

Advertisement Splurge in Brand Building and Related Issues in E-retail

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ABSTRACT

A study has been undertaken in order to understand whether Marketing Splurge in advertizing by the companies is beneficial or whether it is a waste of money. The study that has been undertaken shows clearly that no firm has to go overboard in expenditure to increase the visibility of the product. The lower the costs of the marketing the higher are the profit margin in the market. The study was undertaken to confirm or reject the thesis statement of the dissertation. The initial study was done through observation of the different types of advertizing and marketing campaigns that currently exist in the firms marketing division, as a result it is essential for the organization to be able to see the potential of the campaign, in accordance with the sale of the products and the inflow of revenue. If there is any over advertizing of product the general negative impact that takes place is that the product sells less and or the product is priced so high that there is no possibility of those segments that have the spending power to be able to afford it. Primary data was collected from observation, and the secondary data was collected from the literary review of literature. A study was undertaken to be able to understand the exact level of results that are obtained by previous researchers on the same subject and then to compare them to the results that were obtained in the study. The data that was collected from the observation and literature studies was then analyzed to find out the results and the advantages and disadvantages of an organization when they indulged in a marketing splurge. The sampling of the data was a random sampling which was selected from the basis of the over exposure of products and the aggressive marketing technique that were deployed by the organization. The data was then analyzed and the results of the analysis have been placed in the paper below. From the analysis it is clear that the firms do not need to splurge in marketing in order to get their products and their sales growth. What the company needs to do is it has to be able to organize the resources effectively and efficiently so that the message and the lasting impression is created in the minds of not only the existing customers but also the potential customers. In retaining a customer base the firm does not have to spend too on marketing as what is necessary to do is to target and let the amount spent be enough to get the most out of the customer from the campaign without over spending. The analysis of the results have been clearly defined and this has been placed in the concluding portion of the paper so that it can also be understood why the suggestion and the recommendations have been made in the light of the research results that have been received from this study. The integrity of the data was kept, the data sampling was objective and there were no biases or prejudices that were apparent. The ethical standards of dissertation set by the Ethical Committee for Research is abided by and the final analysis and the possibilities in the way that products are marketed and advertized are shown in the results. This has also led to inflation, where most of the brand ambassadors are under employed and there are only a few who are getting work from modeling agencies for companies at inflated prices that do not contribute to the levels of revenue but they only guarantee that the product is visible with the general population. The study was completed in two months as most of the highly visible marketing splurges have been studied that are significant and have led to fluctuations in the revenues of the firms. This was done in order to be able to earmark the companies that over spend and splurge on marketing and compare them to the actual results that are obtained in the form of revenues by the company. Key words: E-Marketing, Marketing Splurge and the Social Media

INTRODUCTION

To know and understand the splurge in advertising it is basically the large and vast sums of funds that are spent in creating an advertising campaign for a company and their products. The enormous sums are unnecessary expenditures and do not lead to either brand value or product sales. Splurging on advertising does not create by form of value to the brand, the image of the brand and the value of brand is created by the quality and the efficiency of the entire processes of a company, the quality of the product and the quality of the services that come with the product. These are the essential factors of

brand building and splurging only overexposes the brand and even though the visibility is high it does not increase the value of the brand not help in the image building exercise of the brand. A splurging in advertising cause problems not only with the brand value and the image building exercise of the brand but it creates other related issues that make e-retail outlets unsuccessful. Some of these issues relating to a splurge in advertising and brand building are state below.

The Thesis Question: “is it necessary to splurge on advertising to increase the levels of revenues or is it a sign of weakness in a company?”

To be able to answer this question in a satisfactory manner the increase in the revenues is generated from the sales of the products. The sales of the product are generated from the visibility in the market and the digital platforms. The sales are closed because of the quality of the product and not because of a splurge in advertizing. Advertising is essential for the sales of the products but it does not mean that splurging o advertizing will increase the sales of the product. This can be seen from many consumers - talcum powder products and facial cream products that have entered the local market and is prepared because of the inability to cope with the fierce competition and the quality of the product. These products have also been ousted because there is o brand image or value by which the shoppers in the e-retail outlets are willing to buy without any experience about the product.

