# How to Advertise Your Business A Complete Guide to Small Business Advertising Techniques

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# 1. How to Develop an Effective Advertising Budget

Your journey towards creating effective advertising for your business starts with an advertising budget. Developing your advertising budget - Deciding just how much

should be invested in making sales grow - and how that amount should be allocated is completely up to you, the business owner-manager.

Advertising costs are a completely controllable expense. Advertising budgets are the means of determining and controlling this expense and dividing it wisely among departments, lines, or services.

This chapter describes various methods (percentage of sales or profits, unit of sales, objective and task) for intelligently establishing an advertising budget and suggests ways of applying budget amounts to get the effects you want

If you want to build sales, it's almost certain you'll need to advertise. How should you allocate your advertising dollar? How can you be sure your advertising outlays aren't out of line? The advertising budget helps you determine how much you have to spend and helps establish the guidelines for how you're going to spend it.

What you'd like to invest in advertising and what you can afford are seldom the same. Spending too much is obviously an extravagance, but spending too little can be just as bad in terms of lost sales and diminished visibility. Costs must be tied to results. You must be prepared to evaluate your goals and assess your capabilities - a budget will help you do precisely this.

Your budget will help you choose and assess the amount of advertising and its timing. It will also serve as the background for next year's plan.

## Methods of Establishing an Advertising Budget

Each of the various ways in which to establish an advertising budget has its problems as well as its benefits. No method is perfect for all types of businesses, nor for that matter is any combination of methods.

Here concepts from several traditional methods of budgeting have been combined into three basic methods:

- (1) Percentage of sales or profits
- (2) Unit of sales
- (3) Objective and task

You'll need to use judgment and caution in settling on any method or methods.

## **Percentage of Sales or Profits**

The most widely used method of establishing an advertising budget is to base it on a percentage of sales. Advertising is as much a business expense as, say, the cost of labor and, thus, should be related to the quantity of goods sold.

The percentage-of-sales method avoids some of the problems that result from using profits as a base. For instance, if profits in a period are low, it might not be the fault of sales or advertising. But if you stick with the same percentage figure, you'll

automatically reduce your advertising allotment. There's no way around it: 2% of \$10,000 is less than 2% of \$15,000. Such a cut in the advertising budget, if profits are down for other reason, may very well lead to further losses in sales and profits. This in turn will lead to further reductions in advertising investment, and so on.

In the short run a business owner might make small additions to profit by cutting advertising expenses, but such a policy could lead to a long term deterioration of the bottom line. By using the percentage-of-sales method, you keep your advertising in a consistent relation to your sales volume - which is what your advertising should be primarily affecting. Gross margin, especially over the long run, should also show an increase, of course, if your advertising outlays are being properly applied.

## What percentage?

You can guide your choice of a percentage-of-sales figure by finding out what other businesses in your line are doing. These percentages are fairly consistent within a given category of business.

It's fairly easy to find out this ratio of advertising expense to sales in your line. Check trade magazines and association. You can also find these percentages in Census and Internal Revenue Service reports and in reports published by financial institution such as Dun & Bradstreet, the Robert Morris Associates, and the Accounting Corporation of America.

Knowing what the ratio for your industry is will help to assure you that you will be spending proportionately as much or more than your competitors; but remember, these industry averages are not gospel. Your particular situation may dictate that you want to advertise more than or less than your competition. Average may not be good enough for you. You may want to out-advertise your competitors and be willing to cut into short term profits to do so. Growth takes investment.

No business owner should let any method bind him or her. It's helpful to use the percentage-of-sales method because it's quick and easy. It ensures that your advertising budget isn't way out of proportion for your business. It's a sound method for stable markets. But if you want to expand your market share, you'll probably need to use a larger percentage of sales than the industry average.

#### Which Sales?

Your advertising budget can be determined as a percentage of past sales, of estimated future sales, or as a combination of the two:

- **1. Past Sales.** Your base can be last year's sales or an average of a number of years in the immediate past. Consider, though, that changes in economic conditions can make your figure too high or too low.
- **2. Estimated future sales.** You can calculate your advertising budget as a percentage of your anticipated sales for next year. The most common pitfall of this method is an optimistic assumption that your business will continue to grow. You must keep general

business trends always in mind, especially if there's the chance of a slump, and hardheadedly assess the directions in your industry and your own operation.

**3. Past sales and estimated future sales.** The middle ground between an often conservative appraisal based on last year's sales and a usually too optimistic assessment of next year's is to combine both. It's a more realistic method during periods of changed economic conditions. It allows you to analyze trends and results thoughtfully and to predict with a little more assurance of accuracy.

#### **Unit of Sales**

In the unit-of-sale method you set aside a fixed sum for each unit of product to be sold, based on your experience and trade knowledge of how much advertising it takes to sell each unit. That is, if it takes two cents' worth of advertising to sell a case of canned vegetables and you want to move 100,000 cases, you'll probably plan to spend \$2,000 on advertising them. Does it cost X dollars to sell a refrigerator? Then you'll probably have to budget 1,000 time X if you plan to sell a thousand refrigerators. You're simply basing your budget on unit of sale rather than dollar amounts of sales.

Some people consider this method just a variation of percentage-of-sales. Unit-of-sales does, however, probably let you make a closer estimate of what you should plan to spend for maximum effect, since it's based on what experience tells you it takes to sell an actual unit, rather than an overall percentage of your gross sales estimate.

The unit-of-sales method is particularly useful in fields where the amount of product available is limited by outside factors, such as the weather's effect on crops. If that's the situation for your business, you first estimate how many units or cases will be available to you. Then, you advertise only as much as experience tells you it takes to sell them. Thus, if you have a pretty good idea ahead of time how many units will be available, you should have minimal waste in your advertising costs.

This method is also suited for specialty goods, such as washing machines and automobiles; however, it's difficult to apply when you have many different kinds of products to advertise and must divide your advertising among these products. The unit-of-sales method is not very useful in sporadic or irregular markets or for style merchandise.

#### **Objective and Task**

The most difficult (and least used) method for determining an advertising budget is the objective-and-task approach. Yet, it's the most accurate and best accomplishes what all budgets should:

It relates the appropriation to the marketing task to be accomplished.

It relates the advertising appropriation under usual conditions and in the long run to the volume of sales, so that profits and reserves will not be drained.

To establish your budget by this method, you need a coordinated marketing program with specific objectives based on a thorough survey of your markets and their potential.

While the percentage-of-sales or profits method first determines how much you'll spend without much consideration of what you want to accomplish, the task method establishes what you must do in order to meet your objectives. Only then do you calculate its cost.

You should set specific objectives: not just "Increase sales," but, for example, "Sell 25% more of product X or service Y by attracting the business of teenagers." Then determine what media best reaches your target market and estimate how much it will cost to run the number and types of advertisement you think it'll take to get that sales increase. You repeat this process for each of your objectives. When you total these costs, you have your projected budget.

Of course, you may find that you can't afford to advertise as you'd like to. It's a good idea, therefore, to rank your objectives. As with the other methods, be prepared to change your plan to reflect reality and to fit the resources you have available.

## **How to Allocate Your Advertising Budget**

Once you have determined your advertising budget, you must decide how you'll allocate your advertising dollars. First, you'll have to decide if you'll do any institutional advertising or only promotional advertising.

After you set aside an amount to build your image (if that's your plans for the year), you can then allocate your promotional advertising in a number of ways. Among the most common breakdowns are by:

- 1) departmental budgets
- 2) total budget
- 3) calendar periods
- 4) media
- 5) sales areas

## **Departmental Budgets**

The most common method of allocating advertising dollars is percent of sales. Those departments or product categories with the greatest sales volume receive the biggest share of the budget.

In a small business or when the merchandise range is limited, the same percentage can be used throughout. Otherwise, a good rule is to use the average industry figure for each product. By breaking down the budget by departments or products those goods that require more promotion to stimulate sales can get the required advertising dollars. Your budget can be further divided into individual merchandise lines.

## **Total Budget**

Your total budget may be the result of integrated departmental or product budgets. If your business has set an upper limit for advertising expense percentage, then your departmental budgets, which are based on different percentages of sales in each area, might be pared down.

In smaller business the total budget may be the only one established. it too, should be divided into merchandise classification for scheduling.

#### **Calendar Periods**

Most executives of small businesses usually plan their advertising on a monthly, even a weekly, basis. Your budget, even if it's for a longer planning period, ought to be calculated for these shorter periods. It will give you better control.

The percentage-of-sales methods is also useful here to determine how much money to allocate by time periods. The standard practice is to match sales with advertising dollars. Thus, if February accounts for 5% of your sales, you might give it 5% of your budget.

Sometimes you might want to adjust advertising allocations downward in some of your heavier sales months, so you can boost the budget of some of your poorer periods. But this should be done only if you have reason (as when your competition's sales trends differ markedly from yours) to believe that a change in your advertising timing could improve slow sales.

#### Media

The amount of advertising that you place in each advertising medium - such as direct mail, newspapers, or radio - should be determined by past experience, industry practice, and ideas from media specialists. Normally it's wise to use the same sort of media your competitors use. That's where, most likely, your potential customers look and listen.

#### Sales areas

You can spend your advertising dollars where your customers already come from, or you can use them to try to stimulate new sales areas. Just as in dividing your appropriation by time periods, it's wise to continue to do the bulk of your advertising in familiar areas. Usually it's more costly to develop new markets than to maintain established ones.

## A Flexible Advertising Budget

Any combination of these methods may be employed in the formation and allocation of your advertising budget. All of them - or simply one - may be needed to meet your advertising objectives. However you decide to plan your budget, you must make it flexible, capable of being adjusted to changes in the marketplace.

The duration of your planning and budgeting period depends upon the nature of your business. If you can use short budgeting periods, you'll find that your advertising can be more flexible and that you can change tactics to meet immediate trends.

