Impact of Media Mix and Innovation on Advertising Efficiency of Multinational Companies in Pakistan

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ABSTRACT

The growing importance of marketing over time has also increased the importance of advertising. Media mix and innovation are the most important factors for determining the effectiveness of an ad. Innovations have different efficiency levels that make it difficult to achieve a perfect media mix that give the maximum advertising efficiency. In this study different variables (factors) including media mix, innovation, brand loyalty, brand value, advertising expenditure, duration and competition are selected to test their effect on advertising efficiency either directly or indirectly. Mixed methods approach (qualitative plus quantitative data) was used to gather data. The results indicated brand loyalty, value and exposure of advertisement were significant factors that affected the efficiency of ads. However innovation was insignificant, which indicate that multinational firms engaged in dairy businesses in Pakistan have no impact on advertising efficiency unlike in other western developed countries.

KEYWORD: media mix, brand loyalty, brand value, advertising efficiency, mixed method approach

1. INTRODUCTION

A firm comes to its existent when it starts producing a good that may have some value among people. Every existing firm’s sole objective is to grow and sustain in future which highlights the argument that the firms usually focus on producing products or services that the people of the society are willing and able to buy. Consequently, creating consumer demand is essential for a firm’s future stability and growth.

Looking back in the old times (before 1950s) firms used to focus on production and achieving economies of scale, they used to believe that consumer demand will remain stable and consumers will buy whatever is produced. As the time moved on people shifted from production to product orientation which means concentrating more on product quality then economies of scale believing that consumer will buy the product as long as it is of high standard. As the time passed on firms approach changed and this time it was focused on selling orientation which means that the firm used all its resources to sell or promote its product that they produced. But as the other approaches changed over time so was with selling orientation approach, after 1970s this approach also changed and now firm started to focus on marketing which means now it was important for the firms to produce what is demanded by the consumer and so the power that the firms had over its choice of production was gone.

As the time came close to the present day the importance of marketing grew so much that now it is the sole mean for the firm to survive in today’s intense competitive markets. Marketing has become the back bone of firm’s success and now firms most of the activities are focused around consumer wants and needs. Currently there are three ways through which firms exploit marketing orientation approach; the customer driven approach, the market change identification approach and the product innovation approach. It has been over four decades that marketing orientation is still been pursued by the firms but there have been changes in this orientation as well which has improved the overall effects of marketing. The recent trend which is been pursued for more than a decade is branding. Branding is referred to as a company’s main philosophy and marketing is used as an instrument for branding philosophy. Nowadays branding has become an important part of marketing, the present trends have been forcing firms to distinguish their products and services under the roof of branding so that they can succeed in the competitive markets.

Keeping all the above discussed in mind marketing success has been relying all the time on how good are you in introducing your product to your consumers or in other words advertising your product. This procedure is so far dated back to 4000 B.C but now it is not just simply a method of introduction but now it has become the mean of surviving. Advertising is a form of message intended to persuade the audience to take an action upon an idea, a product, a service or anything that is been broadcast or printed. Advertisement includes important details like features, attributes, etc., of an idea, product or service. Advertising helps to catch the attention of customers and
create awareness about the product, service or an idea. Advertising is yet a very basic but important way to compete in this growing war of competition among firms. Efficiency is referred to a phenomenon or theory that explains the rate of resource utilization for producing a product, service or idea. It is said that a firm is 100% efficient if it is able to use its resources at full capacity and is able to produce maximum output from a given set of resources. Like this advertising efficiency is the term used to describe the phenomenon that measures the returns that the company receives in the form of sales revenue from spending one dollar on advertising their product. If the firm is able to increase its revenues through advertising then it can be said that the advertising expenditure and advertising is directly proportion to sales revenue. A firm is fully advertising efficient if it is able to increase its sales revenue more than what it has spent on advertising its product. With the increase in the importance of advertising and marketing, the need to operate efficiently has also emerged which means that now firms are very keen to receive maximum returns from the amount of dollars they are spending on advertising. In the current time period firms are emphasizing a lot on advertising efficiency because measuring efficiency help them keep their competitive advantage over other competitors as well as help them rearrange their advertising budgets to achieve maximum efficiency at all the times.