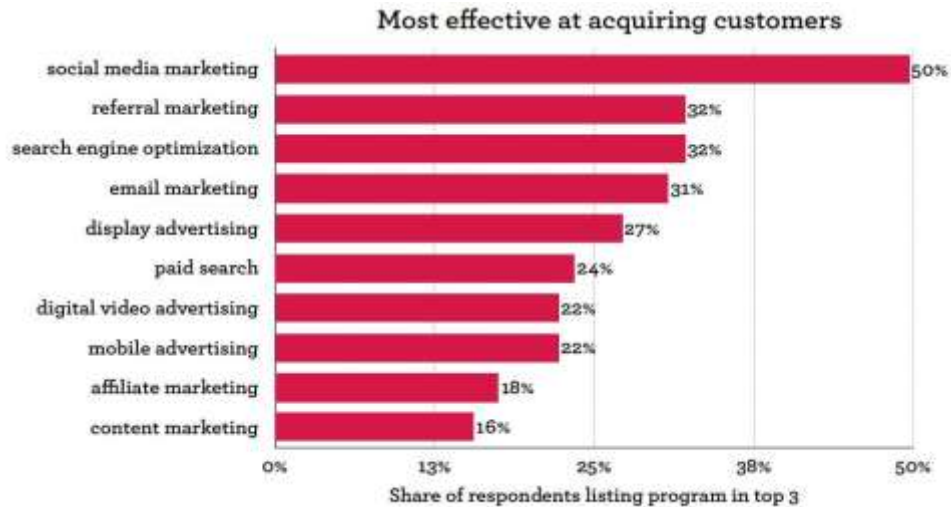
A study indicates that there is a 70% increase in the online customers up from 10 million in 2010 and 17, million in 2011. What Google estimates is that there are over a 100. On a daily basis there are 3.5 million shoppers that are using the online portals for shopping in the country through the e- retail outlets. Myntras.com is spending over 63 crores on 60 life style brands This has brought in revenues of 14 million dollars for the re retail outlet. It is therefore clear that the advertising splurge in the e retail outlets is creating sufficient bottle necks where the products are being over exposed in the need to be able to work on the details of increasing visibility of the products. The products are only brought when the brand image of the product has value.

Brand Building: The brand building exercise is where crores of Indian rupees are spent and billions of dollars are spent in order to be able to increase the brand value of the company. In companies such as Apple Microsoft, Coca Cola and Toyota for example can make any product range it will sell because they have the brand image and have built it up on years of marketing efforts meeting the advertising details with the actual product, brand imaging in –e-retail is different for products but very few seem to be able to understand this, It is essential

to understand that the splurge in advertizing does not necessarily mans that the products will sell or that the image of the brand will increase in value. The only thing that a splurge in advertizing does is to increase the number of viewers where in ESPN sports it can be seen that any company advertizing will be visible to 75.5 million viewers globally at the minimum which means an average of at least 11,000 visitors to the e-retail sites of the companies every 10 seconds, that have advertized. (Shah, 2011)

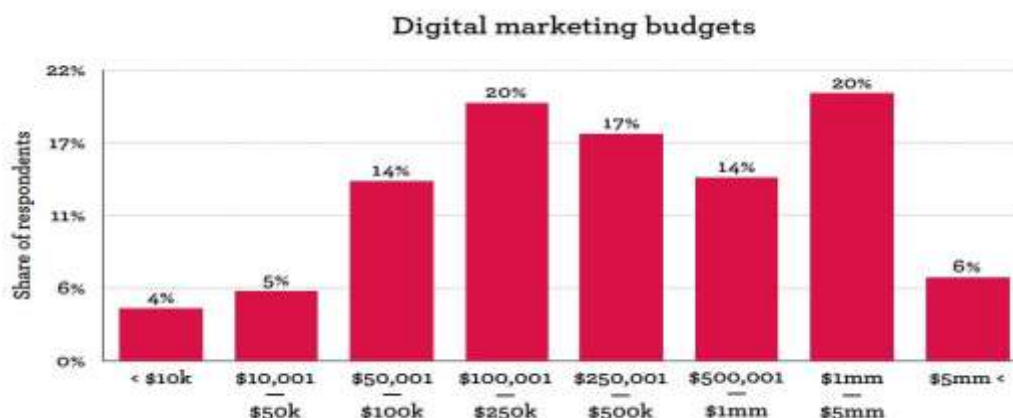
The e-retail advertizing splurge in 2015 is expected to be Rs.3500 crores. In 2014 through the e retail outlets the companies in India added through discounts revenues more than Rs.1000 crores in sales for their companies. It can be seen therefore that advertizing does not build a brand it only sells products and the splurge in advertising is today neither adding to the value of the brands nor is it increasing the market share of any company. This is because the splurge in the advertizing has created a flood of advertising of similar products and each company is trying to gain a market share of the products and therefore there is fierce competition. In the e- retail outlets that are not the exclusive outlets of the company but e-shopping sites, the online shopping site sales depends on the advertising of the product but it does not create or add e value to the brand image which is important for the company to survive in the industry. The failure to build a brand image or the brand value through a splurge in advertising has led to many companies making losses. Snap deal reported losses of Rs.264.6 crores with an inflow of only Rs.168 crores. Flip kart made a loss of Rs.281.7 crores when the sales revenue was Rs.1180 crores. The revenues of the over advertized Jabong was Rs.438 crores and yet the losses that the company made were Rs.293.4 crores.

