

## Providing a Suitable Model of Advertising for Exporting Non-Oil Products of East Azarbaijan Province to CIS Countries

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**Abstract:** Due to the lack of a suitable and efficient marketing and commerce system, Iran's export could not be expanded appropriately; so that, in most cases our export goods and services, despite having good and even higher quality than international standards, lack of a proper advertisement and informational system led to improper position in the foreign exchange market. Accordingly, the present study aims to provide a suitable model of advertising for exporting non-oil products of East Azarbaijan Province to CIS countries. The research is descriptive and the studied population are all exporters of East Azarbaijan province during 1390-1394 and based on the statistics of Ministry of Industry, Mine and Trade, their number have been determined 161 individuals. To analyze the data, Fuzzy Delphi method is used. To collect the necessary data, Fuzzy Delphi questionnaire is used. The results shows that suitable model of advertising in CIS countries for increasing non-oil exports is formed on the basis of 6 factors including creating a positive mental image, creating a tendency, attitude toward brand in genuity and creativity in advertising, media type and honesty in advertising messages.

**Key words:** Mental image, ingenuity, Fuzzy Delphi, creativity, attitude toward brand

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### INTRODUCTION

Exports has a fundamental and decisive role in economic promotion and independence and exports development policy is part of foreign trade policy of the countries and achieving it is considered in all countries. The importance of exports to our country is clear for everyone. Due to the lack of a suitable and efficient marketing and commerce system, Iran's export could not be expanded appropriately so that, in most cases our export goods and services, despite having good and even higher quality than international standards, lack of a proper advertisement and informational system led to improper position in the foreign exchange market. In most cases, merchants have prepared the ground for the rise in imports instead of increasing export. Because rather than advertising their goods exports in target markets, exporters helped to promote the goods of that country (Huang *et al.*, 2013). In this ultra-competitive era, all communicators of companies seek to put those information in their customer's mind that affects their decision in purchasing goods (Abbasi and Mohammadian, 1966). In this regard, the marketing in commercial activities is an approach that improvement in business activities' performance is focused through

customer satisfaction and is a social and managerial process that its management is the process of planning and executing the concept, pricing, promotion and distribution of advertising ideas, goods and services to carry out transactions which lead to individual and organizational goals (Mohammadi, 1967). On the other hand, communication is important in marketing as it is an integral part of all marketing strategies. Given their important role in creating awareness of clients in connection with products and services of organizations, they have vital role in creating a suitable market position for organizations. In this regard, advertising as an important component of the marketing process and an effective communication tool is of great significance and includes impersonal introduction and promotion of ideas, goods or services in exchange for money for an individual or a specific organization (Mohammadian, 1968). At this level of advertising competition, brands can hardly attract the attention of consumers and convince them to purchase (Ang *et al.*, 2007). In addition, advertising in mass media, causes huge financial costs for companies and most companies cannot afford to have constant presence in such advertising media (Kirby and Marsden, 2006). Pessimism and indifference of viewers to the ads increased the problems, too.

Building a relationship with the customer to inform and influence his or her attitudes and behavior is defined as advertisement. No professional marketing will be efficient without advertisement. No wonder that despite the relatively high costs of advertising it is called as an investment and not as an expense. Advertising is impersonal providing of products and services and ideas by known official. In other words to inform and influence his or her attitudes and behavior is defined as advertisement. One of the authors in this field believes that advertising is an effect that is spread by certain tools which aims to influence people's opinions and thoughts. Advertising impersonal introduction and promotion of goods or services through different carriers in exchange for money for an individual or a specific organization related to the message. Advertising is a dynamic that takes a new form every day by political, economic and social changes and will have specific content in various environments according to the beliefs, customs, culture and religion. Advertising is meant to deliver the message, introduce an idea to others or pretending something to be good or bad and includes visual and verbal messages that are transferred to promote the idea or product from a supplier through promotional channels to certain groups or to the whole society in exchange for money (Ebrahimi, 1972).