Media is a term used to refer to different type of mediums or channels that facilitate flow of information from one person to another person. Information flowing through these mediums or channels somehow affects the parties involved in this process. Media consists of a group of communication tools or mediums that help one person to float its message through mediums so that it can reach to the right people to read the message that is intended for that customer base. Media mix is a combination of different channels used by a single firm to advertise its product to different customer base. Media mix help manage delivering the message for the product, service or idea that is suitable to the marketing strategies you are following and it also help firm distribute its advertising expenditure over a mix of media so that it can achieve higher efficiency.

The research objectives of this study are:
- Understanding why innovation is important for advertising efficiency and why it is important for the firm to develop a perfect media mix.
- Understand the importance of advertising in a firm and why firms need to advertise efficiently to attract customers.
- Assessing the need for change in media mix to achieve advertising efficiency and developing a media mix that requires minimum change with respect to the changing conditions.

1.1 Significance of research

Different ways to advertise a product or service have always been a subject of interest for the firms because a unique way to advertise may help them attract and retain customer, stand out of the competition and achieve success. Presently finding a unique way to advertise is not just enough for the firms to achieve success but now firms are interested whether this unique way provide more benefits than what is spent on it or not. So the question arises how efficient is a particular media channel through which the firm is advertising?

This study will analyze the different media mix and media channels that help improve the advertising efficiency. This study will not only provide results on the different media mix but it will also analyze other factors that affect the advertising efficiency so that firms can implement advertising strategies that are more efficient and help them achieve higher sales revenue. The study will be a great addition in the list of research on advertising and efficiency and choice of media mix. It will help the firms understand the importance of advertising efficiency and the choice of media mix, it will also help them achieve right strategies to achieve advertising efficiency with the help of the findings that this research will list down.

2. LITERATURE REVIEW

Syed Zulfiqar Ali Shah et al. (2009) who studied the significance of media advertising expenditures to value, using evidence from the United Kingdom. The data was collected for period 1990 to 1998. The result derived from this research concluded that major media advertising expenditures had a positive association with market value. Factors that were thought to be affecting value were the size of firm and the type of business (manufacturing and non-manufacturing). The size of the firm had an insignificant amount of difference but the type of business did make a difference. Market value had significant affect only there for non-manufacturing firms. The further analysis also produced results which suggested that major media advertising creates intangible assets for non-manufacturing companies.

Cookhawan Kim et al. (2011) concentrated on online advertising. It as an effective way of advertising only if the most cost effective ad spots is discovered using the MCMC model. The study used the data from consumers
click on ad data from the Auction which ranged from March 1st to May 30th. The results of the study introduced the Poison gamma model to the advertising model which had greater advantages over the proposed advertising effects model used more widely. It helps not only in measuring the effectiveness of the advertisement but also the influence it has on consumers who visit only once. Great importance was given to the use of key-words and increasing the data-base for keywords as they help the consumers on their search and identifying the right products.

Park and John (2011) examine ad appeals such as the signaling ad appeal and the self-improvement ad appeal by conducting two separate studies. In the first study sixty four undergraduate females participated who were divided into halves for both the appeal testing conditions. In the first study they were given a survey and the second study was about reading an advertisement concentrating on self-improvement. The participants evaluation can be concluded by saying that the consumers who thought their personal and physical qualities are fixed are more affected by signaling ad appeals where as consumers who believe that their personal qualities can be developed are more affected by self improvement ad appeals.

Albena Pergelova (2002) in his research paper aimed to assess the efficiency of advertising by looking at its mobile advertising. They were considered as two different consumer groups and thus two different samples were taken from Erzurum, Turkey. 380 questionnaires were filled out of which 200 were filled by adults whereas 180 by young adults. The results showed that attitudes were influenced by the advertisements being personalized, informative, entertaining and reliable. There is a difference between behaviors and intentions of the two groups and this can be summarized by saying that the youth considers mobile advertisements more in their decision making than adults and also have a more positive response towards them than the adults. Thus it can be concluded that promotional activities targeted towards the youth can benefit more by incorporating mobile advertising in their promotional planning.

Jan Benedict Steenkamp et al.(2005) concentrates on competitive reactions to advertising and promotional attacks. It aims at evaluating the effect of price promotion and advertising on reactions of competing brands and also factors affecting the intensity of competitive reactions which include brand power, category impulse buying and market concentration. The study was carried out at the Netherlands and data was available for 442 consumer goods categories from where the top three brands were considered in each category. The results of the research showed that over all, the most frequent form of competitive reaction is passive. Even when competitors do react, they react more in response to pricing strategies than to advertising done through different mix of media. From sales maximization point, most of the brands was justified in not to react to advertising thus it can be concluded that the majority of the promotion and advertising attacks are not influenced by the defenders reaction.