To ensure advertising flexibility, you should have a contingency fund to deal with special circumstances - such as the introduction of a new product, specials available in local media, or unexpected competitive situations.

Beware of your competitor's activities at all times. Don't blindly copy your competitors, but analyze how their actions may affect your business - and be prepared to act.

## **Getting Started**

Your first budget will be the most difficult to develop - but it will be worth the effort. The budget will help you analyze the results of your advertising. By your next business year you'll have a more factual basis for budgeting than you did before. Your plans will become more effective with each budget you develop.

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## 2. How to Decide on the Best Advertising Media for You

This chapter discusses Advertising Media Planning. A wise man once said, "The person who saves money by not advertising is like the man who stops the clock to save time." In today's fast-paced, high-tech age, businesses have to use some form of advertising to make prospects aware of their products and services.

Even a famous company like Coca-Cola continually spends money on media advertising to support recognition of their products. Last year Coca-Cola spent more than \$150 million to keep its name in the forefront of the publics eye. So the question isn't whether or not you can afford to advertise, you simply must if you want your business to succeed.

Some questions you should consider before buying ads are:

- 1. What marketing media is the best to use?
- 2. How important is creativity?
- 3. Is there a way to buy space and time that will stretch my advertising budget?

When it comes to advertising, a lot of people really don't know what they want, where to get it or what to do with it after they have it. This guide will help you learn to determine

what type of advertising media is best for you, and learn to identify guidelines you can use to obtain the advertising exposure you need. It will help you identify ways to make your advertising more cost efficient.

Advertising is an investment in your business's future. And like any investment, it's important to find out as much as you can before you make a decision. You'll be able to use this guide as a reliable reference tool often in the months and years to come.

## **NEWSPAPER MEDIA ADVERTISING**

Every advertising medium has characteristics that give it natural advantages and limitations. As you look through your newspaper(s), you'll notice some businesses that advertise regularly. Observe who they are and how they advertise their products and services. More than likely, their advertising investment is working if it's selling!

## Some Advantages in Newspaper Media Advertising

Almost every home receives a newspaper, either by newsstand or home delivery. Reading the newspaper is a habit for most families. And, there is something for everybody: sports, comics, crosswords, news, classifieds, etc. You can reach certain types of people by placing your ad in different sections of the paper. People expect advertising in the newspaper. In fact, many people buy the paper just to read the ads from the supermarket, movies or department stores.

Unlike advertising on TV and radio, advertising in the newspaper can be examined at your leisure. A newspaper ad can contain details, such as prices and telephone numbers or coupons.

There are many advantages to advertising in the newspaper. From the advertiser's point-of-view, newspaper advertising can be convenient because production changes can be made quickly, if necessary, and you can often insert a new advertisement on short notice. Another advantage is the large variety of ad sizes newspaper advertising offers. Even though you may not have a lot of money in your budget, you can still place a series of small ads, without making a sacrifice.

## Some Disadvantages with Newspaper Advertising

Advertising in the newspaper offers many advantages, but it is not without its inherent disadvantages, such as:

Newspapers usually are read once and stay in the house for just a day.

The print quality of newspapers isn't always the best, especially for photographs. So use simple artwork and line drawings for best results.

The page size of a newspaper is fairly large and small ads can look minuscule.

Your ad has to compete with other ads for the reader's attention.

You're not assured that every person who gets the newspaper will read your ad. They may not read the section you advertised in, or they may simply have skipped the page because there wasn't any interesting news on it.

## **How Should I Work with my Newspaper Representative?**

Every newspaper has its own sales staff, and you're normally appointed your personal newspaper "Sales Representative." A newspaper sales rep can be very helpful. He or she can keep you posted on special sections or promotions that may apply to your business, but always keep in mind it is the sales rep's job to sell you advertising.

Your sales rep might say that the newspaper can layout any of your ads, pre-prepared or not. But these ads are assembly line products and are not often very creative or eyecatching. Consider using an artist or agency for your ads.

In addition, your sales rep can sometimes be instrumental in making sure your story or upcoming announcement "finds" the right reporter because the relationship between the advertising and editorial staff is chummier than most people think, even though they claim total anonymity.

## **Buying Newspaper Marketing Media Space**

Newspaper Marketing Media Space advertising is sold by column and inch. You can determine the size ad you want just by looking in the newspaper in which you want to advertise. If you can't locate an ad that's the size you want, just measure the columns across and the inches down. For example, an ad that measures 3 columns across and 7 inches down would be a 21 inch ad. If the inch rate is \$45.67, your ad would cost \$959.07. In case your newspaper is still on the line rate system, remember there are 14 lines to an inch. So, if the line rate is \$3.75, multiply it by 14 and you will have the cost of an inch rate. (the rate would be \$45.50 an inch.)

Here are some other things to remember:

Newspaper circulation drops on Saturdays and increases on Sundays, which is also the day a newspaper is read most thoroughly.

Position is important, so specify in what section you want your ad to appear. Sometimes there's a surcharge for exact position ...but don't be afraid to pay for it if you need it.

Request an outside position for ads that have coupons. That makes them easier to cut out.

If a newspaper is delivered twice daily (morning/evening), it often offers "combination" rates or discounts for advertising in both papers, You usually can reach more readers, so this kind of advertising may be something to consider.

Other important tips to remember are:

Before you advertise, have in mind a definite plan for what it is you want to sell.

Create short, descriptive copy for your ad. Include prices if applicable. Consider using a copywriter or ask your newspaper for free copy assistance.

Face your products toward the inside of the ad. If the product you want to use faces right, change your copy layout to the left.

Be sure to include your company name and logo, address and telephone number in the ad.

Neat, uncluttered and orderly ads encourage readership. Don't try to crowd everything you can in the layout space. If the newspaper helps you with the layout, be sure to request a proof of the final version so you can approve it or make changes before it is printed.

Always make sure you are satisfied with what your advertising says and how it looks before it goes to print.

#### MAGAZINE MARKETING MEDIA

Many of the same "print" type principles which apply to newspaper advertising also apply to magazine advertising. The biggest differences are:

Magazines are usually weekly or monthly publications instead of daily.

Advertising messages are more image-oriented and less price-oriented.

The quality of the pictures and paper are superior to newsprint.

Advertisements involve color more often.

The general rule that you can run the same ad 3-5 times within a campaign period before its appeal lessens applies to magazine advertising as well, even with a monthly publication. So it makes sense to spend extra time and money to prepare a worthwhile ad that can be successfully repeated. Over long terms such as these, however, be aware that the client (you) often tire of the ad before the audience does.

Because ads in magazines are not immediate, they take more planning. Often, an ad for a monthly magazine must be prepared at least a month in advance of publication, so ads detailing prices and items have to be carefully crafted to insure accuracy.

Since the quality of the magazines are superior, the advertising that you generate must be superior as well. Negatives are usually required instead of prints or "PMTs" (photomechanical transfers). Consider getting assistance from a graphic artist or an advertising agency.

There are two categories of magazines: trade magazines and consumer magazines. Trade magazines are publications that go to certain types of businesses, services and industries. Consumer magazines are generally the kind you find on the average news stand. Investigate which type would do your business the most good.

An agency can also purchase the magazine space for you, often at no charge, because the magazine pays the agency a commission directly. If you wish to purchase the advertising yourself, contact the magazine directly and ask for an "Ad Kit" or "Media Package." They will send you a folder that includes demographic information, reach information, a current rate card and a sample of the publication.

Although most magazines are national in nature, many have regional advertising sections that allow your business to look like it purchased a national ad when it only went to a certain geographical area. This can be especially useful if your product or service is regional in nature as well and could not benefit from the magazine's complete readership. Each magazine does this differently, so contact the one(s) you are interested in and ask them about their geographic editions. Some sophisticated magazines even have demographic editions available, which might also be advantageous.

#### RADIO ADVERTISING MEDIA

Since its inception, radio has become an integral part of our culture. In some way, it touches the lives of almost everyone, every day. Radio, as a medium, offers a form of entertainment that attracts listeners while they are working, traveling, relaxing or doing almost anything. A farmer, for example, may listen to the radio while he is having breakfast or plowing his field. People driving to work often listen to the radio. Radio offers information such as: news, weather reports, traffic conditions, advertising and music for your listening pleasure.

## What Are Some of the Good Things About Radio?

Radio media advertising is a relatively inexpensive way of reaching people. It has often been called the "theater of the mind" because voices or sounds can be used to create moods or images that if crested by visual effects would be impossible to afford.

You can also negotiate rates for your commercials, or even barter. Stations are often looking for prizes they can give away to listeners, so it's possible to get full commercial credit for the product or service you offer.

Advantages to radio advertising media include:

The ability to easily change and update scripts are paramount to radio broadcasting, since news stories can and often do happen live.

Radio is a personal advertising medium. Station personalities have a good rapport with their listeners. If a radio personality announces your commercial, it's almost an implied endorsement.

Radio is also a way to support your printed advertising. You can say in your commercial, "See our ad in the Sunday Times," which makes your message twice as effective.

## What are Some Limitations to Radio Advertising Media?

Radio advertising is not without its disadvantages too, such as:

You can't review a radio commercial. Once it plays, it's gone. If you didn't catch all the message, you can't go back and hear it again.

Since there are a lot of radio stations, the total listening audience for any one station is just a piece of a much larger whole. That's why it's important to know what stations your customers and prospects probably listen to. Therefore, most of the time, you'll have to buy time on several radio stations to reach the market you are after.

People don't listen to the radio all the time...only during certain times of day. So, it's important to know when your customers or prospects are listening. For example, if you want to reach a large portion of your audience by advertising during the morning farm report, you'll have to specify that time period to the radio station when you buy the time.

One of the most popular times to reach people is during Drive Times (from 6 a.m. to 10 a.m. and 3 p.m. to 7 p.m.) It's called that because most people are going to or from work during this period, and because most people listen to their radio when they drive. Unfortunately, radio stations know that this is a favorite time to advertise, so commercial costs are much higher during this time.