One of the indicators of success in any organization is the level in which organization achieve its goals. The success of any organization is determined according to the organization. This approach has been introduced in management literature as effectiveness. In fact, effectiveness is the the degree or amount that the organization achieves its intended objectives. To measure the effectiveness of any organization, objectives must be defined first. Then, plans should be developed to achieve these goals and then they should be implemented. The obtained results are then compared with predetermined objectives. One key factor that is influential in advertising effectiveness is the audience's ability to remember the name of advertised brand (Malhotra, 2005). This mental process in which the brand which will be remembered by the audience has more competitive advantages than those that are not easily remembered by audiences. The ability to recall a brand and a promo is relevant to audience attitude toward advertising. In general, studies suggest that consumers who have a positive attitude to an ad than consumers who do not have a positive attitude are more able to remember advertisement and brand. Marketing researchers in the field of quantitative effectiveness of advertising, use different indicators to assess the impact

of advertising on the performance and profitability of companies but they still have not reached a consensus on the issue. In general, the economic effects of advertising can be examined in two categories: direct and indirect effects. Direct effects include the effect of advertising on sales, the effect of advertising on market share and advertisements' economies of scale. Indirect effects include the effect of advertising on focus, the effect of advertising on the market entry, the effect of advertising on profitability, the effect of advertising on prices, the effect of advertising on quality (Arize, 1995). Peter Drucker believes that the purpose of marketing is to increase sales. The goal is to get to know and understand the customer so that the offered goods and services are exactly right for sale. Advertising could be considered as cause of monopoly or competition in the market by increasing or decreasing the degree of concentration or it can lead to price changes in price elasticity of demand (Chan *et al.*, 2010). Advertising leads to the creation of a monopoly or competition through changing entry barriers to the market and can increase the profitability of advertisers and increase market share. One of the uses of advertisement in market structure is to prevent the entry of new competitors. By doing so companies can monopolize the market. Market opportunities by creating barriers in market entry are divided into three categories savings of scale, cost advantage compared to other companies, product diversification. Economies of scale is achieved in two ways; the company allocates the lowest cost per unit of sales in the industry to itself or the rate of per unit cost be reduced by increasing the company scale.

Since, many advertisements cause the advertising company not benefit from advertising because of the wrong method of advertiser in fact, competitors benefited from that advertised company (Mohamadian, 1968). Therefore, evaluating the effectiveness of advertising is one of the most important issues in the realm of advertisement. The effectiveness of advertising is to identify the fact to what extent the goals have been achieved with the ads of large budget. And by effective advertisement it means something that could attract the audience's attention and have memorable effect and stimulate the audience. Numerous factors influence the effectiveness of advertising. Analysis of background variables' content in the factors affecting the effectiveness of advertising is shown in Table 1. On the other hand, it should be noted that in the outside world, a phenomenon known as globalization is taking place that has affected the economies of different countries by the growth of

Table 1: Influential factors in advertising effectiveness

Researchers	Factors
Mortimer (2002), Bendixen (1993), Park (2013)	The continuity of advertisement
Mortimer (2002), Park (2013)	Creating a positive image
Mortimer (2002)	Use appropriate images
Mortimer (2002), Bendixen (1993)	Ingenuity and creativity in ads
Mortimer (2002), Bendixen (1993), Park (2013)	Media type
Mortimer (2002), Bendixen (1993), Park (2013)	Right time to present ads
Mortimer (2002)	Repetition of advertisement
Mortimer (2002), Bendixen (1993)	Honesty in advertising messages
Mortimer (2002), Park (2013)	Good reputation and image of the brand
Bendixen (1993)	Creating a desire
Mortimer (2002)	Attitude toward the brand
Rotfeld	The use of celebrities
Scutaru	Advertisement quality

