# **Advertising**



Advertising provides members with the opportunity to gain knowledge around advertising. This competitive event consists of an objective test. This event aims to inspire members to learn about advertising.

### **Event Overview**

**Division:** High School **Event Type:** Individual

Event Category: Objective Test, 100-multiple choice questions (breakdown of question by competencies

below)

**Objective Test Time:** 50 minutes

**NACE Connections:** Career & Self-Development

## **Objective Test Competencies**

The number of questions per competency is in parentheses.

- Basic Marketing Functions (4)
- Personal Selling & Sales Promotion (4)
- Traditional Advertising Media (4)
- Alternative Forms of Advertising Media (4)
- Branding & Positioning (4)
- Advertising & the Economy (4)
- Promotion (3)
- Advertising & Public Relations (3)
- The Advertising Plan (4)
- Creation of the Advertisement (3)
- Consumer-Oriented Advertising (3)
- Financial Planning for Advertising (5)
- Consumer Behavior (3)
- Consumer Purchase Classifications (4)
- Influences on Consumer Behavior (2)
- The Target Market (2)
- Market Segmentation (4)
- Product Development (2)
- Product Life Cycle (2)
- Price Planning (2)
- Channels of Distribution & Supply Chain Management (4)

- Types of Promotion (2)
- Marketing Research for Advertising (2)
- Developing an Effective Sales Promotion Strategy (2)
- Consumer-Oriented Advertising & Sales Promotion (2)
- Types of Communication (2)
- Effective Advertising & Promotional Messages (2)
- Legal & Ethical Issues Affecting Advertising
   (2)
- Ethics in Advertising (2)
- Advertising in a Multicultural Market (5)
- Diversity & Advertising (2)
- History of Advertising (1)
- Influences on Advertising (1)
- The Advertising Industry & Careers (2)
- The Internet & Advertising (1)
- Self-Regulation (1)
- Cross-Cultural Communication (1)

#### Region

Each chapter may enter two students in this event. Testing is school-site and proctored with careful monitoring to ensure the integrity of the test.

## State

Top three (3) qualifiers of each region are eligible to compete at the State Leadership Conference.



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Required Competition Items

- Sharpened pencil
- Fully powered device for online testing
- Conference-provided nametag
- Photo identification
- Attire that meets the FBLA Dress Code

### **Items FBLA Provides**

- One piece of scratch paper per competitor
- Internet access
- Test login information (link & password)

### Important FBLA Documents

• Competitors should be familiar with the Competitive Events <u>Policy & Procedures Manual</u>, <u>Honor Code</u>, Code of Conduct, and Dress Code.

### Eligibility

- FBLA membership dues are paid by 11:59 pm Eastern Time on March 1 of the current school year or prior to regional competition, whichever comes first.
- Members may compete in an event at the National Leadership Conference (NLC) more than
  once if they have not previously placed in the top 10 of that event at the NLC. If a member
  places in the top 10 of an event at the NLC, they are no longer eligible to compete in that event.
- Members must be registered for the RLC/SLC/NLC and pay the conference registration fee to participate in competitive events.
- Members must stay in an official FBLA hotel block to compete.
- Each chapter may submit two entries; each region may submit three entries; each state may submit four entries.
- Each competitor can only compete in one individual/team event and one chapter event (American Enterprise Project, Community Service Project, Local Chapter Annual Business Report, Partnership with Business Project) at the national level. RLC/SLC competitors may compete in one objective test/one performance event/ and one chapter event.
- Picture identification (physical or digital: driver's license, passport, state-issued identification, or school-issued identification) matching the conference nametag is required when checking in for competitive events.
- If competitors are late for their assigned objective test time, they will be allowed to compete with a five-point penalty until such time that results are finalized, or the accommodation would impact the fairness and integrity of the event.
- Some competitive events start before the Opening Session of SLC/NLC. The schedules for competitive events are displayed in the local time of the NLC location. Competitive event schedules cannot be changed.

## Recognition

• The number of competitors will determine the number of winners. The maximum number of winners for each competitive event is 10/NLC; 5/SLC; 3/RLC.





### **Event Administration**

- This event is an objective test administered online at the RLC/SLC/NLC.
- No reference or study materials may be brought to the testing site.
- No calculators may be brought into the testing site; online calculators will be provided through the testing software.

#### Tie Breaker

• Ties are broken by comparing the correct number of answers to 10 pre-determined questions on the test. If a tie remains, answers to 20 pre-determined questions on the test will be reviewed to determine the winner. If a tie remains, the competitor who completed the test in a shorter amount of time will place higher.