The splurge in advertizing can be seen from the fact that brand ambassadors are paid in 110 of crores. Aamir Khan a well known actor of the Hindi film industry was paid Rs. 30.0crores by Snap deal. The advertizing splurge in the e-retails section shows the desperation of the companies to increase their market share or to survive in the industry. Brand ambassadors are capable of attract customers to view the product but they have very little impact on the decision making process of the customers. Splurging on advertizing is only going to drive the costs of the product as this has to be retrieved in order to pay for the advertizing campaign and the marketing strategy for the products and services of companies. (Vjayaraghavan Singh, 2015)



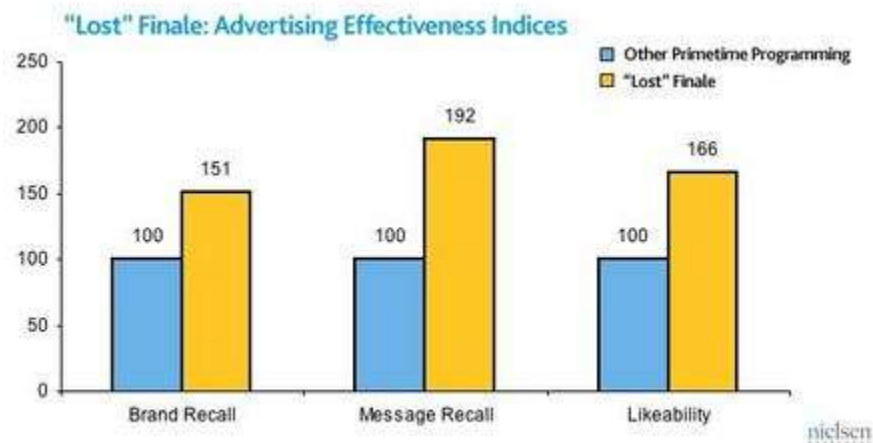
The basic issue with e retail is that unlike the brick and mortar retail outlets where the company waits for the customer to enter the outlet to close a sales call, in an e-retail outlet the website and the company's portal is the sales person. In a retail outlet of brick and mortar the customer experience is a physical customer experience, but in an e-retail outlet the customer experience is only a perception. The problem is not the retail media that has been chosen by a company an e-retail but the problems lies in the approach that have been taken by the company in e-retail where a splurge in advertizing does not necessarily mean that it will increase the value of the brand or will generate sufficient revenues not to make losses. A site does not sell by itself it is only a virtual presence of a business, in order for the customer to be engaged in the process of choosing and actually buying in e-retail outlets, The e-retail needs to have the catalogs and the prices. It needs to have detailed photographs and features of the products and the messages on the website would be forceful enough to make the customer want to buy it creating a need for the product in the mind of the customer.

The other issue related to e retail is that e-retail should not be treated as a brick and mortar outlet it is a different outlet and the traditional forms of marketing and advertizing do not suit the e- retail portals, these portals need digital marketing and not everybody knows digital market in the advertizing industry o in the companies. For online shoppers the most important thing is the search engines. What they locate in search engines is again compared to other search engine options that have come up. The online customer who is used to e-retail will at all times attempt of get a bargain for the product even if it means getting the same product at another e-retail outlet for a cheaper price. The figures have to be taken empirically about the number of visitors to the e-retail outlet of a company as against the amount that has been splurged on advertizing. If the figures don't match up and the sales is not seen, it would be better to cut down on the advertizing splurge as this shows that the site and the company's products have been over exposed. Just as over exposed models and actors don't appeal to the public similarly a company the brand and the product that has been overexposed also does not appeal to the public and this when the losses start to mount. Splurging more on advertizing will not help to increase the sales a tactical change in advertizing and the marketing campaigns will bring in the sales and minimize the chances of losses for a company. A company does not need to splurge on advertizing to succeed digitally, what it needs to do is over visually attractive incentive s and discounts that appeal to the viewer sand which will help the companies to close the sales.(Gupta,2015)



What companies in general fail to understand is that the traffic that is generated from an advertizing splurge will not all end up in closed calls as only 3% at the maximum will convert to closed sales call of all the traffic that has been driven to a shopping site or the company websites. It is not necessary to splurge on digital marketing to make e-retail sites a success. All it takes is that the marketing campaign should target the right type of visitors to the sites and the advertizing should include incentive, giveaways and discounts. This increase the number of visitors to the site automatically as all it needs is a click of the mouse and large database of customers can be collected for the company to be used to convert potential customers. To avoid the e-retail issues that take place because of advertising splurge, the entire system should be such that the generated traffic to the company's portal must be engaged long enough to help them take a decision. The involvement of the customer in the website is what will create the customer experience and the decision making suggestion in favor of the product to the customer. (Markettland, 2015)

Most of the research shows that splurging on advertizing has only increased the costs of the company and when very large amounts are spent on advertising it show the desperation of the company to increase the market share. A quality product which belongs to a brand that has an image and a brand value does not need to be over exposed to the public. Customer psychology shows that unless a curiosity about the product can be generated in the mind of the customer when they visit the portal the product will not be bought only viewed. Another issue is that the number of visitors is calculated as the increase in sales volumes but this method is incorrect as a company's portal can have 1000 visitors per minute and only 2 sales of the product in 24 hours. The amount of expenditure that is being made on advertising campaigns online is based on the amount of visitors and not only actual amount of closed call which is why the e-retail outlets are posting losses for the second year consecutively since 2013. (Bhattacharyya, 2014)



