many do not consider themselves as senior citizens until they have reached 60 or even 70 years of age.

Baby boomers are self-absorbed and self-assured, probably because they are better educated than their predecessors. They consider themselves to be culturally sophisticated and environmentally conscious. They desire convenience. Home delivery and take-out goods and services have been developed and marketed successfully in response to this desire. Portable items have been developed and marketed successfully as well.

Baby boomers were encouraged by their parents to get a college education and a good job. Competitiveness and individualism are more important to these people than cooperativeness. As a result, businesses have offered individual-minded baby boomers customized products and services at a reasonable price. As the baby boomers age, they will need higher priced furniture, bigger cars and trucks, investment advice, insurance advice, and wellness centers, among other products and services.

Unlike Generation Xers, baby boomers married at a younger age and often put considerable space between their spouses and their parents. Women in this group helped make certain products popular, including the so-called power suits and particular brands of cars, such as BMW.

Baby boomers are more loyal to specific brands than members of other groups. They understand success and are proud of what they have accomplished. Probably as a result of their nonconformist attitude, they are willing to take greater risks than members of other groups.

Environmentalism is important to baby boomers, especially when it comes to purchasing products and services. In fact, they prefer environmentally safe products and services and will purchase recycled products.

Baby boomers are idealistic; they tend to believe that there are easy solutions to problems. Although many have high incomes, they do not necessarily overindulge in material goods and services. Many are conservative and family oriented. They are concerned about the community in which they live. They are not as cynical as members of other groups. They enjoy reading, gardening, various crafts, and the media and are receptive to electronic innovations. Some are not necessarily interested in style or fashion. They are somewhat selfish with their time when they are away from their jobs.<sup>21</sup>

**THE SENIOR MARKET** There are more than 34 million individuals in the United States who are 65 years of age and over. They represent more than 12 percent of the country's population. This figure will increase each year. By 2030, about 70 million individuals will be 65 years of age or over.

Older male members of this group are much more likely to be married than older female members. In 1999, for instance, 77 percent of the older males were married, compared with 43 percent of the older females. Almost half (45 percent) of all older females were widows. More than half (52 percent) lived in nine states: California, Florida, New York, Texas, Pennsylvania, Ohio, Illinois, Michigan, and New Jersey. About 50 percent lived in the suburbs. Compared with other segments, the elderly are less likely to move, primarily because the majority (77 percent) owns a home mortgage free. In fact, in 1997, 37 percent of these homeowners spent more than one-fourth of their income on remodeling, compared with 30 percent of homeowners less than 65 years of age. These individuals reported a median income of \$33,148 in 1999, and 46.9 percent earned more than \$35,000. Only 9.7 percent were below the poverty level; many of these were living alone or with nonrelatives. Hispanic women who lived alone experienced the highest poverty rates.

The members of this segment are not sedentary. They do not necessarily stay at home. They travel. They volunteer their time and energy for worthy causes such as at low-income urban centers, where they help students who are struggling in school. They enroll in courses at community colleges, colleges, and universities. In response to their interest in learning, institutions of higher education have developed special programs for them. Those who had completed high school rose from 28 percent to 68 percent between 1970 and 1999. About 15 percent had a bachelor's degree or higher the latter year.

Some even return to work on a part-time or full-time basis, primarily because of their desire to keep active, not because they need the income. In 1999, for instance, four million were working full-time.

Although many believe that senior citizens are in poor health, are sedentary, have a difficult time thinking, and purchase products and services based on price, these are misconceptions. Marketers need to understand that members of this segment have an active lifestyle, read more than members of any other segment, and purchase products and services based on value, not just price. They readily accept change. After all, they have witnessed more change in their lifetimes than members of any other segment. They are more loyal to brands than members of other segments. Unfortunately, for years marketers have ignored this large segment or have focused exclusively on remedy-type products. Only lately have advertisers realized that this segment is active, progressive, and even desires to look appealing, especially to members of the opposite sex. In short, they are romantic. This is one reason advertisers now use attractive, middle-aged models in the advertisements targeting this market.