Radio as a broadcasting medium, can effectively sell an image...or one or two ideas at the most. It is not, however, a detailed medium...and is a poor place for prices and telephone numbers.

Radio listeners increase in the spring and summer, contrary to television audiences which increase in the fall and winter and decrease in the summer. This is an important aspect to consider when you are choosing advertising media.

## How Should I Buy Time on the Radio?

Like a newspaper, each radio station has its own advertising staff. Each wants you to believe that their station is the absolute best buy for your money...and many will go to great lengths to prove it. But if you've done your research, or you are using an advertising agency, you probably have a good idea of the station you want to buy time on and when. If you don't know which stations you want to use, ask each station for its own research, that is, the type of programming, musical format, geographic reach, number of listeners and station ratings.

By getting the station ratings and the number of people it reaches, you can figure out the cost-per-thousand people (CPM) by simply dividing the cost of a commercial by the thousands of people you are reaching.

Example: Cost of commercial = \$35.00, Audience reached = 45,000 people.

Cost of commercial per 1000 people = 35/45 = \$0.78 per 1000

Without getting complicated, here are two cardinal rules for radio advertising:

1. It's better to advertise when people are listening than when they are not.

2. It's better to bunch your commercials together than to spread them apart.

A lot of radio sales reps will try to talk you out of advertising during specific times. They'll offer you a reduced rate called TAP (Total Audience Plan) that splits your advertising time into 1/3 drive, 1/3 mid-day and 1/3 night. This may sound like a good deal, but airing commercials during times when your audience isn't listening is bad advertising. If however, you are sponsoring a show such as Paul Harvey or the Morning Farm Report, it makes sense to advertise once or twice a day on a regular basis, since those programs have regular listenership. Frequency is a vital element for effective radio advertising.

Since you can't automatically recall the radio commercial and hear it again, you may have to hear the same commercial two, four, or maybe six times before the message sinks in. If you missed the address the first time, you consciously or subconsciously are hoping the commercial will be aired again so you can get the information you need. That's the way radio advertising works. And that's also the way you buy it.

Most of the time, radio advertising should be bought in chunks. High frequency over a short period of time is much more effective than low frequency over a longer period of time. It's important for your audience to hear your spot again to get more information out of it. For example, if you wanted to advertise a two week campaign and you could afford 42 radio commercials, the following buy would serve you well: On Tuesdays, Wednesdays and Thursdays, place three spots between 7-9 a.m. and four spots between 3-6 p.m. for two weeks. Notice that both day and hour periods are concentrated.

By advertising in concentrated areas in tight day groups, you seem larger than you really are. And people hearing your concentrated campaign for two or three days will think you're on all the time. The radio sales reps may try to sell you three spots everyday on the station for 14 days (a total of 42 spots). But your campaign won't be nearly as effective.

#### Here are a few tips to help you plan your commercials:

If you're including your address in the commercial, simplify it. Instead of "134525 East Pines," say "at the corner of First & Pines, next to Gumbies." It's easier to remember.

Don't use phone numbers in your commercial. If you have to mention your phone number, refer to the Yellow Pages in the local phone book.

Radio works better when you combine it with other advertising media.

Check out the price differences between 60-second and 30-second commercials. Normally, 30-second commercials are only 1/3 less than 60's, which makes a 60-second commercial a better buy.

Be creative with your radio advertising, too. If it sounds like all the rest of the commercials, it won't stand out. Your message won't be heard nearly as well. Advertising agencies are usually quite good at producing creative radio commercials.

If you decide to write your own radio scripts, remember these basic copy writing rules:

Get your listener's attention immediately.

Write in conversational style.

Avoid using buzz words or jargon.

Repeat your important points.

Make your ending strong and positive with call-to-action for response.

#### **TELEVISION MARKETING MRDIA**

Television is often called "king" of the advertising media, since a majority of people spend more hours watching TV per day than any other medium. It combines the use of sight, color, sound and motion...and it works. TV has proven its persuasive power in influencing human behavior time and time again. But it's also the "king" of advertising costs.

## **Advantages in Television Advertising Media**

Television reaches very large audiences-audiences that are usually larger than the audience your city's newspaper reaches. The area that a television station's broadcast signal covers is called A.D.I., which stands for "Area of Dominant Influence."

Some advantages of television advertising include the following:

Advertising on television can give a product or service instant validity and prominence.

You can easily reach the audiences you have targeted by advertising on TV. Children can be reached during cartoon programming, farmers during the morning agricultural reports and housewives during the afternoon soap operas. A special documentary on energy sources for heating homes and business will also attract viewers interested in heating alternatives.

TV offers the greatest possibility for creative advertising. With a camera, you can take your audience anywhere and show them almost anything.

Since there are fewer television stations than radio stations in a given area, each TV audience is divided into much larger segments, which enables you to reach a larger, yet, more diverse audience.

## **Disadvantages in Television Advertising Media**

Because TV has such a larger A.D.I., the stations can charge more for commercials based on the larger number of viewers reached.

The cost of television commercial time is based on two variables:

1. The number of viewers who watch the program.

## 2. The time during the day the program airs.

One 30 second television commercial during prime time viewing (8 p.m. to 11 p.m.) can cost 10 to 30 times more than one radio spot during drive time (which is considered prime listening time).

While the newspaper may cover the city's general metropolitan area, TV may cover a good portion of the state where you live. If such a coverage blankets most of your sales territory, TV advertising may be the best advertising alternative for your business.

Producing a commercial is also an important variable to consider. On the whole, television audiences have become more sophisticated and have come to expect quality commercials. A poorly produced commercial could severely limit the effectiveness of your message, and may even create a bad image in your customer's mind.

Advertising agencies or TV commercial production facilities are the best organizations for creating a commercial that will be effective for the goods or service you are offering. But the cost of a well-produced commercial is often more expensive than people think. Some TV stations will claim they can put together commercials for "almost nothing." Before agreeing to this, find out what "almost nothing" means. Then, determine if the commercial quality and content they are proposing will represent your firm's image.

Many companies use the station's commercial production facilities for creating "tag lines" on pre-produced commercials. Often, the station will help you personalize the spot for little or no cost...if you advertise with them. Remember, more than anything else, when it comes to making a TV commercial, you get what you pay for. And when you're buying commercial time, it makes sense to have the best sales presentation possible.

Remember, like radio, the message comes and goes...and that's it. The viewer doesn't see your commercial again unless you buy more placements.

## **Creativity: A Vital Element**

When you advertise on TV, your commercial is not only competing with other commercials, it's also competing with the other elements in the viewer's environment as well.

The viewer may choose to get a snack during the commercial break, go to the bathroom or have a conversation about what they just saw on the show they were viewing. Even if your commercial is being aired, viewers may never see it unless it is creative enough to capture their attention. That's why it's so important to consider the kind of commercial you are going to create...and how you want your audience to be affected. Spending money on a good commercial in the beginning will pay dividends in the end.

## **Don't Use TV Unless Your Budget Allows**

Attempting to use TV advertising by using a poorly-produced commercial; buying inexpensive late night commercial time that few people watch; or just placing your

commercial a couple times on the air will guarantee disappointing results. To obtain positive results from TV advertising you must have enough money in your budget to:

- 1. Pay for the cost of producing a good TV commercial.
- 2. Pay for effective commercial time that will reach your viewer at least 5-7 times.

Properly done, television advertising is the most effective medium there is. But it is big league advertising...and you shouldn't attempt it unless you have enough money in your budget to do it right.

If you're still attracted to TV, it's a good idea to call in an advertising agency for production and media buying estimates. Then, figure out what sales results you can expect. With such data, you should be able to reach a logical advertising decision.

## **Buying Television Advertising Media Time**

There are many things to know and consider before buying a TV programming schedule. That's why, in most cases, using an advertising agency or a media buying service is recommended when advertising on TV. If these services are unavailable, find a TV representative that you can trust. Your agency or representative can help you select the programs you should advertise on in order to reach your market. Also, ask about "fringe" time, adjacencies and package plans.

When you are engineering your schedule, remember that repetition (or frequency) is a very important ingredient to use. Make sure your audience sees your commercial with the context of the programs you're buying. Ask for a commercial affidavit. Normally, it doesn't cost anymore and the station will provide you with a list of the exact times your commercial was run.

#### Other Considerations

For an effective and inexpensive way to get your message on the TV screen, consider using pre-prepared TV commercials that may be available to you through a manufacture or distributor you deal with. You can add your name and logo to the end of the commercial

for little or no cost. Look at cooperative advertising too. Many companies offer prepared advertising materials you can use and at the same time may pay for a portion of the advertising schedule.

#### **CABLE ADVERTISING**

Cable advertising is a lower cost alternative to advertising on broadcast television. It has many of the same qualities as broadcast television, and in fact, since it offers more programming, it's even easier to reach a designated audience.

The trouble with cable is it doesn't reach everyone in the market area, since the signal has to be wired instead of broadcast, and also because not everyone subscribes to cable.

If cable does reach a large part of your market, have an advertising agency investigate its cost or call the cable company's advertising sales department. Chances are the commercial time will be 10 to 20 percent of the costs of regular broadcast time.

#### **YELLOW PAGES**

Telephone book advertising is another way to reach your market area. It allows you to place your business listing or ad in selected classifications within the book, with the theory being that when people need your product or service, they look up the classification and contact you.

Much of the "sell" copy for a product or service, therefore, does not have to be in your ad content, since the people who have looked up your classification are already in the market to buy. The thing to be aware of when you write the ad is the other firms' ads within your classification. In other words, why should the reader select your firm over your competition? That is the crucial question -- and your ad should provide the answer.

Telephone Yellow Pages salespeople often employ the technique of selling as large of ad as they can to one company, then showing the other companies in the same classification what the one company is doing so that they can match it or beat it. This is not the best criteria for determining ad size, but is definitely good for the ad salesperson.