trade, direct foreign investment and capital flow growth at the international level. As the flow of direct foreign investment in developing countries has approximately increased 30 times more during the years of 1980-2015. In addition to increased foreign exchange earnings and improvement in the payments by non-oil exports, it has a significant impact on employment in the country. However, the fact is that in Iran, growing and developing non-oil exports is usually given attention to, when exports of oil and its revenues have stagnated. In these periods of time, usually a series of short-term and incentive policies such as reduction or elimination of export tariffs and export awards are implemented and will increase non-oil exports in short term. But it should be noted that the development of non-oil exports in the long run should be based on fundamental policies. Reliance on oil exports and an emphasis on imports are of Iranian economy features especially since 1350. Over the years, there have been dependent on foreign exchange revenues from oil sales. These issues together with other factors, led the economy as a whole to experience various problems. Therefore, getting rid of single-product economy as a primary objective in achieving political and economic independence has been introduced. This work requires a variety of product development and marketing for the purpose of increasing the non-oil exports. Thus with regard to the mentioned issues, this study aims to provide a suitable model of advertising for exporting non-oil products of East Azarbaijan Province to CIS countries in order to bring the fundamentals for proper planning and development of non-oil exports.

**MATERIALS AND METHODS**

Since, this study this study aims to provide a suitable model of advertising for exporting non-oil products of East Azarbaijan Province to CIS countries and presents a new plan of suitable model of advertising for non-oil

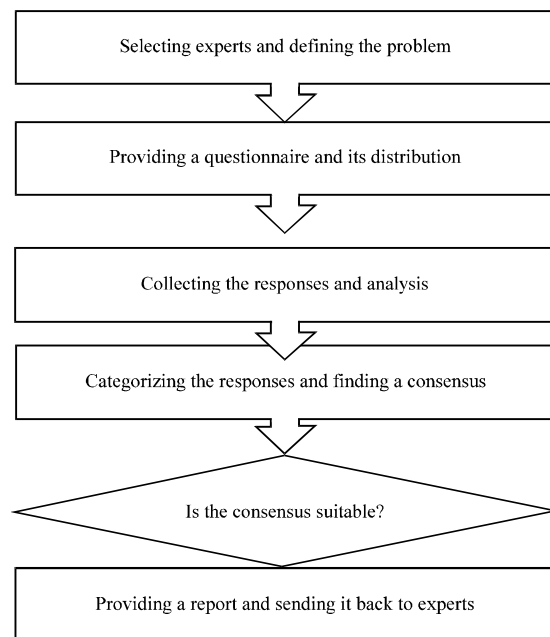


Fig. 1: Fuzzy Delphi process

exports and aims to develop knowledge about the dimensions of effective advertising it is a fundamental research; since the results can be applied in non-oil exports planning processes and non-oil export development planning it is an applied research. The study population consists of 161 exporters in East Azarbaijan Province who are in different companies and industries and refined the indices derived from the study of the theoretical foundations through an operational perspective. In order to refine the indicators and integrating the experts' comments, Fuzzy Delphi approach is used. Implementation of Fuzzy Delphi approach is actually a combination of implementing the Delphi method and data analysis by using fuzzy set theory. Implementation algorithm of Fuzzy Delphi methodis shown in Fig. 1.

The most important differences of Fuzzy Delphi method with Delphi method is that the Fuzzy Delphi technique usually offers experts' opinions in the form of linguistic variables, then calculates the average of the experts' opinions (numbers provided) and the disagreement of experts from the average and then this information is sent to the experts for getting new ideas, again. Then based on data from the previous stage, each expert provides new comment or modifies his or her earlier comments. This process is continued until the average of fuzzy numbers reach to a stable value. In addition, if studying under the supervision of experts is also needed, one can calculate the distance between triangular numbers to determine the opinions of experts on the basis of fuzzy relations in similar groups and send them to the marked experts.

**RESULTS AND DISCUSSION**

To extract the appropriate indicators of effective advertising first dimensions of effective advertising were identified through literature, then they were refined in the form of Fuzzy Delphi through the following steps.

**The definitions of linguistic variables:** The present questionnaire aimed to obtain experts' opinions about their agreement with the dimensions of the model so experts expressed their approval through linguistic variables such as very low, low, medium, high and very high. Since, different characteristics of individuals affects their interpretations of qualitative variables. Therefore, through definition of variables, experts have responded to the question with the same considerations. According to Table 2 variables are defined in the form of triangular fuzzy numbers. In Table 2, final fuzzy numbers are obtained by using BNP method which is as Eq. 1:

$$BNP = I + \frac{(u-l) + (m-l)}{3} \quad (1)$$

**First phase of survey:** In this stage, the conceptual model is presented along with a description of factors and

criteria to the members of experts group. And their agreement with the dimensions in regard to organizational state and their comments had been obtained and summarized in Table 3.

