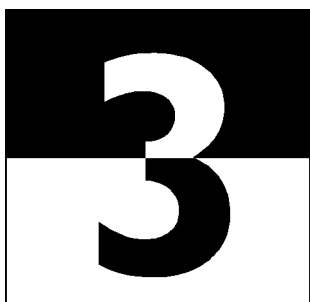




*Certificate in*

# Advertising



*Level 3*

*Series 4 2003*

*(Code 3002)*

## Model Answers

(UK Accreditation No: 100/1669/7)

ASP M 1582





# **Certificate in Advertising Level 3**

## **Series 4 2003**

### **How to use this booklet**

Model Answers have been developed by LCCIEB to offer additional information and guidance to Centres, teachers and candidates as they prepare for LCCIEB examinations. The contents of this booklet are divided into 3 elements:

- (1) Questions – reproduced from the printed examination paper
- (2) Model Answers – summary of the main points that the Chief Examiner expected to see in the answers to each question in the examination paper, plus a fully worked example or sample answer (where applicable)
- (3) Helpful Hints – where appropriate, additional guidance relating to individual questions or to examination technique

Teachers and candidates should find this booklet an invaluable teaching tool and an aid to success.

The London Chamber of Commerce and Industry Examinations Board provides Model Answers to help candidates gain a general understanding of the standard required. The Board accepts that candidates may offer other answers that could be equally valid.

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## **Certificate in Advertising Level 3**

### **Series 4 2003**

#### **QUESTION 1 (Compulsory)**

Prepare a storyboard for a television commercial announcing a pop-festival, some distance from the capital, which is to celebrate a specific occasion (eg anniversary of the Country's Ruler, or New Year). The commercial is 30 seconds in length and should include a sign-off consisting of a contact telephone number and an address for viewers to get a leaflet on the event plus details of special travel arrangements to get to the venue.

**(20 marks)**

#### **Model Answer to Question 1**

- Number of words
- Technical instructions (camera directions, EFX)
- Voice-overs
- Use of music
- Sign-off/contact number/address
- Use of storyboard format
- Creative use of words and pictures
- Relevant to target audience

## QUESTION 2

(a) Define the following terms:

(i) trade advertising (4 marks)

(ii) co-operative advertising. (4 marks)

(b) Describe **4** methods of **sales promotion** that could be used to encourage retailers to stock products being promoted by the above methods.

(12 marks)

**(Total 20 marks)**

## Model Answer to Question 2

- (a) (i) **Trade advertising** is part of the essential 'selling in' or the 'Push' of the 'Push/Pull Process' of ensuring that the trade - wholesalers, distributors and retailers - is motivated to stock - on a 'sale or return' basis - or even buy the product to sell on to customers and consumers. For this, manufacturers and suppliers use trade advertising – to promote to the trade or intermediaries.
- (ii) **Co-operative advertising** is undertaken by manufacturers and retailers who combine their efforts (and their budgets) to undertake specialist promotions emphasising that a particular brand or product is to be made available only through a certain outlet. It is not restricted to any one particular outlet or chain but done by manufacturers at different times with other retailers or they would purchase the maker's rival brands.
- (b) 'Sales promotion comprises that range of techniques used to attain sales and marketing objectives in a cost effective manner by adding value to a product or service either to intermediaries or end-users, normally but not exclusively within a defined time period.'

*The Institute of Sales Promotion*

### Intermediary Incentives

- Incentive schemes with rewards to stock and display products including discounts (to increase profitability), gifts and prizes (such as free holidays) and competitions aimed at owners and proprietors as well as the staff selling or recommending the goods.
- Hospitality/entertainment at sports and social events.
- Display material at the point of sale, shelf displays, window or door stickers, leaflets and leaflet racks, display racks or dump-bins.
- In-store demonstrations and demonstrators (which may also be used at trade exhibitions as inducements to consider the product).

The following could be included in an answer if it is made clear that they will encourage stocking by the retailer:

### End Customer Promotions

- Money off coupons, banded offers (two for the price of one), multi-packs or a financial incentive such as 0% credit/finance.
- Free samples or trial packages, coupons (in magazines or delivered by door to door leaflet drops or by post) or test drive (including a trial period in the home).
- On-pack coupons and collector promotions (eg saving petrol coupons and more recently 'loyalty cards').
- Offers eg recipe books with foodstuffs, trial packages with associated products (eg sauce mix with pasta) or associated offers (eg free airline ticket for partner when booking a business flight).
- Promotions related to certain events (eg Olympic Games), association with a charity/voluntary group, link up with a celebrity or connections with educational establishments (eg supermarkets giving away coupons which the local school can exchange for computer systems for the students).

