
GLOSSARY

OF

MARKETING

TERMS





Glossary of Marketing and Advertising Terms

A lot of marketing folks LOVE jargon. We're not like that, so let us help you understand what it means in actual English. We offer the following as a guide to those more comfortable with English than advertising-speak.

ABC / Audit Bureau of Circulations

The Audit Bureau of Circulations (ABC) is an independent, non-profit trade organization for publishers, advertisers, advertising agencies, and commercial websites, which primarily target consumer goods advertisers. ABC exists solely to audit and certify circulation and site-traffic claims of its members, and the organization is supported by its members. Its annual audit report for a member shows, among other data, the average net-paid-circulation of the print media (daily and weekly editions of newspapers, and magazines) and is used by advertisers in planning their marketing campaigns. Established in 1914 in the US, it has affiliates in most other countries. ABC can be found at www.accessabc.com. (Please see BPA for business publication and website traffic audits.)

Advertising

A term traditionally used to describe a paid promotional message for which air time or print space is purchased by the advertiser or agency. The advertiser pays to control the message and the timing of the advertisement. See also Marketing and Public Relations.

Advertorial

As might be guessed, this combination of the words advertisement and editorial describes an advertising message designed to look like an editorial. This type of advertising is used most often to communicate opinion about social, economic, political, or legislative issues. By law, an advertorial must be labeled as a paid advertisement so as not to be confused with actual editorial content.

Affidavit

A sworn statement from a television or radio station that is sent to the advertiser or advertising agency as proof that an ad was run as ordered. Generally, an affidavit is sent with the invoices for the advertisement, as many advertisers will not pay their bill without evidence that the ad ran as ordered.

Agency Commission

A commission given to advertising agencies by some media outlets (broadcast and print) for purchases of time or space made on behalf of clients. The media allows the agency a 15% discount off the Gross Rate shown on a rate card. (Marketing Partners passes all commissions directly back to clients.)

B2B / Business-to-Business

Term used to describe a Target Market consisting of business customers versus individuals or consumers. One example is manufacturers who sell only to other manufacturers, wholesalers or dealers.

B2C / Business-to-Consumer

Term used to describe a Target Market consisting of individual consumers versus businesses. Examples are local retail stores or hair salons.

Base Rate

One-time rate charged by an advertising medium before any discounts are offered; also called open rate.

Behavior change communication (BCC)

Behavior change communication (BCC) is the evidence-based, consultative effort to address individual knowledge, attitudes, behaviors, and social norms in a strategic manner. BCC operates through various intervention types, namely mass media, interpersonal and community based.

BDI / Brand Development Index

Percentage of a brand's sales in an area in relation to the population in that area as compared to the sales throughout the entire U.S. in relation to the total U.S. population.

Bounce Rate

Bounce Rate is the percentage of single-page visits (i.e., visits in which the person left your site from the entrance page). Bounce Rate is a measure of visit quality and a high Bounce Rate generally indicates that site entrance (landing) pages aren't relevant to your visitors.

BPA / Business Publications Audit of Circulations

The Business Publications Audit of Circulations (BPA) is an independent, non-profit trade organization for publishers, advertisers, advertising agencies, and commercial websites, which primarily target business audiences. BPA exists solely to audit and certify circulation and site-traffic claims of its members, and the organization is supported by its members. Its annual audit report, (which requires membership to access) for a member shows, among other data, the average circulation of the print media and websites, and the job title/role of readers and is used by advertisers in planning their marketing campaigns. Established in 1931 in the US, it has affiliates in most other countries. Whereas the Audit Bureau of Circulations (ABC) concentrates primarily on auditing consumer publications, BPA audits 85% of all business-to-business publications. BPA can be found at www.bpaww.com.

Broadcast Order

Instructions to a radio or television station detailing the scheduling of spots for broadcast advertising. The broadcast order is issued by the advertiser or advertising agency and will specify the length of the advertisement, the daypart or time of day it is to be run, the quoted price, and the date (or dates) on which the ad is to run. See also Insertion Order.

Broadsheet

The standard newspaper size (in contrast to Tabloid). Approximate page dimensions are 22" deep by 12" to 14" wide, with six or seven columns each 2-1/4" wide. A standard-size newspaper is sold folded in half.

Cause Marketing

Cause marketing or cause-related marketing refers to a type of marketing involving the cooperative efforts of a for-profit business and a non-profit organization for mutual benefit. The non-profit receives donations and visibility, while the for-profit business improves its image with the hope of increasing sales.

CDI / Category Development Index

Percentage of sales for a specific category of products or services (e.g., lip balm or goat cheese) in an area in relation to the population in that area as compared to the sales throughout the entire U.S. in relation to the total U.S. population. The U.S. average sales per person becomes the base index of 100 for the category.

