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## **Advertising and business image: the Russian specificity**

World practice has long ago shown that favorable image of a firm contributes to a better demand for its goods or services. This is why so called institutional advertising has emerged, that is advertising of the society institutions themselves. At the same time with institutional advertising, public relations arose, as a method of contact between business and masses. Institutional advertising has logically developed into the system of contemporary corporate advertisement – for big and small private organizations.

It is necessary for a business to watch closely which image of the business is developing among potential consumers. Caring of the image, corporate advertising is tending now to inform the population on the social benefits coming from the business. Businessmen inform on their programs focused at social needs which are not directly connected with producing goods or services. In other words, business should constantly prove its «social profitability» before the people, should demonstrate that the businessmen take care not only of the profit, but also of general well-being of citizens of the country (the region, the settlement), and that the business development is connected directly with society development.

Unfortunately, it is going on otherwise in Russia. There is a variety of reasons for this, both objective and subjective, explaining why the image of business in our country as a whole is extremely low.

First, it is the inertia of mass consciousness. Throughout several generations, the spirit of unacceptability of market relations has been brought up.

The second reason is the behavior of domestic businessmen bringing to the negative image of entrepreneurship.

The third is a certain selectivity of Russian mass media as to the activity of domestic businessmen, which supports the widespread prejudice that private business is a dirty thing. Surely, in the existing circumstances we shouldn't ignore the factor of unfair competitive struggle and so called anty-PR.

And the fourth reason is some kind of “illiteracy” of our businessmen expressed in absence of any recognition of social responsibility before a consumer, ignoring the severe social situation in society.

In our country, the population's judgment on a company and on Russian business as a whole is often formed on the basis of advertising. There are a lot of examples of advertising that brings to unsuccessful, on our opinion, results. In the conditions of the crisis, business, orienting its haughty advertising at elite social groups, “cuts the bough on which it is sitting”.

The mass consciousness which has been brought up through many decades in the spirit of “equal possibilities” perceives it as a slap.

One of ways to improve the situation, maybe, the simplest one, could be social advertising, showing that our businessmen do not take care only of thickness of their purses, but are personally interested and ready to take part in deciding the problems that are acute for the country, such as unemployment, children’s homelessness, narcotics and alcoholism etc.

It is difficult and takes some time to create a positive image. But it is so easy to destroy it in a moment. Therefore it is necessary to come up thoughtfully to the choice of the means of constructing the image of a company. Certainly, this image is defined, first of all, by the quality of the goods and services produced. However, it depends on the name of the company, on its slogans, of trade marks, the corporate style etc. Even the style of the dialogue of the clerks with customers can somehow contribute into creating or destroying the image of a company.

One of the aspects of this problem is domination of foreign words in the names, brands and even slogans. In certain cases, this can be justified to some extent but not when a Russian shop is selling Russian goods. It is worth to remind that Russian language uses Cyrillic characters, while Latin ones, although well known and widespread, look artificial, exotically alien and pretentious.

The contemporary approaches to advertising are partially based on traditions and perspectives of various disciplines, such as economy, psychology, social psychology and management. They also reflect requirements of the audience to which advertising is addressed.

The behavioral approaches to advertising are adhered to scientific researches. From the point of view of a manager, dealing with problems of preparing an estimate of advertising expenses, decision-making on distributing funds between various means of information distribution and a choice between the variants of strategy of an advertising appeal, one more approach to advertising is the method of constructing perspective models which is based on applied investigations in operations analysis and statistics.

It is well-known that the advertising volume per capita grows constantly and in the foreseeable future, quite probably, will come near to the critical level. Efficiency of advertising contacts in the conditions of general increase of their quantity decreases inevitably.

At the same time rapid development of technologies alters the media environment, influencing the advertising market, emerging new kinds and formats of advertising focused at both active use of technical innovations and involving consumers into advertising communications.

In outdoor advertising, new electronic formats emerge, the press flows into Internet inevitably, the TV becomes interactive.