According to the proposed options and linguistic variables defined in the questionnaire, the results of the responses are provided in Table 3. According to the results of this table, fuzzy averages of each components are calculated through these Eq. 2:

$$A_i = (a_1^{(i)}, a_2^{(i)}, a_3^{(i)}), i = 1, 2, 3, \dots, n \quad (2)$$

Where:

$A_i$  = Reflects the views of ith expert

$A_{ave}$  = Reflects the average view of experts

The results of these calculations are presented in Table 4:

$$A_{ave} = (m_1, m_2, m_3) = \left( \frac{1}{n} \sum_{i=1}^n a_1^{(i)}, \frac{1}{n} \sum_{i=1}^n a_2^{(i)}, \frac{1}{n} \sum_{i=1}^n a_3^{(i)} \right) \quad (3)$$

In Table 4, Triangular fuzzy average is calculated by using the Eq. 2. And then defuzzification is done by using the BNP formula (Eq. 1). The obtained average indicates the severity of the experts' approval with each of the components of the conceptual model.

As Table 4 shows that most experts agreed with components and ingenuity to create a positive image in the ad. And because the questionnaire provided in addition to the closed questions, the experts' views are also taken in the form of open-ended questions. So, after refining points of the proposed corrective action is taken under the first concept model components:

Table 2: Triangular fuzzy numbers of linguistic variables

Variables	Triangular fuzzy number (l, m, u)	Final fuzzy numbers
Very high	(0/75, 1/00, 1/00)	0/916
High	(0/60, 0/75, 0/90)	0/75
Medium	(0/25, 0/50, 0/75)	0/50
Low	(0/10, 0/25, 0/40)	0/25
Very low	(0, 0, 0/25)	0/083

Table 3: Results of the first survey

Dimensions	Success rate				
	Very high	High	Medium	Low	Very low
The continuity of advertisement	3	8	11	13	5
Creating a positive Image	15	13	9	3	
Use appropriate images	10	14	11	4	1
Ingenuity and creativity in ads	14	12	11	3	
Media type	8	10	18	3	1
Right time to present ads	4	3	14	12	7
Repetition of advertisement	6	4	17	7	6
Honesty in advertising messages	3	9	13	10	5
Good reputation and image of the brand	3	7	12	12	6
Creating a desire	8	11	17	3	1
Attitude toward the brand	4	3	25	4	4

Table 4: Average of experts' views in the first survey

Components	Triangular fuzzy average	Diffizzofocation average
The continuity of advertisement	(0.13, 0.21, 0.13)	0.36
Creating a positive image	(0.12, 0.49, 0.79)	0.47
Use appropriate images	(0.14, 0.2, 0.68)	0.34
Ingenuity and creativity in ads	(0.13, 0.55, 0.71)	0.47
Media type	(0.17, 0.21, 0.63)	0.34
Right time to present ads	(0.19, 0.27, 0.41)	0.29
Repetition of advertisement	(0.19, 0.26, 0.48)	0.31
Honesty in advertising messages	(0.18, 0.26, 0.47)	0.31
Good reputation and image of the brand	(0.18, 0.28, 0.43)	0.30
Creating a desire	(0.17, 0.21, 0.64)	0.34
Attitude toward the brand	(0.21, 0.31, 0.49)	0.34

Table 5: Differences of expert views in first and second phase

Dimensions	First phase	Second phase	Difference
Creating positive image	0.36	0.76	0.40
Ingenuity and creativity in ads	0.47	0.48	0.01
Media type	0.34	0.32	0.02
Honesty in advertising messages	0.47	0.50	0.03
Creating a desire	0.34	0.74	0.30
Attitude toward the brand	0.29	0.54	0.25

Due to the alignment of advertising continuity and sustainability and the use of appropriate images it was suggested that these two components be included in the model as "create a positive mental image".

With regard to the alignment of right time of advertising and repetition of advertising and creativity in ads it was suggested that these three components be included in the model as "ingenuity and creativity in ads".