Circulation

Number of copies of a newspaper or magazine that are sold or distributed to the general public.

Classified Advertising

Advertising appearing in newspapers and some magazines that is arranged according to specific categories or classifications. The text of the advertisements is set in the same size and style of type and the ads are usually without illustration.

Click-through rate or CTR

CTR is a way of measuring the success of an online advertising campaign. A CTR is obtained by dividing the number of users who clicked on an ad on a web page by the number of times the ad was delivered (impressions). For example, if a banner ad was delivered 100 times (impressions delivered) and one person clicked on it (clicks recorded), then the resulting CTR would be 1 percent.

Collateral Material

Term used to describe pieces used for marketing/sales support of a product or service. Such materials were traditionally printed, but in addition to brochures and hangtags, collateral materials now commonly include video, CD-ROM, and other multi-media formats.

Colophon

A brief description, generally at the end of a book, of relevant production notes, including designers involved and typefaces used.

Column Inch

Unit of measure in a publication by which advertising space is sold. Magazines and newspapers are divided into so many columns wide and so many inches deep (depth = height). If the advertiser's message fits into space that measures 4 columns wide by 5 inches deep, the advertiser needs 20 column inches ($4 \times 5 = 20$).

Commissionable

Advertising time or space that is purchased by an advertising agency on behalf of a client and for which the agency receives a commission from the media. (Marketing Partners passes all commissions directly back to clients.)

Content Marketing

Anything you've developed, written or even shared (graphics, photos, a blog post, a brochure, a newsletter, etc.) is considered content (a marketing asset) and you can make use of it in your marketing to create interest in your products or services.

Cooperative Advertising

Individual advertisement sponsored by two or more manufacturers or retailers where the sponsors cooperate in the copy as well as the budget.

CPC (Cost per Click)

Cost per click (CPC) is the amount of money an advertiser pays search engines and other Internet publishers for a single click on its advertisement that brings one visitor to its website.

CPM / Cost Per Thousand

Cost of reaching an audience on a per thousand basis. The CPM is computed by multiplying the advertising cost times 1000 and dividing by the total audience.

Cumulative Audience

Audience accumulation for a medium over a specified period of time. Individuals or households count only once in this measurement, no matter how many times they may have been exposed to the medium. Cumulative audience represents the unduplicated audience (the number of people who will be reached at least once) for a schedule over a specific time period.

Demographics

Population statistics with regard to socioeconomic factors such as age, income, sex, occupation, education, family size, and the like. Advertisers often define their Target Market in terms of demographics; thus, demographics are a very important aspect of media planning in matching the media with the market.

Digital Marketing

Any marketing that is created for use on electronic devices (smartphones, PCs, tablets, game consoles, etc.). Your company's social media networks, your website, an online newsletter, a company app can all be components of a digital marketing strategy.

Display Advertising

Print advertising that is located throughout a publication and that uses size, color, illustrations, photographs, and various decorations and typography to attract the reader's attention. Display advertising is found among the editorial sections of a publication and is not grouped according to classification (as classified advertisements are). It further differs from Classified Advertising in that it uses illustrations and varying type sizes and bases its rate structure on Column Inches, or fractions of a page.

Formative Research

Formative research with a target audience is the basis for developing effective strategies, including communication channels, for influencing behavior change. It helps researchers identify and understand the characteristics - interests, behaviors and needs - that influence the decisions and actions of target populations. Formative research is integral in developing programs as well as improving existing and ongoing programs, and it is an essential step when using a formal social marketing approach.

Frame, Framing

A frame, or ‘frame of reference’ is a complex mental model, worldview, or schema of unquestioned beliefs, values and emotions that we use to infer meaning. Frames are triggered by language and context, so the principle of framing is that if you wish to control the meaning you need to control the language and the context.

Frequency

Average number of times a commercial or advertisement has been viewed per person (or per household) during a specific time period. Frequency, along with Reach, is an important concept in the planning of an advertising media schedule. Frequency is calculated by dividing the total possible audience by the audience that has been exposed at least once (Reach or Cumulative Audience) to the particular time segment (in broadcast) or publication in which the advertising message appears.

Full-service agency

A full-service creative agency, also known as an integrated marketing agency, is a firm that has the capabilities of handling all aspects of the marketing and advertising process. This usually includes strategic planning, creative, media services, production and—in today’s Internet savvy market—a full service marketing agency will also typically handle digital marketing services.

Gross Rate

A media outlet’s published rate before any agency commissions or discounts. See also Net Rate.