To determine the size you should use, consider the following:

Your ad should be large enough to incorporate the vital information the reader needs to make a contact decision (as mentioned above).

Remember your lessons in print advertising. Keep your ad clean, creative and eyeappealing. Even though the phone company will "design your ad for free," some firms employ graphic artists and advertising agencies to create a Yellow Pages ad that really stands out.

Give yourself a budget to work with. Figure out how much you want to spend on Yellow Pages advertising for the entire year, then divide it by 12. That will give you the payment that is automatically attached to your phone bill every month.

Do something unique or different. If no one else is using color, use color. Even shades of gray can make an ad look better and more appealing.

## **Advantages of Yellow Pages Advertising**

One ad works all year long.

Gives your prospect a method of easily locating and contacting your business, even if they didn't initially know your name.

Can help you describe the differences between you and your competition.

You pay by the month instead of one large payment.

## **Disadvantages of Yellow Pages Advertising**

You must commit to an entire year of advertising.

You are immediately placed with a group of your competitors, making it easy for the prospect to comparison shop.

Some classifications are so cluttered with advertising, your ad is buried and ineffective.

It is only effective when a prospect looks you up in the correct classification, assuming the prospect knows what classification to look for in the first place.

If you require more than one classification, your Yellow Pages representative often has packages and programs that can save you some money. In addition, the same is often true if you need to be advertising in more than one city or market.

Yellow Pages advertising is an important medium to consider in our fast-paced, information-hungry society. People really do let their "fingers do the walking" instead of driving around blindly. Make sure your Yellow Pages ad is attractive and informative enough to be the one or two businesses the prospect actually does select to call. And then make sure you have the resources to deal with the inquiry. After all, there is nothing more annoying than being put "on-hold" by a busy checker or being served by an uninterested or unknowledgeable employee.

## **Advertising Online**

The two main vehicles for advertising on the internet are Google ads (AdWords) and Facebook ads, both can be very effective and have low entry cost - you should definitely give both of them a try.

## **Outdoor Advertising Media**

When people think of Outdoor Advertising, they usually think of the colorful billboards along our streets and highways. Included in the "outdoor" classification, however, are benches, posters, signs and transit advertising (the advertising on buses, subways, taxicabs and trains). They are all share similar advertising rules and methods.

Outdoor advertising reaches its audience as an element of the environment. Unlike newspaper, radio or TV, it doesn't have to be invited into the home. And it doesn't provide entertainment to sustain its audience.

## **Some Outdoor Advantages**

Since it is in the public domain, Outdoor Advertising assuredly reaches its audience. People can't "switch it off" or "throw it out." People are exposed to it whether they like it or not. In this sense, outdoor advertising truly has a "captured audience."

It's messages work on the advertising principle of "frequency." Since most messages stay in the same place for a period of a month or more, people who drive by or walk past see the same message a number of times.

Particular locations can be acquired for certain purposes. A billboard located a block in front of your business can direct people to your showroom. Or you can reach rural areas efficiently by placing a billboard in each small town.

Outdoor advertising is an excellent adjunct to other types of advertising you are doing. In fact, it is most effective when coupled with other media.

## **Some Outdoor Disadvantages**

Outdoor advertising is a glance medium. At best, it only draws 2-3 seconds of a reader's time.

Messages must be brief to fit in that 2-3 second time frame. Ninety-five percent of the time, either the message or the audience is in motion.

The nature of the way you have to buy outdoor advertising (usually a three month commitment) is not conducive to a very short, week-long campaign.

When you buy outdoor advertising, remember that location is everything. High traffic areas are ideal. A billboard in an undesirable area will do you little good. Keep your message concise (use only five to seven words) and make it creatively appealing to attract readership. Few words, large illustrations (or photos), bold colors and simple backgrounds will create the most effective outdoor advertising messages.

#### **DIRECT MAIL**

What makes "direct" mail different than regular mail? Nothing. It's just a way the advertising world describes a promotional message that circumvents traditional media (newspaper, radio, TV) and appeals directly to an individual consumer. Usually through the mail, but other carriers also participate.

Direct mail may be used more than you think. Studies indicate that it is the third largest media expenditure behind television and newspaper.

#### Rules to Remember

Define your audience. Figure out who you want to reach before developing your direct mail program. This allows you to specifically target your message to fit common needs. It is the best advertising medium for "tailoring" your appeal.

Locate the right mailing list. You can either build a "house list" by doing the research yourself and compiling the information on a computer - or you can purchase an "outside list" from a list house or mailing organization already pre-prepared and ready to go.

There are many ways to purchase lists. You can buy them demographically (by age, profession, habits or business), or geographically (by location, or zip code). Or you can by a list with both qualities. More than likely, there is a mailing list company in your area that would happy to consult with you on your needs. If not, there are a number of national mailing lists available.

For assembly, addressing and mailing your project, you also have the choice of doing it yourself or locating a mailing service company to do it for you. As the numbers of your direct mail pieces increase, the more practical it is for you to enlist such an organization for assistance. They also are very good at getting you the lowest postal rates.

Consider using a self-addressed reply card or envelope to strengthen return. Use a Business Reply Postage Number on the envelope and you'll only pay for the cards which are sent back to you.

The blessing (or curse) of direct mail is that there are no set rules for form or content. The task of deciding what your mailing should have as content, its design and its message(s) is up to you. However, remember to attract the reader's attention with color and creativity. Use clear, comfortable writing and make your appeal easy to respond.

And of course, coordinate the mailing with other advertising media if you are also using them in the same campaign. It can significantly increase the potential return.

#### SPECIALTY ADVERTISING

"Giveaways" -- the pencils, pens, buttons, calendars and refrigerator magnets you see everyday -- are called "Specialty Advertising" in the advertising business.

Chances are, you have some specialty advertising items right at your desk. Businesses imprint their name on items and give them away (or sometimes sell them at very low cost) in order that:

You notice their name enough times on the item to build "top-of-the-mind" awareness. So when you need a restaurant, for instance, you think of their name first.

You appreciate the goodwill of the company giving you the item and eventually return the favor by giving them some business.

These are both long-term advertising investments that can take months or years to turn into actual sales.

First, select the best item that would tell your story most effectively. While an accountant can give away an inexpensive calculator, the same item may not be ideal for a hairdresser. A comb or brush might be more appropriate in that case.

Second, decide what you are going to say on the item. A company slogan? Address directions? Since you have a relatively small area, you must be very concise and direct.

Third, figure out your method of distribution. Are you going to send them to each customer through the mail? If so, how much will that cost? Will you have them in a big bowl that says "take one"? Distribution is just as important to consider as buying the item.

Just as there are many reputable specialty advertising professionals in your area, the industry is notorious with a lot of high-pressure telephone and mail solicitors who often give specialty advertising a bad name. Don't buy specialty advertising through the mail

without checking the quality and prices with trusted local representatives first. And, buying specialty advertising over the telephone is not recommended at all.

Specialty advertising is a unique way to generate goodwill and put your name on items that people remember. But don't do it unless you have an item and distribution plan that will benefit your business.

#### CONCLUSION

There is no one - sure-fire - best way to advertise your product or service. It is important to explore the various advertising media and select those which will most effectively convey your message to your customers in a cost-efficient manner.

Always remember, advertising is an investment in the future of your business.

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## 3. How to Create Effective Advertising Campaigns

Human behavior, according to psychologist Abraham Maslow, is always the result of one or more of five basic needs or motivating forces. Maslow classified these in a sequence he refers to as "the hierarchy of human needs."

His theory is that until a lower-ranking need is satisfied there is no desire to pursue a higher ranking need. Below are the five human motivators, beginning with the basic or lowest-ranked need and continuing to the highest.

- **1. Physiological needs** Include hunger, thirst, reproduction, shelter, clothing, air and rest.
- **2. Safety-security** The need for security, stability, dependence, protection, structure, order, law, tenure, pension and insurance.
- **3. Love-belonging** The need for belonging, acceptance, love, affection, family and group acceptance and friendship.
- **4. Self-esteem** The need for recognition, respect, achievement, responsibility, prestige, independence, attention, importance and appreciation.
- **5. Self-actualization** The need for satisfaction, the desire to achieve fulfillment through reaching self-set individual goals or aspirations.

In the context of Small Business Effective Advertising Sales, the advertising practitioner will do well to become familiar with the Maslow theory of human motivation because it stresses once again that motivation is always an individual act. The most your advertising message can hope to do is to present an appeal strong enough to stimulate action toward satisfying one of the basic human needs.

If there is one rule that will be most helpful in preparing effective advertising, it is this: The message must put the desire of the potential customer before the advertiser's desire. Please read that one more time! The rule may sound like a simple one to follow, but frequently advertising messages take the form of a plea to customers to respond and solve the advertiser's problem.

Visualize the felt tip pen you probably use every day. When it was manufactured the raw materials were converted into these product features: a plastic barrel, a plastic cap, a supply of ink, a felt tip and a metal pocket clip. These are the total product points in the felt tip pen. What's amazing is that none of those things have anything to do with why you will buy the pen! You buy any item only for how it will benefit you. The key, of course, is benefit. Effective advertising must promise the consumer some benefit he or she will receive after buying the goods or services advertised. Product features should be cited only to make the promised benefits believable. Here is an example of how you can advertise the felt tip pen by promising benefits and then using the product features to make promised benefits believable. Cost Effective Advertising Campaign.

You can drop this pen on concrete from 20 feet in the air and it will not break because it is made of a strong plastic.

You can draw a jet black line for more than 100,000 yards, thanks to the large supply of quality ink.

This pen will not leave an ink stain on your shirt or in your purse, thanks to the snugfitting plastic cap.

When you bend over this pen will not fall from your pocket because it features a strong spring steel clip.

Although this technique appears logical, many advertisements ramble on and on with all the product features while the potential customer asks, "What will it do for me?"