Albena Pergelova (2002) in his research paper aimed to assess the efficiency of advertising by looking at its determinants including the media mix. One main determinant found in the article was brand value. The sample of sixteen Spanish companies was taken to assess their advertising inefficiency which turned out to be more than 20% in most of the cases. It used the data employment analysis which compares online advertising to traditional advertising methods. The results of the research proved that online advertising did increase the overall advertising efficiency in the long run so the marketers should consider internet marketing as the most appropriate option in advertising mix to improve overall efficiency. Also if a brand name was attached to the product it could bring a stronger impact on consumers and help consumers relate the advertisement to the product.

Schmit and Kaiser (2004) look at generic advertising response over time using the wear-out theory that suggests that advertising effectiveness will vary over time as the consumers become familiar with the advertisements focused repeated themes and will tend to ignore repetitive exposures to the same type of advertisements. The methodology used was data collection from the Daily Management Incorporation and Leading National Advertisers for the period dated from 1875 to 2001. The researchers conducted several statistical tests on the empirical model which lead to the following results. Advertising elasticity was highly variable over time and showed that age and race populations were the key determinants in of advertising response to milk and other dairy products. The empirical results also showed that advertising thru media can be most effective by focusing on or targeting young children or adults with young children at home.

Luo and Donthu (2005) also focus on advertising media inefficiencies in generating sales. Many marketers believe that advertising through media may not be the perfect choice for promotion as its inefficiency is not easy to measure and there is always a risk of losing sales due to inefficient ad spending which is ignored by the consumers. Therefore the authors concentrate on the importance of advertising media efficiency measuring. 100 advertisers were chosen and two approaches were taken into account to present and relate media spending inefficiencies. One of the methods was DEA i.e. Data Envelopment Analysis and the other was Stochastic Frontier which is a non parametric approach. The period of data dated from 1997 to 1998 and was obtained from the Advertising Age reports of 100leading national advisors. The results showed that advertisers spending in traditional marketing like

print, broadcast and outdoor media is not efficient enough and has the capacity to increase sales by 20 percent. Also both the methods did not produce the same results and so for more clarity, both the approaches should be applied.

J. David Lichtenthal et al. (2006) concentrates on outdoor advertising and suggests it as an extremely useful advertising technique though it’s not highly used in B2B marketing. It focuses on the unique traits of the business market such as concentration of buyers, advantages of integrated information and targeting trade shows. It gives futuristic approach of how competitive advertising will be measured and gives some preliminary research propositions which include increasing the awareness of business marketers and increasing the effectiveness of integrated programs in business marketing. It states that outdoor advertising can achieve some important marketing objectives pertaining to product categories and geographical areas.

Deborah F. Spake et al. (2000) aim to investigate the decision of advertising agencies as the agency commissions reduce and they start showing poor performance in the building of advertising campaigns. Also this article suggests that brand loyalty is one of the key determinants in improving the effect of consumer’s behavior. Their research uses the agency theory which concentrates on the agency/client relationship and their dealings. A national survey was undertaken which looked at client advertising managers and their relationship with their advertising agency. This was done using questionnaires and apart from that interviews in person and on the phone were also held. The results showed that in relation to commission only compensation, outcome based compensation will be used more when the outcome is easier to measure and linked to the demands of the client.

3. THEORETICAL FRAMEWORK

4. METHODOLOGY

The data was collected through mixed methods. For acquiring first hand data, focus group and interviews of regional marketing managers of Nestle Corporation, Lahore and Procter and Gamble Pakistan were conducted.

4.1 Sample Criteria

The sample consisted of married working women and married men working mainly in Nestle and Procter and Gamble (P&G) Pakistan. The age bracket of the sample ranged from 27-50 years and the education level was local Master in Business Administration and foreign Masters in Advertisement (Diplomas in marketing).