However, just like in the previous demographic segments, members who are considered seniors are not homogeneous—that is, they should not be stereotyped. They are different in age. In fact, the U.S. Census Bureau divides seniors into four age groups. These age groups differ considerably in terms of

lifestyles, needs, and wants. For instance, some in this segment do not have color televisions or even Touch-Tone telephones, let alone cell phones. Others have color televisions, Touch-Tone telephones, and cell phones. Many have computers and surf the Internet. Indeed, this segment spends more time at the computer than any other segment, regardless of age.

Today, some marketers have segmented the senior market by putting its members into one of three categories, depending on their age: young-old (65–74), old (75–84), and old-old (85 and older). Of course, other marketers use other means to segment this group.<sup>22</sup>

As you can determine, copywriters have their hands full when trying to write advertisements for these different groups. However, the task may not be as difficult as you might think. For instance, if a copywriter is writing an advertisement about life insurance, the copywriter does not necessarily desire to attract young people. Consequently, a word or phrase in the headline may identify the target market desired, such as “Retired?” or “Are You 55 Years of Age or Older?” Or the visual could be a photograph of a senior male, female, or couple.

### *Psychographic Segmentation*

Demographic factors are not usually enough for marketers to identify a market. Psychographic factors are also considered. Generally, psychographics include consumers’ activities, interests, and opinions (AIO), and these AIO items are used to construct a consumer psychographic profile. Usually, marketing research firms are hired by clients to conduct psychographic studies that have been tailored to the clients’ product categories. However, several firms have developed psychographic profiles of individuals that are not necessarily related to any product or service category. For instance, the Stanford Research Institute, or SRI, Consulting Business Intelligence developed the “VALS: Values and Lifestyles Psychographic Segmentation” system, which was revised in 1989 to VALS 2. Today, it is known as VALS. VALS typology claims that consumer behavior is motivated by three self-orientations: principle, status, and action. According to SRI, “Principle-oriented consumers are guided in their choices by abstract, idealized criteria, rather than by feelings, events, or desire for approval and opinions of others. Status-oriented consumers look for products and services that demonstrate success to their peers. Action-oriented consumers are guided by a desire for social or physical activity, variety, and risk taking.”<sup>23</sup>

VALS also segments by resources, which refer to psychological, physical, demographic, and material means that are available to consumers. The resources continuum (minimal at the bottom to abundant at the top) encompasses education, income, self-confidence, health, eagerness to buy, intelligence, and energy level. As figure 1.1 shows, there are eight segments:

**Actualizers:** These people are successful, sophisticated, and active. They have high self-esteem and numerous resources. They seek to develop, explore, and grow. They desire to express themselves in a variety of ways. Image is important as an expression of independence and character. They do not necessarily conform to principle-, status-, or action-oriented behavior. They appreciate the finer things in life.

**Fulfilleds:** These people are mature, comfortable, and reflective. They value knowledge, order, and responsibility. Most are well educated and work in professional fields. They base their decisions on principles. They are self-assured. They take personal risks but are averse to societal risks. They are content with their careers and family and are open-minded to new ideas. They are conservative consumers, looking for durability and value in the products they purchase.

- Believers:** These people are conventional and conservative. They believe in family, community, the nation, and the church. They favor domestic products and well-known brands. They have a modest education and income, but both are sufficient to meet their needs. They have regular routines.
- Achievers:** These people are successful in their careers. They are also in control of their lives and are committed to their families. They value structure and stability and enjoy their jobs. Their lives are conventional, and they respect the status quo primarily because they are conservative. They favor major brand products and services that will illustrate their success.
- Strivers:** These people desire approval from those around them. They have fewer economic, social, and psychological resources. They understand that money signifies success. They try to emulate those who have more, and what they wish for is usually out of their reach. They are impulsive and unsure of themselves. Many desire to be stylish.
- Experiencers:** These people are young, impulsive, enthusiastic, and even rebellious. Action-oriented individuals who enjoy affecting their environment, these individuals seek excitement. They enjoy shopping for clothing, music, movies, and fast food. They enjoy exercise, sports, and social activities. They are uninformed and politically uncommitted.
- Makers:** These people are practical and value self-sufficiency and family. They enjoy working on houses, raising children, and repairing cars. They purchase products that have a practical or functional purpose such as fishing equipment, trucks, and tools. They are conservative and respect governmental authority, although they resent government intrusion on individual rights.
- Strugglers:** These people have limited economic, social, and psychological resources and suffer from poor health. They believe that the world is difficult. They do not think about the future; rather, they focus on the present. They are cautious when it comes to purchasing goods and services. They are concerned about feeling safe and secure.<sup>24</sup>