Source: Judic Liva, 2015

On the brand building exercise what is most often overlooked is what the brand stands for and it focuses the brand as a projection of the product. This is not the correct way to splurge on advertising in the e-retail sections. The brand building exercise needs to be different and the product marketing needs to be different. This is because of the fact that the product will be known by the brand and the value of the brand where whatever variety of products appear online under a particular brand will sell but the brand may not sell if projected is a part of the product. This distinction needs to be clearly demarcated in order for the customers to understand and live the brand and the brand image before repeat sales or referrals can be expected in e-retail. The most important aspects of e-retail is the ability to be able to first create the value and the image of the brand so that the customers will automatically buy the product crating less effort time and expenditure in a advertising the product. In e-retail it is also essential that what the product looks like in the photos and images onscreen must be identical in reality when the product reaches the customer, if it does not then there is a breach in customer trust which not even spending Rs.100crores a month will help in retrieving the customer trust and confidence towards the brand.

Core companies have closed down several products as they did not sell either in the brick and mortar outlets and neither did it sell in the e-retail outlets despite millions being splurged on advertizing. To take fast foods for an example there were many gourmet burgers that had been advertized widely all over the world as new on the menu, but they did not sell in any region. This is not because the burger is not good, or that there was insufficient advertising for the gourmet burgers, but the fact is that it did not appeal to the customer segment of Mc Donald's. The customers of Mc Donald's are the types that do not have the time to cook and therefore a substantial fast food that is filling and nutritious is the purpose of buying Mc. Donald's food. The approach that Mc Donald used was wrong. The splurged on advertizing and they splurged on the wrong

customer segment. This Mc Donald's customer show could afford the price of a gourmet burger would be able to go to a gourmet restaurant and react a full meal they would not buy a gourmet burger from Mc Donalds. Finally after several changes the gourmet burger has to be removed from the menu as the advertising was not bring in the sales revenue and it was a los making burger product.

The large retailers all have websites through which they operate. In all the cases the sales and revenues that are incoming are not because of the expenditure of advertising the e-retail outlets but in creating the type of customer engagement that keeps the visitor reading the website for a one- time which eventually culminates in buying decision that the customer makes.

E-retail, digital advertizing, e-word of mouth though the social media are all the platforms for e-sales of companies and their products, This is the future business environment where the customer interface with the company and the products will become less and less and the virtual engagement between the company and the customer will keep increasing more and more. This is one of the eventual problems that are likely to a rise and that is engaging the customer long enough in the website once they visit the website in order to make the suggestions to take a positive decision and buy the product online. Another segment is the young segment of customers who hardly ever enter a brick and mortar outlet and do all their shopping online. Most companies view this as an alternative to the brick and mortar outlets, but a portal is not an alternative to a brick and mortar outlet, it is another outlet in a different platform that supports the increase of revenues and sales by reaching a larger number of customers that cannot visit the brick and mortar outlet of the companies to buy the products that they want. AS0plurging on advertising will only lead to an over exposure of the product and a 'population suspicion syndrome' where the customer feels that such heavy advertising is because the product does not sell. The proof of population suspicion syndrome has been explained earlier with the examples of Snap deal and Jabong in the earlier pages of this paper.

To build a brand it is first essential to align the theme of the brand with sustainability and the mission of the company. A non aligned brand will not succeed even with a heavy expenditure on advertising both in the traditional media and in the digital media. It is necessary for the value of the brand to be built up on what it stands for and what the product range stands for in general when it comes to improving the life style of the community and the global population.

Once this is decided the pricing differentiation and the quality that justifies the product will have to be worked out keeping the image of the brand in mind. If the advertizing shows that a care free example is being advertized at a middle range price range, showing a high successful and a highly rich person in the advertisements will create the wrong impression and the customers are unlikely to identify with the advertisement campaign online or in the traditional media. If however the advertizing campaigns show that the small car of middle range is being drive by a young person chewing gum and a pair of head phones stuck to the ears with a shade cap dancing and driving will sell as the young generation can identify with the product and what it stands for which is the first step to professional success

E-retail is the future of retail for all types of products and the retail platform has thousands and thousands of similar products because of the convenience of low cost exposure. What any product has to do is use tactical methods of increase visibility in the portals and on the internet without having to splurge on advertising.



Actresses are brand ambassadors of jewelry but the brick and mortar and the e-retail outlets hardly have even one closed call a day despite almost 20 to 30 crores being spent on each brand ambassador. As mentioned earlier it will only bring the customer to the product but it will not influence the decision to buy the product or not to buy the product therefore such large sums on advertising are not really essential, what is essential is the goal, the theme, the message just enough exposure and of course proper advertising campaign that do not splurge funds which show the desperation of the company to survive. The worked out percentage of the amount of expenditure on website visitors should be calculated in proportion to the targeted sales of the website and not randomly to increase the visibility of the website. These increases valueless traffic where the visitors visit the site do not buy anything and keep the site blocked from other potential customers who may buy if they can access the website.