### QUESTION 3

List and explain the roles of **the production department of an advertising agency** with reference to how it manages the workload of all departments.

(20 marks)

#### Model Answer to Question 3

- Production department ensures that advertisements and commercials appear on the right page, on the right day in the right publication or in the right slot at the right time in a day's viewing/listening on the right channel/station.
- Production and print buying for direct mail shots, sales literature (leaflets and brochures), display material and all of the other items that a client has commissioned.
- The production department is controlled by the **production manager** who will have at least one **traffic controller** plus, possibly an **art buyer** and a **print buyer** although these roles may be combined in the work of a **project manager**.
- Progressing the work through the agency and outside suppliers is done by a traffic controller. There could be 5, 6, 10, 20 or 50 clients which generates a lot of activity and hence we have the traffic controller ensuring that the jobs flow through the agency and gets them completed on time to meet the medium's deadline.
- Every piece of work, however small is allocated a job number and title to keep track of the work through the agency and suppliers until it reaches completion. The job numbering system also ensures that any costs borne by the agency for that particular piece of work are allocated to the right job and invoiced, eventually, to the client.

Additional acceptable information which supplements the above:

- Some production departments also co-ordinate the production of television and radio commercials but if there is a significant volume of advertising on the broadcast media, this is handled by a separate and specialist production department.
- The production manager is often the 'Mr Fixit' of the agency as he/she and the traffic controllers will work with the creative director on the provision of models, props or pieces of equipment for photo shoots and even the commissioning of photographers and illustrators that specialise in advertising work.

Work undertaken by the:

**The art buyer** (provision of models, props or pieces of equipment for photo shoots and even the commissioning of photographers and illustrators that specialise in advertising work).

**The print buyer** (working with a whole range of printers and point of sales (POS) makers which specialise in particular fields).

**The project manager** (combining traffic control and print and art buying due to the increased responsibilities of members of the production department).

**QUESTION 4**

(a) As an Advertising Manager of a newly-formed company, list and describe alternative methods for setting budgets for an integrated marketing communications company, to launch the company and its first product.

(8 marks)

(b) Draft an outline of the first annual budget.

(12 marks)

**(Total 20 marks)**

**Model Answer to Question 4**

- (a)
- Objective and task
  - Percentage of future sales
  - Competitor parity
  - Affordable method
  - Marginal (Stratified)
  - Per Unit

(b) **Media Advertising**

Trade Advertising	£XXX,XXX
Consumer Advertising	
Space	£X,XXX,XXX
Production	£XXX,XXX
	£X,XXX,XXX

**Sales Promotion**

Consumer Offers	£X,XXX,XXX
Retailer Incentives	£X,XXX,XXX
	£X,XXX,XXX

**Direct Marketing**

Space Advertising	£XXX,XXX
Catalogues	£XXX,XXX
Direct Mail	£XXX,XXX
	£X,XXX,XXX

**Publicity**

Public Relations	£XXX,XXX
POS/Displays	£XXX,XXX
Sales Literature	£XXX,XXX
Dealer Support	£XXX,XXX
Customer Hospitality	£XXX,XXX
	£X,XXX,XXX

**Exhibitions**

£XXX,XXX

**Sponsorship**

£X,XXX,XXX

£XX,XXX,XXX

*Note: It does not have to have all of these elements but does need to show a reasonable number of activities to be costed and should be broken down into reasonable detail.*

## QUESTION 5

Write a **memorandum** to the Marketing Director of the newly-formed company describing how **direct marketing** (direct response marketing) could be used in the early stages of the company.

**(20 marks)**

### Model Answer to Question 5

#### MEMORANDUM

To: Marketing Director  
From: A Candidate  
Date: 1 December 2003  
Subject: Direct Marketing

'Direct marketing is selling goods or services without shops and usually without personal sales people direct to customers in response to orders generated by direct mail shots, leaflets, catalogues, telephone calls and printed or broadcast advertisements'.

Direct marketing aims to secure an order with an integral coupon that is actually an order form requesting name and address, details of size, colour, quantity required etc and a request for payment (such as sending a cheque, postal order or giving credit card details etc).

It is an effective means of selling bargains, novel inventions or products that the customer may not readily want to be seen buying (eg treatments for baldness including wigs, slimming aids or correspondence courses to people not prepared to state publicly that they had no education).