Using the benefit approach can be simplified by preparing a worksheet on which each product you plan to advertise is dissected into (1) the benefits the buyer will enjoy by owning this product and (2) which product features will help convince the potential buyer that the promised benefits are likely to be true. Using the benefit approach is the best advertising technique for each advertising medium. It is also the selling technique used by all top salespeople. Practice it-it works!

## **Techniques in Presenting Effective Advertising Message**

The buying decision is seldom a purely rational one - emotions influence your behavior. As you explore various techniques for presenting your advertising message, do not ignore psychological and emotional appeals. For example, red, a strong color suggesting excitement, increases reader interest when used in sales ads. While the principles discussed here relate most specifically to print ads, they can apply to all media.

## **Determining Layout Shape and Design**

Behavioral scientists have determined that of all the rectangular shapes, the vertical rectangle of approximately three units wide by five units deep is the one the public is exposed to most and, therefore, the one people find most comfortable. The advertising world refers to this shape as the golden rectangle of layout. It is believed that an advertising message receives higher readership when presented in this size.

## **Communicating Desired Layout to Printer**

In submitting any printed advertising message to the media, the only way to ensure that your ad looks the way you intended is to provide adequate instructions. Layout means blueprint to the typesetter or printer. Your layout should be a full-size replica of what you want the finished advertisement or brochure to look like. Here are some guidelines to use in preparing layouts:

- 1. A layout should accurately indicate where all parts of the completed message are to be located with respect to the borders. This must include the location and approximate, if not actual, dimensions of all artwork.
- 2. There are five parts to a comprehensive layout:

**Headline** - Print all headlines right on the layout sheet, making the headline fill the width you want. Give the printer a close approximation of the desired type size by the size of your lettering. On each line, put the exact words you want to appear and use capital letters or upper and lower case letters the way you want the type set.

**Illustrations** - Use a copy machine, if possible, and paste a copy of any artwork or photograph on the layout sheet where you want it to appear. If you plan to reduce or enlarge the artwork, show the finished height, width and the location on the layout sheet.

**Copy** - Copy refers to the text in your advertisement. Do not letter in the copy on your layout sheet. Use two parallel lines to represent each line of copy and draw these lines in the exact position on the layout sheet. These parallel lines should show whether you want the copy set flush on both right and left margins or if you prefer a ragged edge on the right margin. Each block of copy should be positioned properly on the layout sheet and then should be keyed, i.e., assigned a circled letter of the alphabet that matches a separate block of copy supplied on copy sheets. Copy sheets should be typewritten, double-spaced and should include all words and prices to be typeset, including any headlines you have lettered on the layout. Leave a two inch left margin on the copy sheet to give the mark-up person space to code for type style and size.

**Price** - It is generally a good idea to letter your prices right on the layout if they appear anywhere other than within regular copy lines. Show the price as it should appear.

**Logo** - The logo is your firm's name, whether you have a standard, exclusive design or you merely want your name set in type. Let the layout show the desired location and size. It also is helpful to letter in your address and phone number. If you have a logo design, do not paste the original art work on the layout. Make a copy and paste the copy

in the desired position. Ask the printer to make a photo reproduction of your logo and keep the original artwork for future use.

In addition to these key elements, your layout also should contain instructions, written outside the ad borders and circled. A line from an instruction circle may lead to the specific area within the ad if it helps clarify instructions.

Instructions should include the dimensions of the ad stated in inches (width depth). For a newspaper ad, the width should be stated in columns and the depth in inches or lines, depending on the paper's policies. Other instructions can include the insertion date, reference to the enlargement or reduction of artwork, the names of typefaces desired and special typesetting requests. Remember, your layout will serve as the blueprint for your ad. The finished product can be only as effective as the original layout. The copysheet that accompanies your layout also should contain the size of the ad and the insertion date. Use a paper clip rather than stapling the copy sheet to the layout. This will prevent tearing when the two sheets are separated for production.

## Strengthening the Elements of Your Advertising Campaign Headlines

Since the headline is the first contact your readers have with your message, it must reach out to them. Promise them a benefit. Tell them how they will be better off if they read the rest of the ad. Use action verbs. Save ten dollars is a stronger heading than Savings of ten dollars because of the verb.

Headlines can be classified into the following five basic types; effective headlines frequently combine two or more of these kinds.

**News Headlines:** This form tells the reader something he or she did not know before. Using the word news does not make it a news headline. "Now - a copy machine that copies in color" is an example of this type headline.

**Advice and Promise Headline:** Here you are promising something if the reader follows the advice in your ad. "Switch to Amoco premium, no-lead gasoline, and your car will stop ringing."

**Selective Headline:** This headline limits the audience to a specific group. For example: "To all gray-haired men over forty." Caution! Be absolutely sure you do not eliminate potential customers with this type of headline.

**Curiosity Headline:** The intent here is to arouse the reader's interest enough to make him or her read the ad. The danger is that this headline often appears "cute" or "clever" and fails in its mission. An example: "Do you have trouble going to sleep at night?"

**Command or Demand Headline:** Watch out for this one as most people resist pushiness, especially in advertising. "Do it now!" or "Buy this today!" This headline generally can be improved by changing to less obtrusive wording such as: "Call for your key to success!"

One common misconception about headlines is that they must be short and easy to understand. This is not always true. Here is a headline that was used extensively in print ads by Ogilvy and Mather for one of their clients: "At 60 miles an hour, the loudest noise in this Rolls-Royce comes from the electric clock."

#### Illustrations

There are three primary reasons for using illustrations in an advertisement.

To attract attention to the ad.

To illustrate the item being featured.

To create a mood in the mind of the reader.

Everyone has heard, A picture is worth a thousand words; in advertising, the illustration frequently helps the reader visualize the benefits promised. You can almost feel the warmth of the tropical sun when you see the photos in January travel ads. Cost and practicality may dictate whether your ad uses photographs, artists' drawings or merely canned artwork. Any of these can make the ad more appealing to the reader's eye.

## **Effective Copy**

If you follow the three principles of good copy, your ads will be effective:

Good copy should be clear.

Good copy should be crisp.

Good copy should be concise.

Clear, crisp and concise . . . the three Cs of copywriting suggest that the words in your advertising message merely do a good job of communicating. Do not use big words when small words can make your meaning clear. Use colorful, descriptive terms. Use the number of words necessary to make your meaning clear and no more-but also no less! Selecting the right words is critical to the success of the ads. Recent research conducted at Yale University found that the following 12 words are the most personal and persuasive words in our language.

You Discovery Free

Money Proven Results

Love Guarantee Save

New Easy Health

REMEMBER THAT WHEN YOUR MESSAGE IS PRINTED IN ALL CAPITAL LETTERS INSTEAD OF UPPER AND LOWERCASE LETTERS, IT IS FAR MORE DIFFICULT FOR THE READER TO FOLLOW AND REMAIN INTERESTED. EVEN IN HEADLINES ALL CAPITAL LETTERS SHOULD BE AVOIDED.

#### **Price**

Should you or shouldn't you put prices in your ad? Yes! Yes! Yes! Since price is the one factor that allows the consumer to determine whether an item represents an adequate value, an ad without price makes the buying decision difficult if not impossible for the reader. Can you imagine how uninteresting your daily newspaper would be if there were no prices on the food store ads or the department store offerings? Yes, price belongs, and it belongs whether you are advertising a home for \$175,000 or a ballpoint pen for 49 cents.

## Logo

Can you visualize the corporate logos for such firms as Chevrolet, Ford, Playboy, Coca-Cola or Levi Strauss? There is an identification advantage in developing a logo design exclusive to your firm. Using a logo also helps give your advertising continuity. Use the logo consistently on all printed pieces, including stationery. Use it in Yellow Page advertising, on the side of your truck or company car, on bags or boxes and anything else your customers or prospects may see.

## **Type**

The typeface you use in advertising plays an important role in how the message comes across. Printers are very knowledgeable about typefaces and happy to help you make choices.

# Refining Your Advertising For Greater Results - Developing Cost Effective Advertising Campaign

One of the greats in the advertising business, David Oglivy, preached this philosophy to would-be advertisers: Never run an ad unless you have a Unique Selling Proposition (USP). It's still a sound philosophy. If you can substitute your competitor's logo in your ad and it still makes sense, you are not going to get your money's worth out of the ad. Having a USP, as it has come to be known, is difficult with today's brand name merchandise and competitive pressures, but it is important.

Every item you advertise and every word and illustration you use becomes a part of your firm's image. Your ability to develop a USP depends on your knowing what you want your image to be and then doing those things and only those things that reinforce that image.

A men's clothing store can become the store with fashions for the man who thinks young. A nursery can create the image of the home of the talkedto plants that will respond to you. A car dealer can develop a following and a reputation for his automatic three-year trade-in plan. Once you have arrived at a USP that you think will appeal to your customers, translate the idea into a selling slogan of three to ten words that can be used as the theme of your advertising campaign. Use it consistently until your customers learn to associate your business with the selling slogan.

But be careful. A few years ago Excedrin decided to position itself as the headache remedy for many different kinds of headaches, like headache No. 43 or No. 27. Their TV commercial showed the agony of each headache by the number. What happened? People went to their drugstores and said I think I've got headache No. 43. Give me a package of Anacin. They sold the concept of the headaches beautifully but not the exclusivity of Excedrin as the best relief.

If you want to position your business in the marketplace, select your target market. How old are they? What do they have in common? What are their goals and ambitions? When you have learned all you can about them, go back and learn more! Then start talking to them, and only to them, in your advertising. Talk to them about themselves and their desires. Then tell them how the goods or services you sell are perfectly suited to helping them achieve those desires.

## **Timing Each Ad for Impact**

While your budget will tell you how much you have to spend each month, you must refine your plan to know how many ads will run each week and on which days. In planning your ad insert schedule, be aware that the best results are obtained by strengthening already strong sales days, not by trying to make bad days better. If large employers in your area have paydays on the first and fifteenth of the month, time your advertising to coincide. If you use more than one medium, attempt to coordinate your efforts by scheduling a radio blitz to coincide with a big print campaign or special store event.

