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THE INFLUENCE OF ADVERTISING ON THE DEMAND FORECASTING

In our article we want to show advertising effect on the increase of the demand. We present our forecasts of demand changes when we have advertising on the various TV channels. To this end we use the free available average share statistics of TV channels (%) in the first quarter of 2012:
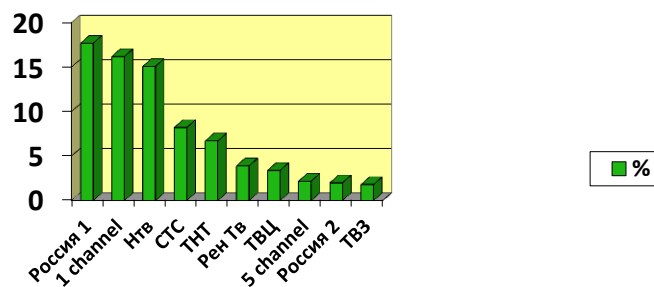

Fig. 1. Russian TV channels' audience percentage in 1st quarter of 2012

How can we see from this diagram, there are three leaders among Russian TV channels, which means that they have more potential consumers. Of course, it will influence on the price of advertising. It should be high enough. Now, on an example of Channel 1 (it is available for the 98% of Russian population and it is the most popular channel among advertisers. Moreover, by the results of public opinion polls, since 1995 Channel 1 has been the leader among Russian TV channels – it has the share of audience higher than other competitors.) we are going to consider how the age of audience depends on day-night, which will undoubtedly influence on period of time of our advertising and also on the price:

Morning broadcast: popular serials. Age: 25-35.

Day broadcast: classic feature films and talk-show. Age: 45-55.

Evening broadcast: popular serials and the news. Age: 35-45 and teenagers.

Night broadcast: Hollywood actions, comedies and melodramas. Age: 18-25 and 35-45.

As emerges from the above statistics, the biggest part of audience contains from different age categories depending on time of the day. Consequently, there is big importance – which one is most interested in our advertisement, respectively in our product. That is, if we advertise baby food, we expect maximal demand of young mothers, respectively women aged 25-35. In this case, the advertisement of baby food should be in morning and night broadcasts, but as to night broadcast, in spite of statistics advantage of our age category, summary audience will be less than by day. But the price of night broadcast is considerably lower. Now, regarding the gender structure of Channel 1 audience. The statistics give us the next:

Fig. 2. The gender structure of Channel 1 audience

The females are believed to be the main consumers of goods and how can we see from statistics, Channel 1 attracts them enough. This fact completely suits us as advertisers. Thus, we know, which channels are the most popular, on the example of Channel 1 we found out how the age categories depend on the time of broadcast and which are shares of females and males in the gender structure of Channel 1. This data makes possible for advertisers to make correctly their campaign and as result have maximum profit. But, dynamic of ratings depend as well on season. Let's take a look at graphs:
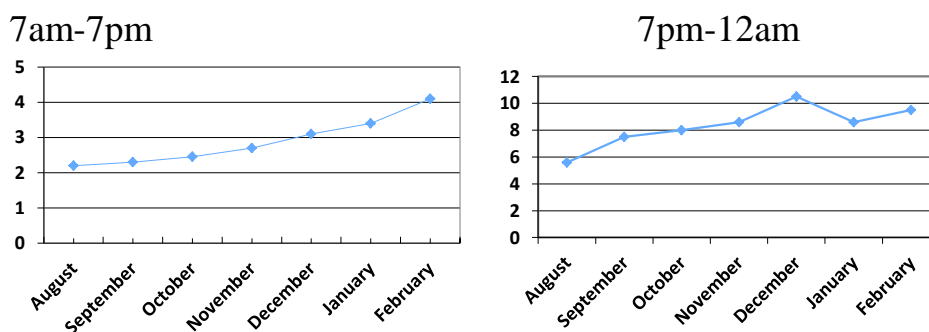
7am-7pm

7pm-12am

Fig. 3. Change of Channel 1 audience depending on season

Apparently, the audience spends the different time in front of TV if we consider, for example, summer or winter. It's necessary to take into account this factor when we advertise.

Now, when we have considered the main statistics of Channel 1, which is so interesting for us, we can give the forecast-tactics about the advertiser conduct, for example, if he wants to supply for consumers the baby food. So, we have the product, which is focused on females aged 25-30 years and we have a budget, which enables us to advertise at the central channel. Let's take this opportunity. The statistics say that the interesting for us audience takes generally morning and night broadcasts, therefore, our commercials should be more intensive at this time. Next, from presented graphs we see, that the audience spends more time with TV in the winter, so commercials should be more often in this period. It is worth noting that the commercials may don't have maximum shares in different broadcasts. In this case advertiser should just decrease the number of commercials for save money. Taking these measures will undoubtedly increase demand of our consumers, because all the main rules of advertising and marketing are followed.