There is no need to 'sell-in' to established retailers or to open an individual shop or store so saving costs on premises, equipment and/or staff.

#### Methods

- Press advertisements especially in the weekend newspapers and supplements but also in magazines of general consumer interest and specific taste.
- Broadcast (radio and TV) advertising where goods are shown or discussed for viewers and listeners to phone in their orders on freephone or toll free lines and complete the transaction with their credit card details.
- Dedicated television channels aimed at home shopping using the techniques above but likely to eventually include interactive shopping whereby order and payment details are entered by remote control.
- General mail order catalogues (eg clothing and household goods catalogues run by housewives for pin-money or extra income) or specific catalogues (eg stamps for philatelists).
- Leaflets inserted into magazines and newspapers (for records or book clubs).
- Leaflets and catalogues sent to named individuals on bought-in mailing lists of potential customers who may have a specific criterion for receiving direct marketing offers - not least of which will be that they have bought goods this way before. This can be people of certain income levels or types of household but it may be an interest such as wine drinking or interest in the environment.

Additional acceptable information could be:

- Leaflets and catalogues distributed door-to-door in a neighbourhood such as undertaken by housewives selling Avon Cosmetics.
- Party plan promotions such as those organised by kitchenware manufacturer "Tupperware" to sell to housewives at social gatherings in one of their homes. Party plans are also used to sell cosmetics and beauty aids to the bride and her friends at traditional hen parties prior to the wedding or new mothers in maternity hospitals in Canada.
- Catalogues from outlets in the High Street (such as Argos and Index) where the choice is made from the catalogue but ordered and collected from the store (defined as direct response marketing because there is no selling, demonstration or chance to inspect the goods).

## QUESTION 6

Select and briefly describe a current and actual advertising campaign by a **real** non-profit organisation (such as a charity, council, trade union, government department etc).

(2 marks)

You must include the following:

- (a) the actual target audience (3 marks)
- (b) the advertising objectives (3 marks)
- (c) the key messages (3 marks)
- (d) all the media used (6 marks)
- (e) how effective it was, in your opinion. (3 marks)

**(Total 20 marks)**

### Model Answer to Question 6

An actual non-profit organisation must be named together with appropriate definition/description together with an acceptable critique provided by the candidate.

- (a) **The actual target audience**  
Specific sectors of the public such as taxpayers, those receiving benefits (not the general public) or teenagers – as targets for AIDS campaigns in government advertising; potential volunteers or donors; motorists (for road safety campaigns); existing or potential members (for trades unions).
- (b) **The advertising objectives**
  - to create awareness (of the organisation and its works or of a particular problem such as bad driving)
  - to generate interest in the activities of the organisation so that the target audience(s) either volunteers (to help the charity), donors (to give blood) or joins the organisation (the campaign for the trades union)
  - to stimulate action such as supporting, giving donations or taking up the offer (of treatment for AIDS or for a welfare benefit)
- (c) **The key messages**  
The messages must appeal, be educational, instructional or informative but not promotional.
- (d) **All the media used**  
Selection of media described not a single medium, such as television, but could be a mixture of above-the-line and below-the-line media (such as a TV/newspaper campaign reinforced by door-to-door distribution of leaflets, shopping centre displays and public relations).
- (e) The candidate's own opinion is sought with reasons why it was or was not effective.

## QUESTION 7

Write a **report** for the Board of Directors of a company of your choice explaining the legal relationship that may exist between the advertising agency and the media owners. Describe how this may prevent the media owner suing the advertiser for the cost of space or air-time.

**(20 marks)**

### Model Answer to Question 7

#### R E P O R T

To: All Board Directors  
From: Miss S Jones, Advertising Manager  
Date: 1 December 2004  
Subject: **Legal Relationship – Agency/Media Owners**

- (1) The advertising agency acts as 'Principal in Law'
- (2) It is also a limited company which means that it has liability limited equivalent to its share value
- (3) However, it is also a legal entity which means that it can be sued
- (4) However, limited liability protects the directors from actions for which they may not be wholly to blame.
- (5) Any contracts that the agency enters into with a supplier, such as a media owner, become binding between them. So, if an agency buys space from a media owner, it makes the contract on its own behalf with the media owner even though it is buying the space for a client.
- (6) The agency is acting as an agent for the media primarily. If the agency refuses to pay the costs of the air-time or space, the media owner cannot sue the advertiser for breach of contract as no contract exists between them.
- (7) Any contracts that agencies enter into become binding between them and their clients. The agency makes a contract with each of its advertisers (its clients) to buy air-time or space on their behalf. If the agency wants its money from the client, it sues, as a 'principal in law'.
- (8) In turn, the agency will be sued, again as a 'principal in law', by the media owner.