## **Using Color**

Adding color to a black-and-white advertisement not only increases readership, but can substantially increase the sales response. Retailers, however, frequently use too much color in their ads. Remember, color works because of its contrast with noncolor areas; use it in one or two strong clustered areas rather than scattering it throughout your ad. Keep in mind that colors also communicate psychologically. Here are a few popular colors and their common associations:

**Red** - Suggests excitement, heat, strength and is a good color to use in a sale ad.

**Yellow** - Conveys brightness, airiness, refreshment. Warning: yellow gets lost on white paper, so always surround areas of yellow with a border of black or another dark tone.

**Blue** - As a cold color, can convey formality and haughtiness in its darker shades and fragility, daintiness and youthfulness in the lighter tones.

**Orange** - A color of warmth, action, power.

**Green** - Another cool color, suggests cheapness and coldness in its darker tones while conveying freshness and crispness in its lighter shades.

**Purple** - A color of royalty and stateliness.

**Maroon** - Suggests luxury, solidity, quietness.

Brown - Implies age, wholesomeness, utility.

White - Means purity, cleanliness, chastity.

**Black** - Conveys mystery, strength, heaviness.

Research on the productivity of color in newspaper advertising invariably shows increased readership as well as increased sales from ads that use color. Adding color raises the cost of the ad, but the increased results are substantially greater than the increased costs.

## **Critiquing Your Ads**

We can learn great lessons from the past. If your firm has been running ads, dig out a few from a year or so ago and see how many of these common no-no's you can find.

Does your ad contain words like "our," "I" or other personal pronouns? They are poor communicators, try using "you" and "yours."

Is the ad uninteresting to look at overall? It may be balanced too formally. Try using an odd rather than even number of illustrations to help achieve informal balance.

Does your firm have a logo? Develop one so the name of the firm is not just set in the same type as the rest of the ad.

Has your layout allowed the reader's eye to stray from the preferred gaze-motion path? If your invitation to the eye causes readers to leave your ad, you will not get them back.

Is your logo in the upper left corner or the lower right corner of the ad? Those are the two best spots for it.

Does your headline promise the reader a benefit?

Is your copy clear, crisp and concise? Be sure to use the product points that make the benefits you promised believable.

Have you used a headline in capital letters? Don't!

Have you told the reader what each item costs? It is very difficult to reach a buying decision until the question "How much is it?" is answered.

Does your ad contain any misleading statements? Any attempt to misinform or mislead the reader may lead to a sale, but in all certainty it will lead to lost customers and could lead to court. Honesty is still the best policy.

As you continue to expand your business in the months and years ahead, use the tips presented here. Prepare a budget and review it frequently. Select your items for advertising to help solve consumer problems and then present your advertising message as a form of planned communication. Developing Cost Effective Advertising Campaign.

# 4. How to Write Compelling Advertising Ads

The most important aspect of any business is selling the product or service. Without sales, no business can exist for very long.

All sales begin with some form of advertising. To build sales, this advertising must be seen or heard by potential buyers, and cause them to react to the advertising in some way. The credit for the success, or the blame for the failure of almost all ads, reverts back to the ad itself.

Generally, the "ad writer" wants the prospect to do one of the following:

- a) Visit the store to see and judge the product for himself, or immediately write a check and send for the merchandise being advertised.
- b) Phone for an appointment to hear the full sales presentation, or write for further information which amounts to the same thing.

The bottom line in any ad is quite simple: To make the reader buy the product or service. Any ad that causes the reader to only pause in this thinking, to just admire the product, or to simply believe what's written about the product - is not doing its job completely.

The "ad writer" (Small Business Advertising Copy-writing) must know exactly what he wants his reader to do, and any that does not elicit the desired action is an absolute waste of time and money.

In order to elicit the desired action from the prospect, all Advertising Copy are written according to a simple "master formula" which is:

- 1) Attract the "attention" of your prospect.
- 2) "Interest" your prospect in the product
- 3) Cause your prospect to "desire" the product
- 4) Demand "action" from the prospect

Never forget the basic rule of advertising copy-writing: If the ad is not read, it won't stimulate any sale; if it is not seen, it cannot be read; and if it does not command or grab the attention of the reader, it will not be seen!

Most successful advertising copywriters know these fundamentals backwards and forwards. Whether you know them already or you're just now being exposed to them, your knowledge and practice of these fundamentals will determine the extent of your success as an advertising copywriter.

## **CLASSIFIED ADS Advertising Copy**

Classified ads are the ads from which many successful businesses are started. These small, relatively inexpensive ads, give the beginner an opportunity to advertise his product or service without losing his shirt if the ad doesn't pull or the people don't break his door down with demands for his product. Classified ads are written according to all the advertising rules. What is said in a classified ad is the same that's said in a larger, more elaborate type of ad, except in condensed form.

To start learning how to write good classified ads, clip ten classified ads from ten different mail order type publications - ads that you think are pretty good. Paste each of these ads onto a separate sheet of paper.

Analyze each of these ads: How has the writer attracted your attention - what about the ads keeps your interest - are you stimulated to want to know more about the product being advertised - and finally, what action must you take? Are all of these points covered in the ad? How strongly are you "turned on" by each of these ads?

Rate these ads on a scale of one to ten, with ten being the best according to the formula I've given you. Now, just for practice, without clipping the ads, do the same thing with ten different ads from your favorite local newspaper. In fact, every ad you see from now on, quickly analyze it, and rate it somewhere on your scale. If you'll practice this exercise on a regular basis, you'll soon be able to quickly recognize the "Power Points" of any ad you see, and know within your own mind whether an ad is good, bad or otherwise, and what makes it so.

Practice for an hour each day, write the ads you've rated 8, 9 and 10 exactly as they've been written. This will give you the "feel" of the fundamentals and style necessary in writing ads.

Your next project will be to pick out what you consider to be the ten "worst" ads you can find. Clip these out and paste them onto a sheet of paper so you can work on them.

Read these ads over a couple of times, and then beside each of them, write a short comment stating why you think it's bad: Lost in the crowd, doesn't attract attention - doesn't hold the reader's interest - nothing special to make the reader want to own the product - no demand for action.

You probably already know what's coming next, and that's right. Break out those pencils, erasers and scratch paper - and start rewriting these ads to include the missing elements.

Each day for the next month, practice writing the ten best ads for an hour, just the way they were originally written. Pick out ten of the worst ads, analyze those ads, and then practice rewriting those until they measure up to doing the job they were intended to do.

Once you're satisfied that the ads you've rewritten are perfect, go back into each ad and cross out the words that can be eliminated without detracting from the ad. Classified ads are almost always "finalized" in the style of a telegram.

EXAMPLE: I'll arrive at 2 o'clock tomorrow afternoon, the 15th. Meet me at Sardi's. All my love, Jim.

EDITED FOR SENDING: Arrive 2pm - 15th - Sardi's. Love, Jim.

CLASSIFIED AD: Save on your food bills! Reduced prices on every shelf in the store! Stock up now while supplies are complete! Come on in today, to Jerry's Family Supermarkets!

EDITED FOR PUBLICATION: Save on Food! Everything bargain priced! Limited Supplies! Hurry! Jerry's Markets!

It takes dedicated and regular practice, but you can do it. Simply recognize and understand the basic formula - practice reading and writing the good ones - and rewriting the bad ones to make them better. Practice, and keep at it, over and over, every day - until the formula, the idea, and the feel of this kind of ad writing becomes second nature to you. This is the ONLY WAY to gain expertise in writing good classified ads.

## **Writing Advertising Copy For DISPLAY ADVERTISEMENTS**

A display or space ad differs from a classified ad because it has a headline, layout, and because the style isn't telegraphic. However, the fundamentals of writing the display or space ad are exactly the same as for a classified ad. The basic difference is that you have more room in which to emphasize the "master formula."

Most successful copywriters rate the headline and/or the lead sentence of an ad as the most important part of the ad, and in reality, you should do the same. After all, when your ad is surrounded by hundreds of other ads, and information or entertainment, what makes you think anyone is going to see your particular ad?

The truth is, they're not going to see your ad unless you can "grab" their attention and entice them to read all of what you have to say. Your headline, or lead sentence when no headline is used, has to make it more difficult for your prospect to ignore or pass over, than to stop and read your ad. If you don't capture the attention of your reader with your headline, anything beyond is useless effort and wasted money.

Successful advertising headlines - in classified ads, your first three to five words serve as your headline - are written as promises, either implied or direct. The former promises to show you how to save money, make money, or attain a desired goal. The latter is a warning against something undesirable.

EXAMPLE OF A PROMISE: Are You Ready To Become A Millionaire - In Just 18 Months?

EXAMPLE OF A WARNING: Do You Make These Mistakes In English?

In both of these examples, I've posed a question as the headline. Headlines that ask a question seem to attract the reader's attention almost as surely as a moth is drawn to a flame. Once he's seen the question, he just can't seem to keep himself from reading the

rest of the ad to find out the answer. The best headline questions are those that challenge the reader; that involve his self esteem, and do not allow him to dismiss your question with a simple yes or no.

You'll be the envy of your friends is another kind of "reader appeal" to incorporate into your headline whenever appropriate. The appeal has to do with basic psychology: everyone wants to be well thought of, and consequently, will read into the body of your ad to find out how he can gain the respect and accolades of his friends.

Wherever and whenever possible, use colloquialisms or words that are not usually found in advertisements. The idea is to shock or shake the reader out of his reverie and cause him to take notice of your ad. Most of the headlines you see day in and day out, have a certain sameness with just the words rearranged. The reader may see these headlines with his eyes, but his brain fails to focus on any of them because there's nothing different or out of the ordinary to arrest his attention.