In terms of advertising expenditure it is expected that the e-retail outlets that are in e-commerce will be spending the largest amount of advertising. The current expenditure on e advertisements is Rs.1200 crores and this is expected to further go up every year by 20 % to 30%. Increasing budgets to splurge on advertising and increase the visibility of the products is good but is it feasible to make a profit from these sales revenues if this is kind of hectic expenditure being done on e marketing advertising? The answer is no it will soon become impossible for the company to sell the products because of the high prices due to the high expenditure and will soon price itself out of the market.

Initially when the e retail outlets started there was a maximum budget of Rs 10 lacs kept aside by the majority of the companies for e- advertising, but these e commerce brands that function through the e retail outlets have increased their expenditure to incite the mass population across borders to try their product. By 2013 the ecommerce companies that function from the e commerce outlets started to splurge on advertising in the internet by spending as much as Rs.200crores to Rs.300 crores yearly. During the Diwali and Festive season which starts around September, in 2014 the companies selling through e-retail spent as much as Rs.300 crores. This set the bench mark and it was evident that the advertising costs would not fall below that, it became a bench mark

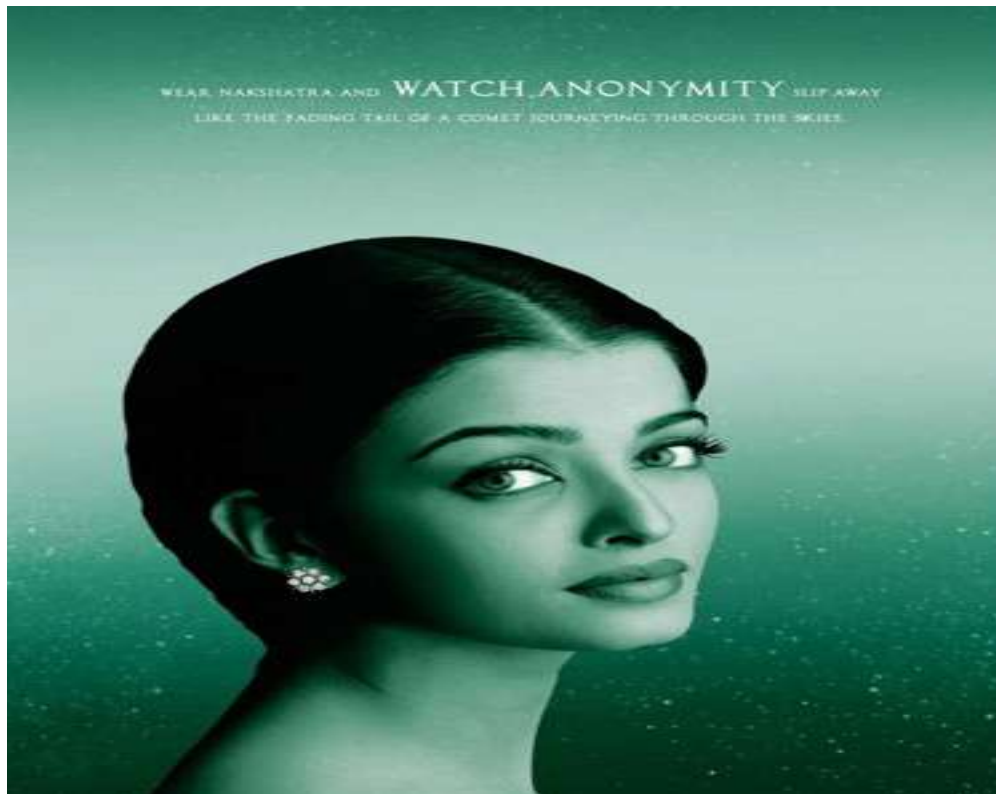
What therefore took place was that it was finally found that the amount of money that had been splurged on advertising in the digital space had not created the mass population appeal or recognition for the product as a result it became necessary for these companies to divert their attention to the creating a visibility for themselves and their brand in the transitional media for selling their product.

In most culture customers like to feel the product and touch it and open it and check it before buying the product and this is not a possibility in the e-retail outlets which is another issue for the online shopper and the reasons why they do not always buy from the online shops that they visit,

