

Grey Global Group Inc.

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Abstract

The paper gives a deep examination of the advertisement and marketing communication industry as the oldest sectors across the many world countries. Many companies have taken this line of business, and they do export and importing of these services to remain relevant in the market. Grey Global Group Inc. is one of the advertising agencies that have been in the industry for long which serves as the best case study for our research. Since the inception of the company, it has been doing well on the market and has played a significant role in the world's communication systems. Over the years the industry has undergone many changes including the invention of new laws and standards locally and internationally. Due to the increase in the advertising agencies, the market has flatted causing a potential displacement of Grey Global as it loses the esteemed customers. The study is an examination of the competitive environment in marketing communication and how it has impacted the current position of Grey Global and its reputation.

Keywords: *communication, advertising, competition, standards, market*

Chapter 1: Research proposal and introduction

Name, founding date, and founding leaders

Grey Global Group Inc. is an advertising and marketing company which offers the marketing and advertising solutions to customers in the United States of America and internationally. Thus the company takes part in the international trade in the field of advertising and marketing though it is based in New York. The company was established on August 1st, 1917 when it used to be called Grey studios. It then changed to Grey Advertising before changing to its current name Grey Global Group Inc. the founding leaders of the Grey Global Group Inc. were by Lawrence Valenstein and Arthur C. Fatt which then was Grey Studios, the direct marketing company (Grey Global Group's 2003).

Events and incidents

At the early times of its initiation, Grey Group only specialized in producing direct mail after every six months. By then, the furriers in New York used these direct mail produced by the Grey studios to advertise their wares. Gradually as the business continued to grow, the founder Valenstein increased the number of employees taking into account the position of the art director as well as the assistant. Four years later, the company relocated, and the founder Valenstein hired Arthur Fatt, who was 17 years old as the office boy who later suggested the change in the business the company was engaging in. He suggested replacing biannual mailers with the magazines that were to be published nine times in a year and had to show the products of their customers (Grey Global eyes Campaigns & Grey buyout. (2008). The publication called Furs& Fashion and dummy issue was launched, and it became successful. With this success, the Grey Studios shifted from direct mailing to advertising changing the name from Grey studios to Grey Advertising Inc. by concentrating on the national advertisement, the company grew and later

started making television advertisement. In 1959, it opened the first international office in Montreal. The two Valenstein and Fatt gave out their responsibilities two years later just to become the chairmen of the executive committee. The company later expanded to Japan in 1963 and branched into public relations where it created Grey Public Relations. In 1965, Grey opened the new office on Third Avenue in Manhattan and employed over 900 employees. Offices were also opened in San Francisco and Austria in 1967. Despite the challenges especially the competition, the company a success and changed its name to Grey Global Group Inc. in 2000.

Products

When the company first started, its products included direct mail used by the furriers in the New York to advertise their wares. This was followed by the publication of the magazine nine times in a year to advertise the products of their clients. Then the Grey Inc. started making national advertisement before television advertisement. Today, the company has expanded to offer services in public relation, digital works, shopper marketing, multicultural marketing and activation works among others.

New business lines

The entry into new lines of the business by the Grey Global Group Inc. was highly recorded in the 1960s when the company got into public relations establishing Grey Public Relations in 1963. Another entry into new lines of business was in 1998 when it became the agency for Dairy Queen.

Statement of the problem

For years since its inception, Grey Global Group Inc. has grown to be among the preeminent world agencies in the advertising and marketing communication. The commitment of Grey has always been to maintain and uphold all the standards that govern the industry the

system is operating in. The standards include those set locally by the American Association of the Advertising Agencies and those formed internationally (Saji, John, Nair, & Houjeir, 2015). All these standards are clear and have been made known to the employees to make Grey a competitive company in the globe while upholding its reputation high.

However, in the recent times, the field of advertisement and marketing communication has become competitive and has become hard for Grey to control its esteemed customers as before. Most of the competitors have disregarded the code of conducts, standards and are unlawfully engaging in activities that disadvantage the Gray Global Group Inc. the move leaves the company in the dilemma as it tries possible ways winning the market at the same time maintain the positive reputation of the company (Seidenberg, 2009).

Responding to this problem that Gray faces, this study is intended to look at the possible means the company can adapt to remain competitive. The study will as well examine the applicable laws and standards and deeply examine how these set of rules has impacted on the current situation of the company. Finally, the study will examine the code of conduct of the company, and any possible loophole that could have led to the sluggishness of the company is the stiff competitive situation.

Research question

Given the existence of the strict rules in the advertisement and marketing sector, is the Grey Global Group capable of restoring its initial competitive position in the market while upholding reputation?

Hypothesis

Grey Global Group can restore its competitive market position at the same time safeguarding the reputation of the company.

Significance of the research

In the contemporary business world, competition is a common characteristic of modern market structures. As the competition continues, the competing parties disregard the laid rules including the guiding standards and laws which then cause unhealthy competition. The situation then leads to some businesses losing esteemed customers (Glasser, 1945). Therefore, this study is significant in the sense that it aims at examining the operating local and international standards in the advertising and marketing communication. In line with the standards, the study helps to relate how they have affected the Grey Global Group in their current situation and how they can improve while upholding the reputation.

Research purpose

The purpose of the research involves examining the advertisement and marketing communication industry in relation Grey Global Group (Grey Global SWOT Analysis). It includes looking at the adherence to the standards of operations and how has this impacted the current market situation of Grey concerning the reputation of the company.

Data collection

For this study, both primary and secondary methods of data collection will be applied. For the primary method, onsite interviews, surveys and the administration of the questionnaires will help in getting direct responses from the recipient. In using this method, both open and closed questions will be used where the recipients will either provide specific answers, or personal choice answered. On the other hand, the second method will include getting information from the website of the company, asking for the records from the organization and journals and articles to extract the required information to conclude.

Research method

The research method to be adopted is the qualitative method that intends looking at the current situation of the Grey Global Group Inc. the research will conclusively make the observation, and through interviews and survey, contributing factors will be examined and make recommendations.

Chapter summary

The entire paper is an examination of Grey Global Group Inc. as an old company in the field of advertisement and marketing communication. Though the company has had many successes in the local and international market, the recent competition in the industry has shaken the company. With disregard to rules and standards from client competitors, Grey has faced stiff competition threatening its competitive market position even as it struggles with reputation. The question and the hypothesis of the proposal are based on the current problem of Grey Company. The significance and the purpose of the research have been looked at to examine the need for the study.

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