## EXAMPLE OF COLLOQUIALISM: Are You Developing a POT BELLY?

Another attention-grabber kind of headline is the comparative price, headline: Three For Only \$3, Regularly \$3 Each! Still another of the "tried and proven" kind of headlines is the specific question: Do You Suffer From These Symptoms. And of course, if you offer a strong guarantee, you should say so in your headline: Your Money Refunded, If You Don't Make \$100,00 Your First Year.

How To headlines have a very strong basic appeal, but in some instances, they're better used as book titles than advertising headlines. Who Else wants in on the finer things - which your product or service presumably offers - is another approach with a very strong reader appeal. The psychology here being the need of everyone to belong to a group - complete with status and prestige motivations.

Whenever, and as often as you can possible work it in, you should use the word "you" in your headline, and throughout your copy. After all, your ad should be directed to "one" person, and the person reading your ad wants to feel that you're talking to him personally, not everyone who lives on his street.

Personalize, and be specific! You can throw the teachings of your English teachers out the window, and the rules of "third person, singular" or whatever else tends to inhibit your writing. Whenever you sit down to write advertising copy intended to pull the orders - sell the product - you should picture yourself in a one-on-one situation and "talk" to your reader just as if you were sitting across from him at your dining room table. Say what you mean, and sell HIM on the product your offering. Be specific and ask him if these are the things that bother him - are these the things he wants - and he's the one you want to buy the product...

The layout you devise for your ad, or the frame you build around it, should also command attention. Either make it so spectacular that it stands out like lobster at a chili dinner, or so uncommonly simple that it catches the reader's eye because of its very simplicity. It's also important that you don't get cute with a lot of unrelated graphics and

artwork. Your ad should convey the feeling of excitement and movement, but should not tire the eyes or disrupt the flow of the message you are trying to present.

Any graphics or artwork you use should be relevant to your product, it's use and/or the copy you have written about it. Graphics should not be used as artistic touches, or to create an atmosphere. Any illustration with your ad should compliment the selling of your product, and prove or substantiate specific points in your copy.

Once you have your reader's attention, the only way you are going to keep it, is by quickly and emphatically telling him what your product will do for him.

Your potential buyer doesn't care in the least how long it's taken you to produce the product, how lone you have been in business, nor how many years you've spend learning your craft. He wants to know specifically how he is going to benefit form the purchase of your product.

Generally, his wants will fall into one of the following categories: Better health, more comfort, more money, more leisure time, more popularity, greater beauty, success and/or security.

Even though you have your reader's attention, you must follow through with an enumeration of the benefits you can gain. In essence, you must reiterate the advantages, comfort and happiness he'll enjoy - as you have implied in your headline.

Mentally picture your prospect - determine his wants and emotional needs - put yourself in his shoes, and ask yourself: If I were reading this ad, what are the things that would appeal to me? Write your copy to appeal to your reader's wants and emotional needs/ego cravings.

Remember, it's not the "safety features" that have sold cars for the past 50 years - nor has it been the need of transportation - it has been, and almost certainly always will be the advertising writer's recognition of people's wants and emotional needs/ego cravings. Visualize your prospect, recognize his wants and satisfy them. Writing good advertising copy is nothing more or less than knowing "who" your buyers are; recognizing what he wants; and then telling him how your product will fulfill each of those wants. Remember this because it's one of the "vitally important" keys to writing advertising copy that does the job you intend for it to do.

The "desire" portion of your ad is where you present the facts of your product; create and justify your prospect's conviction, and cause him to demand "a piece of the action" for himself.

It's vitally necessary that you present "proven facts" about your product because survey results show that at least 80% of the people reading your ad - especially those reading it for the first time - will tend to question its authenticity.

So, the more facts you can present in the ad, the more credible your offer. As you write this part of your ad, always remember that the more facts about the product you present, the more product you'll sell. People want facts as reasons, and/or excuses for

buying a product - to justify to themselves and others, that they have not been "taken" by a slick copywriter.

It's like the girl who wants to marry the guy her father calls a "no good bum." Her heart her emotions - tell her yes, but she needs to nullify the seed of doubt lingering in her mind - to rationalize her decision to go on with the wedding.

In other words, the "desire" portion of your ad has to build belief and credibility in the mind of your prospect. It has to assure him of his good judgment in the final decision to buy - furnish evidence of the benefits you have promised - and afford him a "safety net" in case anyone should question his decision to buy.

People tend to believe the things that appeal to their individual desires, fears and other emotions. Once you have established a belief in this manner, logic and reasoning are used to support it. People believe what they "want" to believe. Your reader "wants" to believe your ad if he has read it through this far - it is up to you to support his initial desire.

Study your product and everything about it - visualize the wants of your prospective buyers - dig up the facts, and you'll almost always find plenty of facts to support the buyer's reasons for buying.

Here is where you use results of tests conducted, growing sales figures to prove increasing popularity, and "user" testimonials or endorsements. It's also important that you present these facts - test results, sales view, and not that of the manufacturer.

Before you end this portion of your ad and get into your demand for action, summarize everything you've presented thus far. Draw a mental picture for your potential buyer. Let him imagine owning the product. Induce him to visualize all of the benefits you have promised. Give him the keys to seeing himself richer, enjoying luxury, having time to do whatever he would like to do, and with all of his dreams fulfilled.

This can be handled in one or two sentences, or spelled out in a paragraph or more, but it is the absolute ingredient you must include prior to closing the sale. Study all the sales presentations you have ever heard - look at every winning ad - this is the element included in all of them that actually makes the sale for you. Remember it, use it, and don't try to sell anything without it.

As Victor Schwab puts it so succinctly in his best selling book, How To Write A Good Advertisement: Every one of the fundamentals in the "master formula" is necessary. Those sitting across from you at your dining, people who are "easy" to sell may perhaps be sold even if some of these factors are left out, but it's wiser to plan your advertisement so that it will have a powerful impact upon those who are "hardest" to sell. For, unlike fact-to-face selling, we cannot in printed advertising come to a "trial close" in our sales talk - in order to see if those who are easier to sell will welcome the dotted line without further persuasion. We must assume that we are talking to the hardest ones - and that the more thoroughly our copy sells both the hard and the easy, the better chance we have against the competition for the consumer's dollar - and also

the less dependent we will be upon the usual completely ineffective follow through on our advertising effort which later takes place at the sales counter itself.

#### **ASK FOR ACTION! DEMAND THE MONEY!**

Lots of ads are beautiful, almost perfectly written, and quite convincing - yet they fail to ask for or demand action from the reader. If you want the reader to have your product, then tell him so and demand that he send his money now. Unless you enjoy entertaining your prospects with your beautiful writing skills, always demand that he complete the sale now, by taking action now - by calling a telephone number and ordering, or by writing his check and rushing it to the post office.

Once you have got him on the hook, land him! Don't let him get away!

Probably, one of the most common and best methods of moving the reader to act now, is written in some form of the following:

All of this can be yours! You can start enjoying this new way of life immediately, simply by sending a check for \$XX! Don't put it off, then later wish you had gotten in on the ground floor! Make out that check now, and "be IN on the ground floor!" Act now, and as an "early-bird" buyer, we'll include a big bonus package - absolutely free, simply for acting immediately! You win all the way! We take all the risk! If you are not satisfied, simply return the product and we will quickly refund your money! Do it now! Get that check on its way to us today, and receive the big bonus package! After next week, we won't be able to include the bonus as a part of this fantastic deal, so act now! The sooner you act, the more you win!

Offering a reward of some kind will almost always stimulate the prospect to take action. However, in mentioning the reward or bonus, be very careful that you don't end up receiving primarily, requests for the bonus with mountains of requests for refunds on the product to follow. The bonus should be mentioned only casually if you are asking for product orders; and with lots of fanfare only when you are seeking inquiries.

Too often the copywriter, in his enthusiasm to pull in a record number of responses, confuses the reader by "forgetting about the product," and devoting his entire space allotted for the "demand for action" to sending for the bonus. Any reward offered should be closely related to the product, and a bonus offered only for immediate action on the part of the potential buyer.

Specify a time limit. Tell your prospect that he must act within a certain time limit or lose out on the bonus, face probably higher prices, or even the withdrawal of your offer. This is always a good hook to get action.

Any kind of guarantee you offer always helps you produce action from the prospect. And the more liberal you can make your guarantee, the more product orders you will receive. Be sure you state the guarantee clearly and simply. Make it so easy to understand that even a child would not misinterpret what you are saying.

The action you want your prospect to take should be easy - clearly stated - and devoid of any complicated procedural steps on his part, or numerous directions for him to follow.

Picture your prospect, very comfortable in his favorite easy chair, idly flipping through a magazine while "half-watching" TV. He notices your ad, reads through it, and he is sold on your product. Now what does he do?

Remember, he's very comfortable - you have "grabbed" his attention, sparked his interest, painted a picture of him enjoying a new kind of satisfaction, and he is ready to buy...

Anything and everything you ask or cause him to do is going to disrupt this aura of comfort and contentment. Whatever he must do had better be simple, quick and easy!

Tell him without any ifs, ands or buts, what to do - fill out the coupon, include your check for the full amount, and send it in to us today! Make it as easy for him as you possibly can - simply and direst. And by all means, make sure your address is on the order form he is supposed to complete and mail in to you - your name and address on the order form, as well as just above it. People sometimes fill out a coupon, tear it off, seal it in an envelope and don't know where to send it. The easier you make it for him to respond, the more responses you'll get!

There you have it, a complete short course on how to write ads that will pull more orders for you - sell more of your product for you. It's important to learn "why" ads are written as they are - to understand and use, the "master formula" in your own ad writing endeavors.

By conscientiously studying good Advertising Copy-writing, and practice in writing ads of your own, now that you have the knowledge and understand what makes advertising copy work, you should be able to quickly develop your copy-writing abilities to produce order-pulling ads for your own products. Even so, and once you do become proficient in writing ads for your own products, you must never stop "noticing" how ads are written, designed and put together by other people. To stop learning would be comparable to shutting off from the rest of the world.