With regard to the alignment of attitudes toward the brand and reputation and good brand image it was suggested that these two components be included in the model as "reputation and good brand image"...

**Second phase of survey:** At this stage, through the necessary changes in dimensions, elements and criteria of the model, the second questionnaire had been prepared. And was sent back to the members of the expert group along with the previous points of view and their differences from the perspective of other experts...

In the second phase, according to the views of other members of the expert group and according to changes in dimensions, elements and criteria, experts responded to the questions. The responses were analyzed like the first phase. According to the views presented in the first phase and comparing them with the results of this phase, if the difference between the two is less than the threshold (0, 1), the survey process stops:

$$s(A_{m_2}, A_{m_1}) = \frac{1}{3}[(a_{m_{21}} + a_{m_{22}} + a_{m_{23}}) - (a_{m_{11}} + a_{m_{12}} + a_{m_{13}})] \tag{4}$$

As Table 5 shows in dimensions of 2-4 expert group members have reached consensus. And the difference

Table 6: Results of the third survey

Dimensions	Success rate				
	Very high	High	Medium	Low	Very low
Creating positive image	18	13	8	1	0
Creating a desire	18	12	8	2	0
Attitude toward the brand	14	12	11	3	0

Table 7: Average of experts' views in the third survey

Components	Triangular fuzzy average	Diffizzofocation average
Creating positive image	(0.63, 0.74, 0.88)	0.75
Creating a desire	(0.60, 0.71, 0.82)	0.71
Attitude toward the brand	(0.33, 0.56, 0.68)	0.53

Table 8: Differences of expert views in second and third phase

Dimension	First phase	Second phase	Difference
Creating positive image	0.76	0.75	0.02
Creating a desire	0.74	0.71	0.03
Attitude toward the brand	0.54	0.53	0.02

in the first and second stages is less than the threshold (0, 1). Thus, survey was stopped in the above components.

**Third phase of survey:** At this stage, through the necessary changes in dimensions, elements and criteria of the model, the third questionnaire had been prepared. And was sent back to the members of the expert group along with the previous points of view and their differences from the perspective of other experts. But at this stage 3 of 6 dimensions in the previous stage was stopped and third survey was conducted on the remaining dimensions. According to Eq. 1-3 fuzzy average, the results of data are presented in Table 6-8.

According to Eq. 4 of Cheng Lin, experts' disagreement on the second and third stages are less than the threshold (0, 1). And therefore, survey stops at this stage. So, over the three stages of reviewing the 11 dimensions, three dimensions were equally accepted by experts and three components were accepted and was finalized in 6 components.

## CONCLUSION

This study aims to provide a suitable model of advertising for exporting non-oil products of East Azarbaijan Province to CIS countries. Based on data analysis and using Fuzzy Delphi, the result showed that 6 final components can be considered for non-oil exports. These components include the creation of a positive image, creating a desire, attitude toward brand, ingenuity and creativity in advertising, media type and honesty in advertising messages. Generally, planning and efforts for diversification and growth of non-oil exports as the goals

and ideals of the Islamic Republic of Iran is one of the main tasks involved in economic affairs (including in public or private one). In this context conducting studies and researches as much as possible is not enough, because the economic life of the country and people's lives depend on it. In the years after the Islamic Revolution not only government officials but also private practitioners began researches and planning in the field and some successful experiences are also available. They awareness of these results can be used as guidelines for economic actors. The idea of expanding non-oil exports has long been widely focused was of interest for economists and gone through a lot of ups and downs theoretically and practically. Of course, a vast country like Iran which has vast natural resources, should be able to produce and export non-oil products in the world, especially in the Middle East. But over the past half century, oil, not only as the most important export commodity but also played as influencing factor which dictated economic programs in Iran. In such circumstances, focusing on factors that affect non-oil exports can open a path for further development of non-oil exports and economic dynamics. The study also examined advertising as a contributing factor. Regarding the effectiveness of advertising either for export or other matters has increased considerably. In Iran, they have been seriously considered in recent years. Estimation of advertising effectiveness contributes a lot to the decisions-making processes and further economic and social studies.

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