Table 1: The Variables included in each category are listed below:

<table>
<thead>
<tr>
<th>Advertisement</th>
<th>Innovation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Duration of advertisement</td>
<td>Media mix</td>
</tr>
<tr>
<td>Time of launch</td>
<td>Consumer awareness</td>
</tr>
<tr>
<td>Prime time at which ad is on aired</td>
<td>Competition</td>
</tr>
<tr>
<td>Advertisement expenditure</td>
<td>Brand value</td>
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<tr>
<td>Repetition of advertisements</td>
<td>Brand loyalty</td>
</tr>
<tr>
<td>Medium used to advertise</td>
<td></td>
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<tr>
<td>Effectiveness of TV commercials</td>
<td></td>
</tr>
<tr>
<td>Effectiveness of print (newspaper, magazine ads)</td>
<td></td>
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<tr>
<td>Effectiveness of billboard ads</td>
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</table>
4.2. Research Hypothesis

H1: There is a positive significant relationship between media mix and advertising efficiency
H2: There is a negative significant relationship between competition and advertising efficiency
H3: There is positive significant relationship consumer awareness and advertising efficiency
H4: There is a positive significant relationship between brand loyalty and advertising efficiency
H5: There is a positive significant relationship between brand value and advertising efficiency
H6: There is a positive significant relationship between advertising expenditure and advertising efficiency
H7: There is a positive significant relationship between advertising time and advertising efficiency
H8: There is a positive significant relationship between innovation and advertising efficiency.

4. INSTRUMENTS

All the information has been collected through a structured questionnaire. This questionnaire consists of a combination of instruments. All these instruments have been developed specifically to test the impact of job satisfaction on turnover intentions, this questionnaire had been used by many researchers (Albena Pergelova (2002), Chemmanur and AnYan (2009)) and declared reliable. Advertisement efficiency variable is measured by four item scale used by Schmit and Kaiser (2004).

The independent variables and the dependent variables were combined through these into one comprehensive questionnaire which was filled by the participants. The questionnaire was based on Likert five point scale which measured the high and low dimension of all the independent and dependent variables (1= strongly disagree to 5= strongly agree). This questionnaire consists of two sections: i) Advertisement Efficiency (dependent variable) and ii) Independent Variables: i) Media mix (Albena Pergelova (2002)), ii) Advertising time, iii) advertising expenditure, iv) brand value (through focus group), v) brand loyalty (through focus group), vi) innovation (through interview), vii) competition.

<table>
<thead>
<tr>
<th>Table 2: Constitutive and Operational Definition of independent variables</th>
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</thead>
<tbody>
<tr>
<td><strong>Independent variable</strong></td>
</tr>
<tr>
<td>-------------------------------------</td>
</tr>
<tr>
<td>innovative advertising effect</td>
</tr>
<tr>
<td>the choice of media mix</td>
</tr>
<tr>
<td>Brand value</td>
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<tr>
<td>Brand loyalty</td>
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<tr>
<td>Advertisement time</td>
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<tr>
<td>Advertisement time</td>
</tr>
<tr>
<td>Advertisement time</td>
</tr>
<tr>
<td>Advertisement expenditure</td>
</tr>
<tr>
<td>Competition</td>
</tr>
<tr>
<td>Consumer awareness</td>
</tr>
</tbody>
</table>

5. DATA ANALYSIS

All the computations were made by utilizing SPSS Software Package. To test the hypothesis, alpha was used at 0.01 (extremely significant) and 0.05 (highly significant) level of significance. The multiple linear regression was computed to test the significance of all the factors affecting media mix on advertising efficiency. Co-efficient of determination $R^2$ (adjusted $R^2$) explained variations in the data that was caused by advertising efficiency. The most significant independent variable can be easily identified. P-value would give the same results as above when it was compared with significance level.

6.1 Regression Model

**Model 1:** All variables are included:

$$Adveff_t = \beta_0 + \beta_{1t} INOV_{it} + \beta_{2t} Brandloy_{t} + \beta_{3t} Brandval_{t} + \beta_{4t} Medmix_{t} + \beta_{5t} advexp_{t} + \beta_{6t} advtime_{t} + \beta_{7t} compt_{t} + \beta_{8t} conawr_{t} + \epsilon \quad \ldots (1)$$

Where, $Adveff_t$ represents advertisement efficiency, $INOV$ represents innovation in advertisement, $Brandloy$ represents brand loyalty, $brandval$ represent brand value, $Medmix$ is representing media mix, $advexp$ represents...
represents advertisement expenditure, \(advtime\) represents advertisement duration \(compt\) represents competition and \(conawr\) represents consumer awareness. \(t\) represents the time period. \(\beta\), and \(\epsilon\) represents constant and error term of regression equation respectively.