### Americans with Disabilities Act (ADA)

 FBLA meets the criteria specified in the Americans with Disabilities Act for all competitors with accommodations submitted through the conference registration system by the registration deadline.

### **Penalty Points**

- Competitors may be disqualified if they violate the Code of Conduct or the Honor Code.
- Five points are deducted if competitors do not follow the Dress Code or are late to the testing site.

### **Electronic Devices**

• Unless a pre-approved accommodation is in place, all cell phones, smart watches, and headphones must be turned off and put away before competition begins. Any visibility of these devices will be considered a violation of the Honor Code.

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## Study Guide: Competencies and Tasks

- A. Basic Marketing Functions
  - 1. Explain the marketing concepts and describe the benefits of marketing.
  - 2. Explain the functions in marketing goods and services.
  - 3. Identify the elements of the marketing mix (product, price, place, and promotion).
  - 4. Describe the process for new product and service development.
  - 5. Explain the rationale for extending product line.
  - 6. Explain the functions of packaging.
  - 7. Describe the importance of branding, packaging, and labeling.
  - 8. Describe factors (features, benefits, price, quality, competition, brand loyalty) used by marketers to position products and services.
  - 9. Identify and explain factors that influence a product's price (cost, quality, competition, brand loyalty).
  - 10. Demonstrate knowledge of basic advertising terms.
- B. Personal Selling and Sales Promotion
  - Explain the steps involved in the sales process (generate leads, approach customers, determine customer needs, present the product, overcome objections, close the sale, follow up).
  - 2. Describe reasons why sales promotion is needed (influence consumer decisions, encourage trial of new products, strengthen brand loyalty, influence consumer behavior).
- C. Traditional Advertising Media
  - 1. Describe traditional types of advertising media (television, radio, print, direct mail, flyers and brochures, outdoor).
  - 2. Identify advertising media selection criteria (reach, frequency, lead time, cost).
- D. Alternative Forms of Advertising Media
  - 1. Recognize alternative forms of advertising media outlets (transit, aerial, cinema, product placement, directory).
  - 2. Describe the latest advertising media trends (video advertising, mobile advertising).
- E. Branding and Positioning
  - 1. Explain why branding is important to the success of a business.
  - 2. Describe product positioning strategies.
- F. Advertising and the Economy
  - 1. Identify economic factors that impact advertising.
  - 2. Describe how advertising stimulates the economy.
- G. Promotion
  - 1. Define promotional mix and explain its importance.
  - 2. Identify the steps in developing the promotional plan.
- H. Advertising and Public Relations
  - 1. Discuss the advantages and disadvantages of advertising.
  - 2. Explain the need for public relations.
- I. The Advertising Plan
  - 1. Identify the steps in creating an advertising plan (perform a SWOT analysis, set advertising objectives, determine the budget, develop the creative strategy, execute the plan, evaluate the plan).



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- 2. Recognize the various types of analyses that should be performed when creating an advertising plan.
- J. Creation of the Advertisement
  - 1. Describe different advertising creative formats.
  - 2. Identify processes involved in the copywriting, art, and production stages of advertising.
  - 3. Describe various methods used to evaluate advertising effectiveness.
  - 4. Identify simple approaches to use in determining advertising effectiveness.
- K. Consumer-Oriented Advertising
  - 1. Define consumer-oriented advertising and explain how it is used.
  - 2. Describe how sponsorships can be used to make a connection with consumers.
- L. Financial Planning for Advertising
  - 1. Explain strategies used for setting the advertising budgets (percentage of sales, competition matching market share, objective and task, response model).
  - 2. Describe the financial reports a business can use for planning and operating the company.
  - 3. Describe factors that affect the advertising budget.
  - 4. Determine whether advertising spending generates brand awareness.
  - 5. Identify the cost for different forms of advertising.
  - 6. Explain the purpose of an advertising budget.
  - 7. Explain rate of return on advertising investment.
- M. Consumer Behavior
  - 1. Recognize the importance of understanding the customer's wants and needs.
  - 2. Identify the five-step consumer decision-making process.
- N. Consumer Purchase Classifications
  - 1. Distinguish between types of consumer purchases and recognize the level of consumer involvement in buying decisions.
  - 2. Describe different types of consumer products.
- O. Influences on Consumer Behavior
  - 1. Discuss consumer buying motives.
  - 2. Describe individual, social, and marketing influences on consumer behavior.
- P. The Target Market
  - 1. Define target market and advertising strategies to reach different targets.
  - 2. Explain the process for selecting target markets.
- Q. Market Segmentation
  - 1. Differentiate between market segmentation and mass marketing.
  - 2. Describe market segmentation categories.
  - 3. Define demographics.
  - 4. Explain how demographics influence advertising campaigns.
  - 5. Differentiate between buying habits and buying preferences.
  - 6. Explain how to select market segments that have market potential.
- R. Product Development
  - 1. Identify the stages of new product development.
  - 2. Explain the various levels of products and components that make up the product mix.
- S. Product Life Cycle
  - 1. Explain the stages of the product life cycle.
  - 2. Describe real-world applications of the product life cycle.
- T. Price Planning