GRP / Gross Rating Point

GRP represents the percentage of the target audience reached by an advertisement. If the ad appears more than once, the GRP figure represents the sum of each individual GRP. Total GRPs, or the sum of all rating points for an advertising schedule, are usually stated on a weekly basis. For example, in the case of a TV advertisement aired 5 times a week reaching 50% of the target audience, it would have 250 GRPs = 5 x 50% -- i.e., GRPs = frequency x % reach. In principle, 100 GRPs could mean either that 100 percent of targeted households are reached once per week, or 1 percent of them are reached 100 times in the week, or any combination thereof.

Hit

This is a public relations term used to describe a “media hit”, i.e., the appearance of a client’s name and message in a newspaper, on television, the radio, or any other media outlet.

HUT / Households Using Television

A. C. Nielsen Company term representing the percentage of households in a specific area and in a particular time period that have their television sets turned on as compared to the total number of television households in that area. If, for example, there are 1000 television households in a particular survey area and 500 of those televisions are turned on in a given time period, the HUT level for that area in that time period is 50.

Inbound Marketing

Inbound marketing earns the attention of customers, makes the company easy to be found and draws customers by producing interesting content. It is the process of raising awareness among your potential customers, attracting their attention, building the relationships and nurturing them along so you ultimately earn their business.

Impressions

Number of homes or individuals exposed to an advertisement or group of advertisements. In Internet, the total number of times an online advertising banner has been served to the websites visitors. To be counted as an impression, the banner has to successfully load on the user’s browser.

Infographic

This term is fairly straightforward. It’s the combination of words (information) and visuals (graphics) to convey a story or message—usually an infographic includes numbers or data to educate or inform.

IO / Insertion Order

Instructions to a publisher detailing the placement of material for print advertising. The insertion order is issued by the advertiser or advertising agency and will specify the size of the advertisement, the position, the quoted price, and the date (or dates) on which the ad is to appear.

Kerning

A typographic term denoting the spacing between pairs of glyphs (i.e., characters or letters). Font developers can manually specify the measure of each kerning pair, but often just specify the kerning for troublesome pairs such as “AV”.

Life-style

Individual pattern of living as reflected by interests, opinions, spending habits, and activities.

Ligature

A typographic term denoting a glyph that is comprised of two (or more) connected glyphs. A famous example is the “fi” ligature, wherein (in many fonts) the dot of the “i” is dropped, and the crossbar of the “f” joins with the top of the “i”.

Lorem ipsum

Sample text used for layouts created from “de Finibus Bonorum et Malorum” (The Extremes of Good and Evil) written by Cicero in 45 BC. It has become the standard text used for layouts where copy is not finalized or has not been given to the designer, but comps for a layout need sample text.

Marketing

There are many definitions out there, but the term marketing is generally used to describe any and all communication activities designed to motivate a specific purchase or behavior. Marketing is the umbrella term that includes the 5 Ps of the marketing mix (positioning, product, price, place, promotion) as well as the sub-disciplines of advertising, public relations, sales, promotions, packaging, etc.

Media Reach

Size of audience exposed (See Exposure) to an advertisement through a particular Medium.

Message Triangle

A message triangle is a tool designed to help you speak to your audience successfully by getting across your key messages in a compelling, concise and credible manner. It is based on the principle that it is easier to visualize an image than it is to memorize a lot of words. The visual image is of an equilateral triangle with one key message on each side.

Net Rate

A media outlet’s published rate after any agency commissions or discounts. For example, with a commissionable gross rate of \$100 for a particular ad, the standard net rate after a 15% agency commission is \$85.

Open Rate

See Base Rate

PESTLE

A PESTLE analysis is a framework for scanning and analyzing the market environment before developing strategy. PESTLE factors are Political, Economic, Sociological, Technological, Legal and Environmental.

POP or POS / Point-of-Purchase or Point-of-Sale

A term used for in-store promotional materials, such as display racks, header cards, shelf-hangers, and signage.

Positioning

Positioning is presenting an issue, service or product in such a way that it stands out from others. It is appealing and persuasive. It is the identity the program or product will have and hold over time. A Positioning Statement describes how the company, issue, service or product will be seen in the minds of the audience. It is not a catchy slogan, but rather provides direction for message development and design.

PPC (Pay-Per-Click)

An internet advertising model where the advertiser pays only when their ad is clicked, as opposed to a flat rate charged by a length of time or number of impressions. Google AdWords is the most commonly used PPC advertising tool.

Preempt

Local broadcasting time subject to change to accommodate Network Broadcasting. If a local advertiser purchases broadcast time that falls under the network preemption clause, the local advertiser may have to give up this period to a national advertiser, if the national advertiser elects to buy that time for its network broadcast.

Production

Process of physically preparing advertising in its completed form. Production entails the specification of typography, procuring paper for print jobs, securing printing, typography, and film/digital estimates from suppliers. In addition, production involves checking a publication's mechanical requirements and closing dates to assure that scheduling deadlines are met.

