

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

Equipment Competitor Must Provide: Pencil

Equipment FBLA Provides: One piece of scratch paper per competitor

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)

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California FBLA Guidelines (Section and State)

- 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.
- All electronic devices such as cell phones and smart watches must be turned off before competition begins.
- Bring a pencil to the testing site.

Section

- <u>Number of Competitors per Chapter</u>: The number of competitors from each chapter who can enter in this event will be based on local chapter membership on the section conference registration deadline.
 - o 0-49 members − 3 competitors
 - o 50-74 members 4 competitors
 - o 75-100 members 5 competitors
 - o 101+ members − 6 competitors
- Number of Competitors Who Advance to State: A minimum of the top six (6) places from each section will represent their section at the State Leadership Conference. The winners' list from each Section Leadership Conference will indicate the number of places that will advance.
- If the following number of competitors submit a test at the section level, more than six (6) winners from that section will be able to compete at state as shown below. Section Directors will determine the number of eligible competitors and send the list to the Competitive Events Coordinator.
 - o 44-51 competitors completing a test 7 competitors advance to state level
 - o 52-60 competitors completing a test 8 competitors advance to state level
 - o 61-67 competitors completing a test 9 competitors advance to state level
 - o 68+ competitors completing a test 10 competitors advance to state level

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State

• <u>Wild Card Entries:</u> Each chapter may have three (3) members compete as wild card entries at the state level. Wild cards may be used only in these 20 events:

Accounting I Insurance & Risk Management

Advertising Introduction to Business Communication

Agribusiness Introduction to Business Concepts
Business Calculations Introduction to Business Procedures

Business Communication Introduction to FBLA

Business Law Introduction to Financial Math

Computer Problem Solving Introduction to Information Technology

Economics Personal Finance

Healthcare Administration Securities & Investments
Human Resource Management Supply Chain Management

Using Wild Cards

• Wild cards must be used in different events.

Any one member may only enter in one event as a wild card.

 A wild card event counts as one of the two active events a member may enter.

- The top four (4) places in state competition will represent California at the National Leadership Conference.
- Middle school members who place in the top four **cannot** compete at the National Leadership Conference, per national guidelines.

National

Policy and Procedures Manual

• Competitors should be familiar with the Competitive Events Policy & Procedures Manual, found on the Competitive Events page on www.fbla.org.

Eligibility

- FBLA membership dues are paid by 11:59 pm Eastern Time on March 1 of the current program year.
- 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 NLC and pay the national conference registration fee in order to participate in competitive events.
- Members must stay in an official FBLA hotel to be eligible to compete.
- Each state may submit four entries per event.
- Each member 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).



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- Picture identification (physical or digital driver's license, passport, state-issued identification, or school-issued identification) is required when checking in for competitive events.
- If competitors are late for an objective test, they will be allowed to compete until such time that results are finalized, or the accommodation would impact the fairness and integrity of the event. Competitive event schedules cannot be changed. Competitive events start in the morning before the Opening Session of the NLC.

Recognition

• The number of competitors will determine the number of winners. The maximum number of winners for each competitive event is 10.

Event Administration

- This event is an objective test administered online at the 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 Competitive Event Guidelines 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

 All electronic devices such as cell phones and smart watches must be turned off before competition begins.

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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
 - 1. 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

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- 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).
- 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.

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- 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
 - 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
 - 1. 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.



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- 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.

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



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- 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.