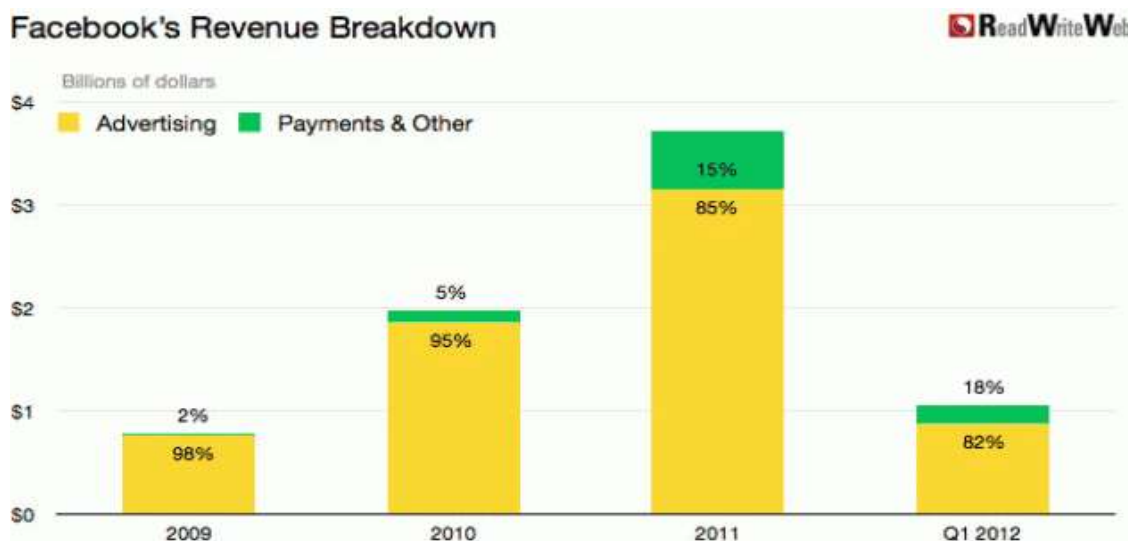
Another issue that has been seen is the lack of advertising of the product to all the places in the country and that advertising is normally done in the top 12 to 4 cities in any country leaving the others to view it online or on an e retail outlet online. The other issue is that with every change that is analyzed in the marketing department the changes are made in the advertising to suit the environment and frequent changes can lead to confusion which is why the inline shoppers wait for the advertising campaigns to settle down before they make any decision to buy or not to buy. The amount of expenditure that should be made is to hold a position digitally in the market and not to splurge funds on advertising that brings no returns. The amount spend in the digital media should be to be visible but not over exposed, the hold the position of the

brand and the product online and not open up frontiers for more competition through the substitution of the product ranges by new entrants.

Most of the high expenses are in the digital application by which the companies can reach out to the companies in a more personalized manner. What they forget is that the online customer who buys from e-retail is an intelligent customer who will compare all the results of similar products from different search engines before taking choice so whether the company reaches out personally in the digital platforms or not does not affect the revenues or the sales of the product it only increases the expenditure of the advertising campaign.



The Basic digital method is marketing are blogs, written articles, research papers, and other forms that engage the customer through their devices where the details of the products are advertized and these details reach not just the local customers but the global customers anywhere in any geographical location.



The importance of decreasing the level of visibility by decreasing the splurge on advertizing campaign is to avoid being over exposed or being treated as a cheap brand. Just the right amount of exposure with the right amount of retail stock should be available in the market for the product to stay in the mind of the customers and for the product to be in demand in the market. It is only when the customer-demand is created that the revenues and the sales growth is visible and this is not because of the splurge in advertizing. Splurging on advertizing does not provide the desired results of brand image brand value of product sales all it does is make it visible to all the mass population whether they are the target segment for the product or not. Such type of splurging in the e-retail is not likely to last for more than two years at the most given the fact that many digital shopping portals are going out of business posting losses that are large and difficult to retrieve unless there is lesser expenditure in advertizing, and different strategies being used to market the product to the mass population and the correct customer segment.

THE RESEARCH METHODOLOGY

The research methodology that was used was one that has helped the team to understand that observation is a powerful method of being able to engage with the topic of the research and to observe on different environments and in different context which always increases the levels of understanding ,seeing is believing, The other sources of primary data was the surfing of social media communities and the advertizing blogs to understand what customers general felt and how they reacted to a rmketign splurge of a company in a product, the research methodology was the qualitative and the quantitative methodology with a sample random data sampling so that it was possible to maintain the data integrity and the avoid any form of bias or prejudice in the data collected or the analysis of the data. The data collection has been done though the observation and the sample results that have been collected and an analysis has been done of the marketing expenditure that is incurred by the different companies to advertize their product and to place it in the top rung of the consumer's choice.

THE RESEARCH FINDINGS

The research findings clearly indicating that splurging on the campaign does not necessarily bring in the lasting results as has been seen by Samsung's marketing splurge. It has also been indicated that the general psychology of the customers is that if a product is being aggressively marketed it means that the product is difficult to sell therefore it is necessary to be able to create a via media by which the right amount of marketing is done to support the sales of the products and the right marketing mix is used to support the sales. Marketing and advertising are support s for sales and therefore excessive support in the files will only necessarily result in excess sales of the product therefore to splurge on a product and not gain the returns is an inefficient way of marketing products. As has been quoted above during the study:

“The importance of decreasing the level of visibility by decreasing the splurge on advertizing campaign is to avoid being over exposed or being treated as a cheap brand. Just the right amount of exposure with the right amount of retail stock should be available in the market for the product to stay in the mind of the customers and for the product to be in demand in the market. It is only when the customer-demand is created that the revenues and the sales growth is visible and this is not because of the splurge in advertizing. Splurging on advertizing does not provide the desired results of brand image brand value of product sales all it does is make it visible to all the mass population whether they are the target segment for the product or not. Such type of splurging in the e-retail is not likely to last for more than two years at the most given the fact that many digital shopping portals are going out of business posting losses that are large and difficult to retrieve unless there is lesser expenditure in advertizing, and different strategies being used to market the product to the mass population and the correct customer segment.”