PSA / Public Service Announcement

A Public Service Announcement (PSA) is advertising with a central focus on the public welfare. A public service announcement is generally sponsored by a nonprofit institution, civic group, religious organization, trade association, or advocacy group. Typically, it is directed at some humanitarian cause, philosophical ideal, policy concept, or religious viewpoint.

Psychographics

Criteria for segmenting consumers by lifestyle, attitudes, beliefs, values, personality, buying motives, and/or extent of product usage. Psychographic analyses are used like geographic (place or residence or work) and demographic (age, income, occupation) criteria to describe and identify customers and prospective customers and to aid in developing promotion strategies designed to appear to specific psychographic segments of the Market for a product.

Public Relations

Public relations (PR) traditionally referred to publicity that was earned -- rather than paid for -- in media such as newspaper articles, mentions on television newscasts, or blog posts. It has broadened to be more commonly defined as the practice of managing communication between an organization and its publics.

Rating

Broadcast: size of an actual listening or viewing audience for a particular program or commercial as compared to the size of the potential audience. The potential audience consists of all households in a geographic area that have broadcast receivers (radios and televisions), whether or not these broadcast receivers are tuned on. A program with a high rating will deliver a large audience to advertisers of their commercial.

Reach

See Cumulative Audience

Reach and Frequency

Components used to figure out the Gross Rating Points obtained by a broadcast media schedule. Reach tells how many households will be exposed to the schedule, and Frequency tells how often each household will be exposed. The two numbers multiplied together will indicate, by percentage, the total potential audience exposure in a give market. Some measure of reach and frequency must be determined in planning a broadcast media advertising campaign, and the Media Planner must decide upon the balance between the two.

Reframe, Reframing

To reframe is to use language and context to create alternative worldviews or lenses that may change meaning, that is, alter the status quo or default mental frame other people are using. Reframing is persuasion by changing the frame that the other person is using. If any part of that frame is changed, then the meaning that is inferred may change. Simple examples of reframing include describing a problem as an opportunity, or a weakness as a strength.

Segmenting

Segmenting is dividing and organizing an audience into smaller groups that have similar communication-related needs, preferences, and characteristics.

SEO

SEO is the popular acronym for Search Engine Optimization, or the use of various strategies on a website to increase the likelihood that website will appear on page one of the Search Engine Results Pages.

Share of Audience

Portion of the group of people who might receive an advertising message, or who are of interest to the advertiser and actually do receive the message.

Social Marketing

Social marketing is the use of commercial marketing techniques to persuade people to change their behavior to improve their own lives, or to benefit society (public health, safety, the environment, and communities).

Social math

Some years ago, the Advocacy Institute and Berkeley Media Studies Group pioneered an approach to communicating statistics that they call “social math.” By this, they meant “making large numbers comprehensible and compelling by placing them in a social context that provides meaning.” Typically, this means creating a relationship between a number that is hard to imagine and something known.

Social Media

These are the channels/platforms mentioned above (Twitter, FaceBook, Google+, LinkedIn, Pinterest, etc.) that are used to communicate your company’s messages or other information with your target audience or to engage (have conversations and interact) with your customers.

Social Media Marketing

Social media marketing refers to marketing, advertising or public relations campaigns that use social media networks -- such as Twitter, Facebook, LinkedIn, RSS feeds or blogs -- to achieve their objectives.

SWOT Analysis

An analysis of a company or product’s Strengths, Weaknesses, Opportunities, and Threats in relation to its competitors in a particular market at a particular time.

Tabloid

Newspaper with a page size roughly half that of the standard newspaper. Approximate page dimensions are 14” deep by 10” to 12” wide, with five or six columns each 2” wide. A tabloid typically contains news in condensed form, with a great many photographs. A tabloid has the appearance of an unbound magazine and is sold flat, rather than folded in half, as is the standard-size newspaper.

Target Audience

Audience to whom advertising is directed. The target audience is defined in terms of Demographic (and sometimes Psychographic) characteristics, such as age, sex, education, income, buying habits, and the like.

Target Market

Group of persons for whom a firm creates and maintains a product or service mix that specifically fits the needs and preferences of that group.

Tear Sheet

Page clipped from a magazine or newspaper and sent to the advertiser or advertising agency as proof that an ad was inserted as ordered. Generally, a tear sheet accompanies the invoices for the advertisement, as many advertisers will not pay their bill without evidence that the ad ran as ordered.

Viral Marketing

Viral marketing refers to marketing techniques designed to use existing social networks to produce increases in brand awareness or to achieve other marketing objectives (such as product sales) through self-replicating viral processes, analogous to the spread of pathological and computer viruses. (From Wikipedia, the free encyclopedia)

Word of Mouth Marketing

Word of mouth marketing refers to techniques which encourage the passing of information from person to person, either orally or online. WOMMA.org is an excellent resource.