Marketers can use VALS to market their products and services. Advertising copywriters can use VALS, too, in identifying segments within the overall market.

Another system is Yankelovich Partners' MONITOR MindBase, which helps clients target specific consumers. In the MONITOR MindBase, eight major groups of consumers have been identified by their attitudes and motivations:

- Up and Comers:** This group accounts for 16 percent of the population in the United States. These individuals are young singles and couples without children. They are self-focused and enjoy adventure. They are socially conscious. They enjoy technology, especially computers and the Internet. They are open to new ideas and are positive about the world. They are creative and self-confident. They are not concerned about the latest trends or fashions. They enjoy cultural events, camping, hiking, shopping, sports, and watching television. They are not concerned about their financial future. They are concerned about their health. They tend to be single nonparent Generation Xers.
- Aspiring Achievers:** This group accounts for 8 percent of the population in the United States. This group is concerned about financial success. These individuals are cynical and socially concerned about the world. They are self-focused, and style is important. They purchase brands that reflect success. They are adventurous, but they are not practical. They tend to be religious and family oriented. They enjoy shopping and sports. They do not enjoy cooking, gardening, reading, or watching television. They are not necessarily

concerned about their physical health or their financial future. They are not necessarily concerned about being in debt. They are not conservative when they invest. Although they accept technology, they feel stressed by it. They tend to be single nonparent Generation Xers.

**Realists:** This group represents 12 percent of the population in the United States. They enjoy excitement but worry about their lives. They desire more time and less stress. They are overwhelmed by the technology and information that are available to them. Many do not own computers, even though many use computers at their jobs. They tend to be optimistic about the world. They desire personal and spiritual health. They play games, read books about parenting, watch movies, and spend time with friends. They are not socially conscious. They enjoy shopping, even though they have low incomes and are in debt. They do not try to live within their financial means. They are concerned about the latest trends and fashions. They tend to be ethnically diverse parents of children under 18 years of age.

**New Traditionalists:** This group represents 14 percent of the population in the United States. This group is family oriented. They create positive environments for their children. Success equals a solid marriage and healthy children. They are socially conscious and very religious. They appreciate technology and are optimistic about the world. They are open to new ideas. They are ambitious. They enjoy cooking, decorating, gardening, playing games, reading, and watching television. They enjoy their computers. They enjoy shopping, especially for new products and services discussed in *Consumer Reports*. They manage their finances and are planning for their retirements. They desire to live within their financial means. They tend