The second part of the findings is:

“The amount of expenditure that should be made is to hold a position digitally in the market and not to splurge funds on advertising that brings no returns. The amount spend in the digital media should be to be visible but not over exposed, the hold the position of the brand and the product online and not open up frontiers for more competition through the substitution of the product ranges by new entrants. Most of the high expenses are in the digital application by which the companies can reach out to the companies in a more personalized manner. What they forget is that the online customer who buys from e-retail is an intelligent customer who will compare all the results of similar products from different search engines before taking choice so whether the company reaches out personally in the digital platforms or not does not affect the revenues or the sales of the product it only increases the expenditure of the advertising campaign.”

The Third part of the findings during the study was that:

Initially when the e retail outlets started there was a maximum budget of Rs 10 lacs kept aside by the majority of the companies for e- advertizing, but these e commerce brands that function through the e retail outlets have increased their expenditure to incite the mass population across borders to try their product. By 2013 the ecommerce companies that

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The fourth part of the findings is:

That more than 70% of the digital marketing budget is being spent on devices that are connected to the internet. Therefore the marketing strategies of most of the companies is designed to be able to organize the entire system in an omni-channel environment for marketing. The transfer to the digital model is because the marketing campaigns can be more personalized, it is impossible to hold the attention of individual customers, the customer segment targeting timing is accurate and the preferences of individual customers is known which can help the marketing campaigns of companies to make suggestions to the customer segment in order to be able to close a sale call making the marketing worthwhile. The omni-channel marketing is no longer a very expensive affair but the results and the growth in sales and revenue is high which proves that from the above four findings there is no need for any company to splurge. The product should be visible enough to generate curiosity and an eagerness to more and the product should not be overexposed. The vast data that is available in the activities and the tastes of consumers has made it possible for all companies to narrow down their wear for the correct customers and in the correct segment and make marketing a profitable process rather than an expensive process. Predictive analysis is what is being used in exchange for marketing splurge so that the results and the impact that is obtained far exceeds the costs of the campaign making it a profitable process that supports the growth of the revenues within the organization. In the case of branded products, it does become necessary to create a brand value and a brand image which when the revenue returns is in ratio to the amount spent but no results have been found that were positive when excessive money was spent on marketing. The aim of marketing is to increase the customer engagement from product discovery, to product observation, from product observation to product purchase and create an active role of the marketing campaign in the product of the life cycle. (Thompson, 2015)

RESEARCH ANALYSIS

The following are the details that are evident from the research analysis. There is a paradigm shift in the marketing methods and techniques used with all the marketing in most of the companies is being focused on digital media, devices and tablets where personalized marketing can take place. The large amounts of money that are paid to the brand ambassadors does not provide value for money. At best it has only made the product and the company visible but the visibility has not translated in revenues for growth in sales that can be attributed to the brand ambassadors therefore an expenditure on the brand ambassadors to such large tune of hundreds of crores is not essential to sell a product, the fund would be better utilized in creating better campaigns that are different and fresh and the customer segments including the competitors will be on the lookout with the expectation of ... "what next?!!!"

Only a few places of heavy advertising expenditure have shown returns such as the world cup, cricket, the super bowl the regular international cricket and tennis, in the rest of the places the sport has become visible and the sales growth has been nominal. Earlier in the paper it has been shown how the large sums of money provided for advertising has not really worked out. What this shows is that it is not star power that sells a product it is at the end of the day the quality that sells the product and the money would be better spent if budgeted for research and development of the product and the processes. As mentioned earlier "A study indicates that there is a 70% increase in the online customers up from 10 million in 2010 and 17, million in 2011. What Google estimates is that there are over a 100. On a daily basis there are 3.5 million shoppers that are using the online portals for shopping in the country through the e-retail outlets. Myntra.com is spending over 63 crores on 60 life style brands. This has brought in revenues of 14 million dollars for the e-retail outlet. It is therefore clear that the advertising splurge in the e-retail outlets is creating sufficient bottlenecks where the products are being overexposed in the need to be able to work on the details of increasing visibility of the products. The products are only brought when the brand image of the product has value."

The aim and the objective of the study was to be able to understand whether splurging in marketing can create better sales results and sales revenues. Splurging has an adverse effect as has been seen in most of the customer segments and the product becomes overexposed and the interest is no longer generated to find new potential customers. The entire study and the research shows that splurging in marketing does not assist the company to sell more products to increase revenues in some cases it has had an adverse effect with competitors rapidly coming out with more advanced versions of the same product and or new entrepreneurs coming out with substitute products, if a marketing splurge at all is undertaken the barriers to substitution should be high before the marketing splurge campaign for a product is initiated. Vast sums of money spent on marketing does not necessarily mean that the company is splurging on marketing a marketing splurge is when vast sums of money are not spent on advertising the product but are wasted on advertising campaigns.