Agency/client agreements are usually created covering the above in terms of business while the agency should be subject to Recognition by media owners giving it credit-worthiness and facilities to pay.

## QUESTION 8

- (a) Describe **the target audience, giving a complete profile**, for the following in a country of your choice:
- (i) Large screen television set (3 marks)
  - (ii) Personal stereo (eg 'Walkman'). (3 marks)
- (b) Select **one** of the products you have chosen in (a) above, and explain the above-the-line media you would select to promote the product. Give examples of actual publications, stations or channels etc. You must also provide reasons for your choice. (14 marks)

**(Total 20 marks)**

### Model Answer to Question 8

The following relate to the United Kingdom

- (a) (i) **Large screen television set**  
Families with children, C<sub>2</sub>D (in UK), council tenants living in suburbia, father has skilled or semi-skilled job, mother works part-time.
- (ii) **Personal stereo (Walkman)**  
Young person, 13-18, may be in full-time education, school, sixth form college, first job, non car driver (otherwise would use car stereo/radio etc).
- (b) Selection of range of media types (ie not just television or magazines unless there is some explanation) eg lower level family publications 'Family Circle', 'Chat', 'Bella'; C<sub>2</sub>D newspapers 'Sun' or 'Mirror' and programmes for (i) such as 'Coronation Street' or 'Blind Date' etc.

Explanation of targeting and effectiveness in message delivery (eg television to show quality of picture, features and ease of operation inc. selection of wide range of channels via remote-control) or newspapers to give detailed specification/credit terms inc. possible benchmarks against existing/competitive sets.

## QUESTION 9

As the Advertisement Manager of a women's magazine, write a **letter** to the Media Director of an advertising agency giving details of the contents of the media information pack you are sending. **(20 marks)**

### Model Answer to Question 9

Lansbury Publishing Limited  
56 Eastbank Terrace  
Riverside  
London SE1 5JJ

1 December 2003

Mr William Jones  
Media Director  
Publicis UK Limited  
24 The Strand  
London WC1A 4XX

Dear William

#### **MEDIA INFORMATION PACK – WOMAN'S WORLD**

Please find enclosed the media information pack containing the following:

- (1) Circulation and readership figures
- (2) Profile of readers (based on independent research and research undertaken by the publication)
- (3) Area of coverage (in geographic terms)
- (4) An editorial schedule of subjects to be covered in the publication so that advertisers can place their advertisements in special issues, features or sections.
- (5) Advertising rates (including rates for special positions)
- (6) Frequency (daily, weekly or monthly appearance)
- (7) Mechanical details (eg method of printing and requirements for film with printed media).
- (8) Copy dates (when the advertising material needs to be supplied so that it appears in a specific issue)

I hope that this is of interest and I look forward to hearing from you.

Yours sincerely

*A Johnson*

A Johnson  
Advertisement Manager

*Note: marks would be awarded for identifying independent media research bodies (eg ABC, NRS/VFD or indication of local equivalents), for breaking down readership by demographics or other forms of segmentation, special sections/issues (eg Christmas shopping).*

## QUESTION 10

Describe and explain the ways of **pre-testing** advertisements and commercials before being placed in the press or on air.

Your answer must cover the following:

- (a) Aspects that can be tested. (5 marks)
- (b) Methods to be used. (15 marks)

**(Total 20 marks)**

### Model Answer to Question 10

#### (a) Aspects to be tested

- What is the impact of the advertisement or the commercial?
- Do the target audience relate to it?
- What association can they make with it?
- Can they recall it?
- Is it getting the message across that is wanted by the advertiser?
- Does it communicate the right image?
- Is it credible? Can it be believed?
- Is it intelligible? Can it be understood?
- Does the target audience like it or dislike it?
- Is it distinctive? Does it stand out?
- Will the customers be stimulated to buy?
- Does it arouse their emotions? Favourably?
- Is it giving a positive message? Or are there negative thoughts?
- Is it persuasive?

#### (b) Discussion and Interview Methods

Candidates can concentrate on a limited number from the following with detailed descriptions to gain the marks allocated but could also feature a longer selection each with a brief description, explanation or justification.