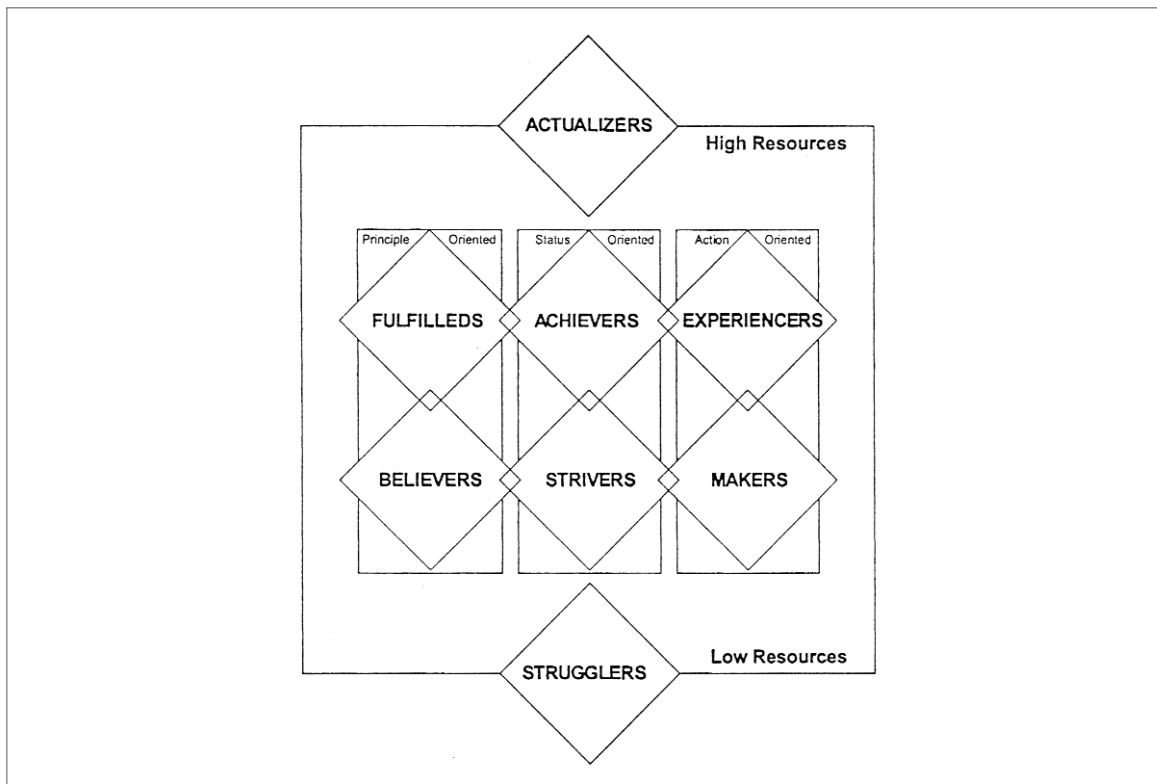


FIGURE 1.1 VALS Typology. Courtesy of SRI Consulting Business Intelligence.

to be married baby boomers with children under 18 years of age. They are well educated and have good incomes. They are not necessarily interested in acquiring material goods.

**Family Centereds:** This group accounts for 14 percent of the population in the United States. They focus on their families, not on themselves or their friends. They do not devote a lot of time to socially conscious activities. They are somewhat cynical about the world. They respect businesses that are honest and ethical. They enjoy family-type activities such as sports. They are not concerned about the latest fashions and trends. They are not concerned about cultural activities, movies, shopping, or traveling. They are concerned about their debt and financial affairs. They do not enjoy investing in bonds or stocks. They view technology as a means to accomplishment. They tend to be baby boomer parents.

**Individualists:** The members of this group are dedicated to their jobs. They are not necessarily concerned about family or society. They do not desire adventure or excitement. They enjoy listening to classical music, reading, and taking a brief trip. They consider themselves to be individualists. They are receptive to technology and enjoy the Internet. They have average incomes, and they enjoy investing and saving for their futures. They have little debt. They do not focus on their health. They do not have much stress. They have the highest educations of any MindBase segment. They tend to be single baby boomers. Half of the members in this group are parents, but none of them have children under 18 years of age.

**Renaissance Masters:** This group accounts for 13 percent of the population in the United States. They are family and socially oriented. They are concerned about the environment, older people, and privacy. They view themselves as practical and responsible. They are religious and attend church. They enjoy antiquing, cooking, decorating, gardening, reading, and watching television. They are concerned about their health in the future. They eat well and watch their weight. They try alternative therapies. They enjoy learning about style and fashion from reading magazines and newspapers. Many own businesses and have substantial incomes. They enjoy managing their money and investing it for their futures. They try to live within their financial means. They tend to be active older married individuals with grown independent children.

**Maintainers:** This group represents 17 percent of the population in the United States. They tend to be traditional and content. They view themselves as neighborly, old-fashioned, personal, and sincere. They do not seek adventure. They are not concerned with the latest styles or material goods. They enjoy their homes. They enjoy working in the garden or yard. They keep current by reading newspapers or watching television news programs. They are conservative about their money and live within their means. They are not interested in technology—to them it is inhuman. They tend to be older adults with a cynical view of the world. Many are parents and grandparents.