In the conditions of the contemporary Russian market, while dozens of similar products exist in any category of consumer goods, the basic problem of a consumer becomes the proper choice. Most Russians, when making their choice, are oriented at advertising communications. But spending significant resources at advertising support would be inefficient for cheap or poor-quality products. The standard mechanism of marketing and advertising which provides promoting either the products of highest price category, or products with the price corresponding to their quality, is used here.

The task of experts in advertising is just finding the decisions which correspond accurately to the price niche of a given product and to its qualitative positioning. Statistical data show that the demand for consumer goods has increased in Russia more than 20 per cent in

the last two years, and the advertised goods take a considerable share among them. The quality of advertising has essentially changed.

In the course of introduction of new progressive goods and technologies, advertising helps to the spread of knowledge from various spheres of human activity, imparts to consumers certain practical skills. Advertising addressees can obtain a lot of information from it: from the pH level of normal human skin to the reasons of occurrence of caries; from factors of fast deterioration of automobile engines to the illustrations from textbooks about real historical events; from acquaintance with life of various population strata to mini-travels to exotic countries.

The advertising action is realized in its influence at a person's psychology. Thereof it takes an active part in forming psychological backgrounds of a person, the system of his or her evaluation of environment and self-estimation, character of reactions on various irritators, etc. Thereupon, stressing the psychological role of advertising is quite reasonable. The estimation of value of advertising would be incomplete as well without mentioning its aesthetic role.

The existing elements of a corporate style are turning to a uniform, well identified corporate style, and then – to corporate standards, which actively form the style of work of the employees.

Speaking about a good corporate style, we mean the style that is organically co-ordinated with the concept of development of the company, not with the mood of a designer, as it often happens. Russian concepts of the company goods are emerging.

The increase of the role of Public Relations can be partially explained by exhaustion of traditional channels of advertising distribution and by necessity of use of „laser” tactics, of more sophisticated psychological motives like prestige or self-realisation. In the sphere of Public Relations it is necessary to solve five interconnected problems: indirect advertising; image improve; anti-advertising; implicit self-distinguishing from the competitors; counter-advertising.

The increasing number of large and moderate-sized companies organize the departments of PR. Position of these departments in hierarchy of large corporations changes. The PR departments fulfill prognostic functions, working out the company strategy for the future. In the field of symbols, possibly, we can expect strengthening of communications with Russian culture and art, with regional monuments, sights, legends, names.

Not only the number of complex advertising campaigns including dozens and hundreds steps increases – the interconsistency of separate steps of campaigns, the corporate style and standards (for example, due to mutual heroes, advertising myths and images) become stronger.

A set of associations appear, like the Association of elite services with multilateral contracts on mutual advertising when, for example, the consumers of expensive musical centers receive advertising of a private clinic, and vice versa. Translation of the experience of large companies which are fashion-makers in advertising to on other regions and smaller firms will amplify.

Advertising activity, making a powerful impact at all branches of economy, is itself a major sphere of business, uniting hundreds thousands specialized publicity agents with the general annual turnover in hundreds billions dollars and giving job to millions people.

### **Advertising and business image: the Russian specificity**

Today's business constantly has to prove its «social profitability» before the people, has to demonstrate that the businessmen take care not only of the profit, but also of general well-being of the citizens of the country (the region, the settlement), and that business development is connected directly with society development.

Unfortunately, it is otherwise in Russia – for a variety of reasons. Therefore, the image of business as a whole in this country is extremely low.

First on the list of these reasons is the inertia of mass consciousness. Throughout several generations, the spirit of unacceptability of market relations has been brought up.

The second reason is the behaviour of domestic businessmen, resulting in the negative image of entrepreneurship.

The third is a certain selectivity of Russian mass media as to the activity of domestic businessmen, which supports the widespread prejudice that private business is a “dirty thing”. Surely, in the existing circumstances we shouldn't ignore the factor of unfair competitive struggle and the so called anti-PR.

And the fourth reason is a kind of “illiteracy” of Russian businessmen, expressed in the absence of any recognition of social responsibility before the consumer, and in ignoring the severe social situation in the society.

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