Methods to be selected from:

##### **Group discussions (including mini-groups)**

##### **Depth interviews**

##### **Semi-structured and structured interviews.**

Carried out within the agency with selected individuals who might have similar profiles to the target audience or who already buy the brand or a rival product.

Idea is to get the group or the individual to talk freely about their feelings for the advertisement or commercial to see how it relates to the brand or product.

Discussions and interviews structured to guide those attending towards talking about the clients products

Use of trained research staff conduct the sessions in such a way that it does not become biased. To prevent bias, mention of questionnaires with closed, open, scalar and multi-choice questions can be used.

## Model Answer to Question 10 continued

The role of the leader of discussion groups or interviewers is to funnel or lead the discussion to the specific brand or product advertisement being reviewed.

Showing of the advertisement or commercial under test towards end of session when honest opinions can be drawn.

Advantages of discussion groups is that every part of the discussion is recorded and studied since sometimes a random remark might be of great significance especially if it is a statement that might not be expected.

### Folder Tests

Folder tests which might be used on their own but can also be used as part of group discussions, mini-groups and in individual depth and semi-structured interviews.

A folder test involves asking individuals to go through a portfolio, which is a mix of advertising material and, possibly related editorial material. Material carefully chosen so that there is no dominance or concentration of material directly relating to the advertisement under test (eg inclusion of competitors' advertisements) with all produced to the same stage of finish.

Two versions of the folder, each containing a different version of the client's advertisement so that a variation of the whole concept can be studied or aspects (such as headlines or illustration that have been changed) can be checked.

Final precaution of not using over-exposed advertising material as these would be more readily recalled because they are familiar.

### Physical Testing Methods

**Tachistoscope** which allows images to be flashed in front of the eyes of the individual for increasing periods - from 1/500 of a second, to half a second so that person taking part in the test can be asked which of the elements of the advertisement have been registered in each exposure.

**Shade box** or **variometer** where an advertisement or, more often, a pack is gradually exposed, to more and more light so the tester can determine which elements of the design are becoming noticeable.

**Psycho-galvanic skin reaction (PGSR)** and **polygraph testing**, both of which are more like lie detector tests inc. the psychogalvanometer which measures the electrical skin resistance and the polygraph which measures a number of physical reactions simultaneously for recording and later analysis.

Equipment that follows the **eye movement** of the person viewing the image so that the elements that attract can be discovered. It can also track the way that the person's eyes move across the advertisement from the initial attraction to take in or miss the various elements.

Also the variation that allows testers to check the minute electrical activity created by the eye movement to find the degree of excitement that the images create. Plus another variation which allows the tester to measure the increase in size of the pupil in the eye which gets bigger the more excited the viewer is.

## **Model Answer to Question 10 continued**

### **Split Run Testing**

Split run test of the advertisement by placing two concepts in different editions of the same publication and seeing if there is a difference in the number of response coupons returned (which will be keyed or coded for identity purposes).

Mention of separate geographical areas are chosen and use of more elaborate testing such as dealer audits and street canvassing by market research teams.

### **Hall and Theatre Tests**

Hall and theatre tests to allow the agency and advertiser to discuss the advertisements and commercials with the consumer and customer but as they take place in shopping centres or in busy areas, they can be said to be testing the 'man (or woman) in the street'.

Mention of passers-by stopped in the street and asked to come inside a public hall or community centre to view advertisements.

Precautions of not being told of product or brand and being asked preliminary questions to ensure that they have a profile similar to the target audience or whether they buy the brand or similar product.

Hall tests to allow the agency research staff to show the individuals copies of the advertisements or a number of variations upon them to see which of the elements listed above (impact, association, recall etc.) they are most aware of. Done with a series of questions, which ensure that every element to be tested is covered and all aspects of the advertisement are discussed.

Can also be used for posters which are often super-imposed upon street scenes showing actual poster sites.

Theatre tests are a variation on hall tests but there is the opportunity to show television or cinema commercials to individuals or, more often, groups. This is usually done as part of a small programme of material related to the sample group.

### **Test Marketing**

Test marketing is used to test both product acceptance and promotional techniques with a small campaign.

Test of the whole launch of a new product to provide valuable feedback for decisions to be made on whether money should be invested into production.

Testing of likely effectiveness of the advertising campaign before it is 'rolled out' nation-wide.

Not just the single advertisement or commercial under test but the whole campaign. Hence, mention of a miniature campaign using local publications, regional television channels and radio stations as well as poster sites and cinema.



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