These major consumer groups have been separated into 32 distinct segments. Some have more segments than others.<sup>25</sup>

### *Geodemographic Segmentation*

Geodemographics, a conjunction of geography and demography or demographics, is based on the notion that people who live in similar neighborhoods or even postal ZIP-code zones are inclined to have similar demographics, attitudes, interests, and opinions. In short, they will have similar lifestyles and consumption patterns.



Several marketing research firms have developed geodemographic market clusters for the country's 250,000-plus neighborhoods. Specifically, these clusters represent people who have similar demographics and lifestyles. For instance, in the early 1970s Claritas created PRIZM, which is one of the most widely used lifestyle segmentation systems in the United States. Based on the adage "Birds of a feather flock together," PRIZM applies this notion by assigning every neighborhood in the country to one of 62 clusters. Each cluster describes the demographics and lifestyles of the people living in that neighborhood.<sup>26</sup>

### *Other Forms of Segmentation*

In addition to demographic, psychographic, and geodemographic segmentation, marketers have identified markets by geography, by sociology and culture, by product usage, and even by the product or service's benefits to consumers. No matter which is used to identify segments, however, advertising copywriters must be informed; otherwise, what they write will not necessarily reflect the segment's interests or beliefs. Consequently, the advertisements will not be effective.

## MOTIVATING CONSUMERS

Advertising copywriters must understand that every individual has needs. According to Dr. Abraham Maslow, a psychologist, individuals have basic needs in the order listed in box 1.1. Maslow claimed that most normal individuals are partially satisfied and unsatisfied in all their basic needs. In other words, it is difficult for one to satisfy every need, especially as one moves from the first to the fifth level. In fact, many individuals have trouble feeling secure, loved, appreciated, and fulfilled. Some have trouble feeling nourished. Maslow claimed that any given behavior tends to be determined by several or all of the basic needs simultaneously rather than by only one.<sup>27</sup>

### BOX 1.1 *Maslow's Hierarchy of Needs*

#### 1. Physiological or Basic Needs

- Food
- Shelter
- Drink
- Sex

#### 2. Security Needs

- Self
- Family
- Society

#### 3. Belongingness or Social Needs

- Position in society
- Position in group
- Love/affection

#### 4. Esteem (Ego) Needs

- From self (strength, achievement, adequacy, mastery, competence, confidence, independence, freedom)
- From others (reputation, dominance, recognition, attention, importance, appreciation)

#### 5. Self-actualization

- Self-fulfillment

Adapted from Abraham H. Maslow, "A Theory of Human Motivation," *Psychological Review*, Vol. 50 (1943): pp. 370–396; Abraham H. Maslow, "Higher' and 'Lower' Needs," *Journal of Psychology*, Vol. 25 (1948): pp. 433–436; and Abraham H. Maslow, *Motivation and Personality* (New York: Harper and Row, 1954).

TABLE 1.7 Behavioral Dimensions Model

RELATED BEHAVIORAL DIMENSIONS	MOVEMENT TOWARD PURCHASE	RELEVANT EXAMPLES OF PROMOTION OR ADVERTISING TYPES
<ul style="list-style-type: none"> <li>• Conative</li> <li>• The realm of motives</li> <li>• Ads stimulate or direct desires</li> </ul>	<ul style="list-style-type: none"> <li>• PURCHASE</li> </ul>	<ul style="list-style-type: none"> <li>• Point of purchase</li> <li>• Retail store ads</li> <li>• Deals</li> <li>• "Last-chance" offers</li> <li>• Price appeals</li> <li>• Testimonials</li> </ul>
<ul style="list-style-type: none"> <li>• Affective</li> <li>• The realm of emotions</li> <li>• Ads change attitudes and feelings</li> </ul>	<ul style="list-style-type: none"> <li>• CONVICTION</li> <li>• PREFERENCE</li> </ul>	<ul style="list-style-type: none"> <li>• Competitive ads</li> <li>• Argumentative copy</li> <li>• "Image" ads</li> <li>• Status, glamorous appeals</li> </ul>
<ul style="list-style-type: none"> <li>• Cognitive</li> <li>• The realm of thoughts</li> <li>• Ads provide information and facts</li> </ul>	<ul style="list-style-type: none"> <li>• LIKING</li> <li>• KNOWLEDGE</li> </ul>	<ul style="list-style-type: none"> <li>• Announcements</li> <li>• Descriptive copy</li> <li>• Classified ads</li> <li>• Slogans</li> <li>• Jingles</li> <li>• Sky writing</li> <li>• Teaser campaigns</li> </ul>
	<ul style="list-style-type: none"> <li>• AWARENESS</li> </ul>	