Confirmation of the Thesis Statement: As mentioned earlier in the thesis statement: “Is it necessary to splurge on advertizing to increase the levels of revenues or is it a sign of weakness in a company? The answer to this question is that it is not necessary to splurge on advertizing to provide the correct levels of exposure for the product so that it is not over exposed or it is not under exposed. Expenditure on the advertizing should be such that it also does not increase the costs of the prices of the product where after a while unable to sustain the advertizing splurge the product will price itself out of the market. In order to avoid any of the related issues of e –retail it can be said that there is no need to splurge to increase the level for revenue or sales.

In increasing the e-retail consumer level buying most of the companies are now advertizing not only in the digital media but also in the traditional media as it has become necessary for mass appeal which has not been seem with companies marketing only in the digital media. What is also apparent is that the amounts being spent on advertizing is being evenly spent in a phase wise manner which make the expenditure on the marketing more accountable. Just spending the money because it is there is not the logic as every business in every environment reaches a plateau eventually and in order to cope with this in the future the preparations need to be made now in the current environment.

Suggestions: The possible suggestion to be able to stop the frenzy in advertisement splurging which will anyway dry up in the next two years is to create a marketing strategy that is developed in a phase wise manner. The advertisement requirement of every phase should be handled separately as one complete project. Only after that should the advertising campaigns be made for the next phase of the project. What this provides is an accountability process a monitoring process and the ability to evaluate the expenditure as against the results that have been achieved.

To be able to understand the value of the advertizing campaign, the sales revenues and the demand should be compared to the advertising campaign from the time it was released till the time the advertisement generated the interest and set the ball rolling for buyers to start buying the product. The shorter the time to activate the buying process in consumers the better is the advertizing campaign. The longer it takes to activate the advertizing campaign the less chances there are of the campaign providing the results for which it was created.

The third suggestion is that the marketing campaigns must be careful not to over expose the product so that the value of the brand image and the product value in the customers’ perception become lower. Just the right amount of advertisement should be created and money should not be splurges to try and increase the revenues by increasing the amount of advertizing in a company. Sales revenues depend on various types of issues related to e marketing and the disadvantage of e marketing is that all information goes viral. If the information is sportive that is very good for the brand image of the company and the products, if the information is negative it gets publicized at a speed that does affect the revenues and the goals of the company

Splurging on advertisements is waste of money. The concept of e-retail and digital marketing with a marketing mix that will allow the prices of the products to be competitive and the right brand ambassadors that are reasonable and can be used to gain people’s interests in the product. Situations where the brand ambassador and the advertizing campaign do not blend should be avoided even if everyone else is using it. It is important to use what suits the product and the company as the impressions created once will last for always with the mass populations.(Bhattacharyya,2014)

The splurge in advertising is becoming more apparent as the amount of money that is flowing in is slower not than the amount of money being spent on the campaign to advertise products. Even after a difficult year in 2013, Coca Cola Company created an aggressive advertizing campaign but without splurging on the advertisement campaigns, managed to produce the desired results for the company increasing its sales by 2% above the red line. This for the Coca Cola Company is not a small feat owing to the size of the corporation. At the same time Nissan with the right advertizing mix managed to regain its market position under a new CEO and exceed its goals in three years with a change in the management model.

Nakshatra jewelry advertized widely but did not splurge, the amount expenditure was on the actress Aishwarya Rai who w as made the brand ambassador of the company. There was the right mix of confidence that showed in the product advertisement and the right amount of media display where the demand was created in the e-retail portals and soon the demand increased more that the supply of the goods.

Recommendations: To have access to larger market and to billions of customers globally without geographical limits digital marketing and online marketing suing the devices and the apps that can personalize the marketing campaigns should be used ,this will help the customers to be able to understand the product individually with the personalized attention that can be given to them saving time and money in trying to close a call.

The fourth recommendation is to use brand ambassadors but the figure spent on the brand ambassadors should be realistic and should add to the bottom line of the organization and not deplete the company's bottom line. Companies should focus their marketing on online marketing and digital media marketing. This will give them access for sales for the product that is not limited to geographical boundaries. As a result the sales volumes will increase in the initial stages itself to double in the first 6 months and treble in the one year . The future volumes will have to be taken into consideration but the advantage is that the marketing costs on inline marketing or e marketing is half the cost of tradition marketing and yet yield value for money. The second recommendation is that the product should be made visible through marketing but it should not be made over visible where the interest and the curiosity in the product is no longer there. The third is that the packaging and the get up of the product should be alluring where looking at the packaging a person is willing to pay more for the product as packaging breed trust in customers.

CONCLUSION

E-retail is the future platform for selling the products in the market. With the Information technology advancing further, the features of inline shopping and e-retail outlets will increase and become more and more advanced therefore splurging and increasing the size of the budget of advertizing campaigns that will not bring in the proportionate revenues and sales should be avoided. More expenditure in online marketing and digital marketing for the e-retail portals and online portals does not necessarily prove to be productive always.

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