6. **EMPIRICAL RESEARCH AND ANALYSIS**

7.1 Result of Qualitative Research

Qualitative data refers to data that may classify items in terms of certain characteristics and / or quality. This type of data can be observed and recorded however; it cannot be measured accurately due to biasness and other factors. The quantitative data in this particular research was gathered from an interview and a focus group.

The focus group consisted of 12 regional marketing managers who participating and presenting their views regarding the research topic. The participants were all married and were employees in these firms. The respondents discussed about how the advertisements affected their purchase decision. The two variables brand loyalty and brand values were the outcome of this focus group. Brand loyalty was found as they preferred MilkPak as their top priority as it has been used by them for ages and is actually the first milk brand introduced in Pakistan.

Apart from brand loyalty, brand values were another variable found through focus group. They valued and trusted their brand more than other brands and would not switch to another brand of milk until and unless their preferred brand is still in the market. Milk according to them is one of the necessities needed by the human body for proper functioning and thus they would never compromise on its quality. Every employee preferred its own brand.

The interview was conducted from Mr. Ahmed Nadeem Bhatti who is the regional head of Nestle MilkPak and he answered questions on how advertisement is used by Nestle MilkPak and how their use of media mix affects the advertising efficiency of their product. He pointed out that innovation in advertising has a positive effect on sales of the product and thus is a very important factor affecting the advertisements made by the company.

7.2 Empirical Results of Quantitative Data

In this particular research, advertising efficiency was dependent variable and the impact on advertising efficiency is studied using various independent variables. The regression analysis resulted in three significant variables; brand loyalty, brand value and the duration and advertisement and the time of its launch (shown in table 3a).

Starting with advertising time; this is basically measuring the duration of ad and the time when ad has been launched and promoted. It was positively highly significant to advertising efficiency. Co-efficient of advertising efficiency is positive, which showed that higher the duration and the time span of an ad, more consumer are attracted towards it. They consider such type of promotional campaigns to be more effective and efficient. Another implication of such result is that those advertisements that are on aired during the prime time are more effective than other ads. The major reason for this is that during that specific period of time the viewership is maximum.

The second variable; brand value has a positively extremely significant to advertising efficiency. This implies that advertisement efficiency is highly effective if the brand has a positive value in the minds of consumers. This means that if the consumers feel that the brand value is high then the advertisements will be more effective in producing demand for a product. The third variable; brand loyalty has a positive extremely significant with advertisement efficiency. This means that source credibility is highly significant to consumer behavior. This implies that advertisements are more effective on brand loyal consumers rather than random viewers. People who are loyal towards a brand pays more attention towards their ad which eventually has a positive impact on the efficiency level of promoting a product. This is because brand loyal customers are already using the product and have a positive image or perception about a particular product or brand. So they tend to spend more time on watching the ad which contributes in efficiency of an ad.

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>.914</td>
<td>.617</td>
<td>1.480</td>
</tr>
<tr>
<td></td>
<td>Media mix</td>
<td>-.009</td>
<td>.081</td>
<td>-.010</td>
</tr>
<tr>
<td></td>
<td>Advertising Time</td>
<td>.210</td>
<td>.097</td>
<td>.190</td>
</tr>
<tr>
<td></td>
<td>Advertising Expenditure</td>
<td>.071</td>
<td>.097</td>
<td>.065</td>
</tr>
<tr>
<td></td>
<td>Brand Value</td>
<td>.263</td>
<td>.088</td>
<td>.257</td>
</tr>
<tr>
<td></td>
<td>Brand Loyalty</td>
<td>.383</td>
<td>.072</td>
<td>.461</td>
</tr>
<tr>
<td></td>
<td>Competition</td>
<td>.038</td>
<td>.075</td>
<td>.044</td>
</tr>
<tr>
<td></td>
<td>Awareness</td>
<td>-.019</td>
<td>.085</td>
<td>-.222</td>
</tr>
<tr>
<td></td>
<td>Innovation</td>
<td>-.035</td>
<td>.088</td>
<td>-.040</td>
</tr>
</tbody>
</table>

*Significance level 0.05  
**Significance level 0.01
In table 3b, R-square and Adjusted R-square is 41.7% and 36.93% respectively, which implies that approximately 42% of stated independent variables well explain the dependent variable.