*Source:* Robert J. Lavidge and Gary A. Steiner, "A Model for Predictive Measurements of Advertising Effectiveness," *Journal of Marketing*, Vol. 25, No. 6 (October 1961). © 1961 by the American Marketing Association, Chicago. Reprinted by permission.

Advertising copywriters must be able to recognize one or more needs that consumers in a particular segment have and, if possible, develop messages that address these needs. This may not be an easy task, especially if the client's marketing plan is not available or if the advertising agency has not developed an advertising plan or integrated marketing communications plan.

Although trying to fill one or more needs may motivate individuals into behavior of some kind, there are other factors that influence behavior, including *perception* and *learning*. Basically, *perception is the process by which one assigns meaning to information*. Usually, the meaning assigned will be based on sensory impressions and experience. Because of the amount of stimuli that one views, reads, and hears in a typical day, advertisers have a difficult time getting attention. In addition, individuals use selective exposure—that is, they choose which messages to view, read, hear, or remember. Unfortunately, most do not wish to view, read, hear, or remember advertisements.

*Learning is related to perception. Consumers cannot learn unless they have perceived stimuli and assigned meaning to it. Basically, learning causes changes in one's physical and mental behavior.* Advertisers attempt to change consumers' behavior by informing them and persuading them to purchase products or services.

## Hierarchy-of-Effects Models

Advertising copywriters are asked to develop commercial messages that have an effect on consumers. These messages should persuade consumers to think favorably about a brand or preferably purchase a brand.

Over the years several persuasive communication models have been used in advertising. Russell Colley presented one model in the 1960s in his book *Defining Advertising Goals for Measured Advertising Results*. Practitioners familiar with the book use the acronym DAGMAR. Basically, *DAGMAR suggests that consumers climb a mental ladder before they purchase products or services: unawareness, awareness, comprehension/image, conviction or attitude, and action*. Whatever advertisers do to promote their products or services helps move consumers up the ladder toward “action.”<sup>28</sup>

A second model was developed by Robert Lavidge and Gary Steiner and includes six levels. These levels are divided into the three components that make up one’s attitudes. The first level consists of “Awareness” and “Knowledge”; these are comparable to the “Cognitive” or “Knowledge” component of one’s attitudes. The second level consists of “Liking” and “Preference”; these are comparable to the “Affective” component of one’s attitudes. The third level consists of “Conviction” and “Purchase”; these are comparable to the “Conative” component of one’s attitudes. (See table 1.7.)

The model seems to be linear, but consumers do not necessarily make decisions in this order. Usually, which decision they make first, second, third, and so on depends on the product or level of involvement. For instance, a consumer may actually skip “Awareness” and “Knowledge” when purchasing a soft drink or some other convenience product. We focus on copy research and the creative strategy in the next chapter.

## EXERCISES

1. Use the Internet to look up the following: U.S. Census Bureau, Yankelovich Partners (MONITOR MindBase), Stanford Research Institute Consulting Business Intelligence (VALS), and Claritas (PRIZM).
2. Use the Internet to look up “advertising plan” and “marketing plan.”

## NOTES

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  8. U.S. Census Bureau, “DP-1.”
  9. U.S. Census Bureau, “DP-1.”
  10. U.S. Census Bureau, “DP-1.”
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