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- 1. Discuss pricing objectives used by businesses when setting prices.
- 2. Compare and contrast pricing strategies (price skimming, penetration pricing, competition pricing, supply and demand pricing).
- U. Channels of Distribution/Supply Chain Management
  - Explain the functions of the channel of distribution and channel members (producers, retailers, wholesalers, transportation companies, warehouses, agents and brokers, consumers).
  - 2. Identify various distribution channel options (direct, indirect, multiple, nontraditional).
  - 3. Describe the processes involved in supply chain management (purchasing, processing orders, warehousing and shipping, managing supply chain risks).
  - 4. Identify factors that can influence supply chain decisions (international markets, outsourcing, digital distribution, eco-friendly practices).
  - 5. Define logistics and explain its role in distribution.
  - 6. Explain the importance of product storage, handling, and packaging in the distribution process.

### V. Types of Promotion

- 1. Describe types of promotion (endorsements, word-of-mouth promotion, direct marketing).
- 2. Explain the purpose and components of visual merchandising.

### W. Marketing Research of Advertising

- 1. Explain the marketing research process (identify/define the problem, develop the research design, determine the method for collecting data, collect the data, analyze the data, report/present the data).
- 2. Describe the benefits and limitations of marketing research.
- 3. Define primary and secondary market research.

### X. Developing an Effective Sales Promotion Strategy

- 1. Identify consumer sales promotions (coupons, price deals, rebates, premiums, loyalty marketing program sampling, contests, sweepstakes, point-of-purchase displays).
- 2. Identify trade sales promotions (push money, deal loader, trade allowance).

### Y. Consumer-Oriented Advertising and Sales Promotion

- 1. Explain the components of the communication process (sender, encoding the message, communication channel, receiver, decoding the message, noise, feedback).
- 2. Explain the purposes of advertising and promotional communication.
- 3. Explain the purpose of consumer-oriented sales promotions.
- 4. Describe how direct marketing is used to reach consumers.

#### Z. Types of Communication

- 1. Explain why interpersonal communication is an important part of advertising and promotion.
- 2. Describe other types of communication used by businesses.

#### AA. Effective Advertising and Promotional Messages

- 1. Explain the four C's (comprehension, connection, credibility, contagiousness) of communication.
- 2. Describe how to create effective advertising messages.

### BB. Legal and Ethical Issues Affective Advertising

- 1. Explain the need for government regulation of advertising and the role of the Federal Trade Commission.
- 2. Describe the purpose of other government regulatory agencies.



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#### CC. Ethics in Advertising

- 1. Identify the ethical aspects of advertising.
- 2. Explain how the FTC assures truth in advertising.

### DD. Advertising in a Multicultural Market (Global Vision)

- 1. Recognize factors that have an impact on global marketing.
- 2. Describe global marketing challenges facing marketers.

### EE. Diversity and Advertising

- 1. Describe the impact of diversity on advertising.
- 2. Identify characteristics of growing ethnic markets.
- 3. Explain advertising needs for different parts of the world.
- 4. Explain the impact of multiculturalism and multi-generation on advertising activities.

## FF. History of Advertising

- 1. Explain how advertising has changes to meet the needs of changing times.
- 2. Describe inventions that have impacted advertising.

### GG. Influences on Advertising

- 1. Describe environmental influences on advertising.
- 2. Describe consumer influences on advertising.

### HH. The Advertising Industry and Careers

- 1. Explain how the advertising industry works.
- 2. Describe careers in the advertising industry.
- 3. Determine characteristics necessary for a successful career in advertising.
- 4. Identify the skill set needed for a successful advertising career.

### II. The Internet and Advertising

- 1. Describe various types of internet advertising (e-mail, banner and pop-up advertising, search engine advertising, website advertising, blogs, social media advertising, Twitter).
- 2. Explain what factors businesses should consider when using internet advertising (hits, page views, visits, unique visitors).

### JJ. Self-Regulation

- 1. Explain the concept of self-regulation and identify how it is applied in the advertising industry.
- 2. Recognize how consumers can regulate business practices.

### KK. Cross-Cultural Communication

- 1. Recognize how verbal and nonverbal communication differ in other cultures.
- 2. Explain the importance of the translation process in global marketing.