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.646</td>
<td>.417</td>
<td>.366</td>
<td>.709</td>
</tr>
</tbody>
</table>

8. CONCLUSION

There have been limited studies on advertising efficiency and choice of media mix due to which very limited knowledge is available to the marketers to foresee the factors affect the advertising efficiency. With the help of this research on advertising efficiency and the choice of media mix, marketer/advertisers will get some additional help in understanding the relationship between the advertising efficiency and the other factors that may influence advertising efficiency.

The research objectives mentioned above were followed to complete this research hypothesis and literature reviews were used to formulate independent variables that may influence advertising efficiency. According to the literature review the first variable was advertising time from the study Schmit and Kaiser (2004), found that repetitive exposure to advertisements can have a positive effect consumers behavior, if these advertisements are aired during the prime time during which mass marketing can be practiced. Advertising time is seen to be positively highly significant to advertising efficiency in this study also. The significance of advertising is high and this implies that there is a positive effect of advertising time and advertising efficiency. If markets need to make advertisements effective they should focus on the launch of such ads during the prime time. This is mainly because during this specific time period the viewership is maximum, this results thus support the facts presented by Kaiser and Schmit (2004).

The second variable that had a significant impact on advertising efficiency was brand value which supports the result of Albena Pergelova (2002) findings. This study showed that brand value is one of the key determinants for advertisement efficiency. According to their research, brand name attached to the product could bring a stronger impact on consumers and help consumers to relate the advertisement to the product. This creates value of the brand in the consumers mind and helped the marketers achieve advertising efficiency. Brand value has a positive coefficient and it is extremely significant to advertising efficiency. This implies that advertisement efficiency is highly effective if the brand has a positive value. This means that if the consumers feel that the brand value is high then the advertisements will be more effective in producing demand for that product. Thus we can conclude that brand value is completely supports the findings with Albena Pergelova (2002), that brand value can make consumers buy the product to the advertisement even if major factors of a good advertisement are missing such as colors or music to support the content.

Brand loyalty was the third variable which had a significant impact on advertising efficiency. Brand loyalty was found from the article by Deborah F. Spake et.al (2000) who mentioned that brand loyalty is one of the key determinants in influencing consumer behavior. If the consumer has loyalty towards the brand, only then he will be influenced by the advertisement otherwise an effective advertisement will have no impact on the consumer. A result of this study is similar with Deborah F. Spake et.al (2000) findings that brand loyalty has a positive co-efficient and it is extremely significant to advertising efficiency. This implies that advertisements are more effective for brand loyal consumers rather than an overall mass audience. As brand loyal customers are already using the product so they have a positive image of the product, so its impact on advertising efficiency is much easier to achieve. Thus it can be concluded that the result of this study is been supported by existing literature.

Innovation and media mix as a whole was insignificant, which shows that the Pakistani consumers are not interested in innovative ads when it comes to the ad efficiency. This contradicts with the previous literature. Ercis and Kesar (2011), findings were that innovative ads have a greater impact on consumer minds. Consumers are more attracted towards such ads. This result contradicts with the findings of this paper. This implies that Pakistani consumers are not attracted towards innovative ads. They don’t perceive innovation as a determinant of advertisement efficiency.

According to the above results, there is a significant influence of brand value, advertising time and brand loyalty on advertising efficiency. Brand value is a major variable that has the maximum influence over the advertising efficiency but this does not mean that the other variables do not have any effect on advertising efficiency. All the variables mentioned and discussed above must be considered while taking decision on how to advertise your product. Media mix and advertising expenditure should be given a little more attention among the other variables because they are most influencing variables that can affect advertising efficiency a lot.
The advertisers should be very careful while designing advertising plan because there are many factors that influence advertising efficiency so it is best for an advertiser to research on the factors that may affect the product advertising efficiency.

Media mix can achieve maximum advertising efficiency is television commercials and magazine. These two media channels are watched by the majority of respondents that means advertisers should consider these media channels as their main media mix. Advertisers should also give attention to advertising expenditure as they should proportion the budget in such a way that television commercials and magazines have the most shares and the budget should also reflect the intensity of competition and the company growth rate. This means that advertising budget should be decided in the light of competition and growth rate, more competition means more advertising to retain customers whereas high growth rate means more demand which means that the company should advertise more to attract more customers and retain old ones.

Advertising time should also be kept in mind as it is one if the variables that will determine at what time of the day it are best to advertise your product. According to the results the advertisers should advertise products at prime time of the day.

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