The best Advertising Copy-writing writers are people in touch with the world in which they live. Every time they see a good ad, they clip it out and save it. Regularly, they pull what makes them good, and why they work. There's no school in the country that can give you the same kind of education and expertise so necessary in the field of ad writing. You must keep yourself up-to-date, aware of, and in-the-know about the other guy - his innovations, style, changes, and the methods he is using to sell his products.

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## 5. How to Evaluate Your Advertising Results

Because your budget is limited you must see that your advertising does the job you want it to. Measuring your advertising results on a continuing basis can help you see that your ads keep your business's name before the public and contribute to increasing sales.

Planning is important. Before you can evaluate results, you must decide what purpose your ads should accomplish. This Guide gives pointers on planning ads and discusses several ways you can compare advertising and sales.

Advertising is necessary today. Whether you have a small business or a large one, you must tell groups of people who you are, what you sell, and where you are located. You must tell them when they wish to hear or read about such things. So you must place ads in newspapers, on radio, TV, and outdoor posters, or send out direct mail pieces.

As a business owner-manager, you know the money that you spend on advertising must return enough sales and profits in added business to justify the cost of the advertising. In most firms, neither time nor money is sufficient to engage in complicated ad measurement methods. Even so, you can use certain rule-of-thumb devices to get a good idea about the results of your advertising.

# What Advertising Results Do You Expect?

Essentially, measuring results means comparing sales with advertising. In order to do it you have to start early in the process - before you even make up the advertisement. The question to the answer is: What do you expect the advertising to do for your firm?

# Immediate response advertising results

Is designed to cause the potential customer to buy a particular product from you within a short time - today, tomorrow, the or next week. An example of such decision-triggering ads is one that promotes regular price merchandise with immediate appeal. Other examples are ads which use price appeals in combination with clearance sales, special purchases, seasonal items, (for example, white sales, Easter sales, etc.), and "family of items" purchases.

Such advertising should be checked for results daily or at the end of 1 week from appearance. Because all advertising has some carry-over effect, it is a good idea to check also at the end of 2 weeks from advertising runs, 3 weeks from runs, and so on to insure that no opportunity for using profit-making messages is lost.

# **Attitude Advertising results**

Is the type you use to keep your store's name and merchandise before the public. Some people think of this type as "image-building" advertising. With it, you remind people week after week about your regular merchandise or services or tell them about new or special services or policies. Such advertising should create in the minds of your customers the attitude you want them to have about your store, its merchandise, its services, and its policies.

To some degree, all advertising should be attitude advertising. It is your reputation builder.

Attitude (or image-building) advertising is harder to measure than immediate response advertising because you cannot always attribute a specific sale to it. Its sales are usually created long after the ad has appeared. However, you should keep in mind that there is a lead time relationship in such advertising. For example, an ad or a series of ads that announces you have the exclusive franchise for a particular brand starts to pay off when you begin to get customers who want that brand only and ask no questions about competing brands.

In short, attitude advertising messages linger in the minds of those who have some contact with the ad. These messages sooner or later are acted upon by people when they decide that they will make a certain purchase.

Because the purpose of attitude advertising is spread out over an extended period of time, the measurement of results can be more leisurely. Some attitude advertising - such as a series of ads can be measured at the end of 1 month from the appearance of the ads or at the end of a campaign.

# **Planning for Advertising Results**

Whether you are trying to measure immediate response or attitude advertising, your success will depend on how well the ads have been planned. The trick is to work out points against which you can check after customers have seen or heard the advertisement.

Certain things are basic to planning advertisements whose results can be measured. First of all, advertise products or services that have merit in themselves.

Unless a product or service is good, few customers will make repeat purchases no matter how much advertising you do.

Many people will not make an initial purchase of a shoddy item because of doubt or unfavorable word-of-mouth publicity. The ad that successfully sells inferior merchandise usually loses customers in the long run.

Marketers, as a rule, should treat their messages seriously. Humor is risky as well as difficult to write. Be on the safe side and tell people the facts about your merchandise and services.

Another basic element in planning advertisements is to know exactly what you wish a particular ad to accomplish. In an immediate response ad, you want customers to come in and buy a certain item, or items in the next several days. In attitude advertising, you decide what attitude you are trying to create and plan each individual ad to that end.

### Plan the ad around one idea

Each ad should have a single message. If the message needs reinforcing with other ideas, keep them in the background. If you have several important things to say, use a different ad for each one and run the ads on succeeding days or weeks.

The pointers which follow are designed to help you plan ads so they will make your store stand out consistently when people read or hear about it:

# Identify your business fully and clearly

Make sure your radio and television ads identify your sponsorship as fully and frequently as possible without interfering with the message. Logotypes and signatures in visual ads should be clean-lined, uncluttered, and prominently displayed. Give your address and telephone number. It's possible to use a musical or sound effect signature identified with your store to create a "logo" on radio, too.

### Pick illustrations which are similar in character

Graphics - that is, drawings, photos, borders, and layouts - that are similar in character help people to recognize your advertising immediately.

# Pick the audio format or type face and stick to it

Using the same type face or the audio format for radio or television helps people to recognize your ads quickly. Using the same format or kind of type and illustrations also allows you to concentrate on the message when checking ad response changes.

# Make copy easy to understand

Printed messages should be broken up with white space to allow the reader to see the lines quickly.

Broadcast messages should be written conversationally. Remember, these messages are human beings talking to human beings.

Tell your listeners how what you're advertising will help them. Consumers buy benefits, not products.

Get the main message in the first sentence, if you can. Sentences should be short. Be direct. Go straight to the point. Get the audiences' attention in the first five seconds of the radio or TV commercial.

Try out your script on somebody else or read it into a tape recorder. When you play the tape back, you'll easily spot phrases that are hard to understand (or believe!). Your ears are better than your eyes for judging broadcasts ads.

# Use coupons for direct mail advertising response as often as possible

Coupons give an immediate sales check. Key the coupon in some manner so that you can measure the response easily. In your radio ads, you can have listeners create their

own "coupons". One fast food chain asked listeners to hand draw a coupon and bring it in for a free hamburger.

# **Tests for Immediate Response Ads**

In weighing the results of your immediate response advertisements the following devices should be helpful:

# Coupons brought in

Usually these coupons represent sales of the product. When the coupons represent requests of additional information or contact with a salesperson, were enough leads obtained to pay for the ad? If the coupon is dated, you can determine the number of returns for the first, second, and third weeks.

# Requests by phone or letter referring to the ad

A "hidden offer" can cause people to call or write. Include - for example, in the middle of an ad - a statement that on request the product or additional information will be supplied. Results should be checked over a 1-week through 6-months or 12-months period because this type ad may have considerable carry-over effect.

# **Testing ads**

Prepare two ads (different in some way you'd like to test or set for different stations or broadcast times) and run them on the same day. Identify the ads - in the message or with a coded coupon - so you can tell them apart. Ask customers to bring in the coupon or to use a special phrase. Run two broadcast ads at different times or on different stations on the same day with different times or on different station on the same day with different "discount phrases." Ask a newspaper to give you a "split run" - that is, to print "ad A" in part of its press run and "ad B" in the rest of the run. Count the responses to each ad.

# Sales made of particular item

If the ad is on a bargain or limited-time offer, you can consider that sales at the end of 1 week, 2 weeks, 3 weeks, and 4 weeks came from the ad. You may need to judge how many sales came from in-store display and personal selling.

### **Check store traffic**

An important function of advertising is to build store traffic which results in purchases of items that are not advertised. Pilot studies show, for example, that many customers who are brought to the store by an ad for a blouse also bought a handbag. Some bought the bag in addition to the blouse, others instead of the blouse.

You may be able to use a local college or high school distributive education class to check store traffic. Class members could interview customers as they leave the store to determine: 1. which advertised items they bought, 2. what other items they bought, and 3. what they shopped for but did not buy.

# **Testing Attitude Advertising Results**

When advertising is spread out over a selling season or several seasons, part of the measurement job is keeping records. Your aim is comparing records of ads and sales for extended time.

An easy way to set up a file is by marking the date of the run on tear sheets of newspaper ads (many radio stations now provide "radio tear sheets", too), log reports of radio and television ads, and copies of direct mail ads. The file may be broken down into monthly quarterly, or semiannual blocks. By recording the sales of the advertised items on each ad or log, you can make comparisons.

In attitude (or image-building) advertising, the individual ads are building blocks, so to speak, which make up your advertising over a selling season. The problem is trying to measure each ad and the effects of all of the ads taken together.

One approach is making your comparisons on a weekly basis. If you run an ad, for example, each week, at the end of the first week after the ad appears or is broadcast, compare that week's sales with sales for the same week a year ago. At the end of the second week, compare your sales with those of the end of the first week as week as year-ago figures.

At the end of the third week, 1 month, 3 months, 6 month, and 12 months from the running of the ad, repeat the process even though additional ads may have appeared or been aired in the meantime. For each of these ads, you will also make the same type of comparisons. You will, of course, be measuring the "momentum" of all your ads as well as the results of a single ad.

After a time, you probably will be able to estimate how much of the results are due to the individual ad and how much to the momentum of all your advertising. You may then make changes in specific details of the ad to increase response.

When comparing sales increases over some preceding period, allowances must be made for situations that are not normal. For example, your experience may be than rain on the day an ad appears cuts its pulling power by 50 percent. Similarly, advertising response will be affected by the fact that your customers work in a factory that is out on strike.

Some of the techniques which you can use for keeping on top and improving attitude advertising follow:

# Repeat an ad

If response to an ad is good, run it - without change - two or three times and check the responses of each appearance or broadcast against previous ones.

Keep repeating the process. Much advertising loses effectiveness because the advertiser doesn't keep reminding people. Repetition help increase knowledge of and

interest in, the product. You can soon estimate how often you should repeat each adexactly or with minor changes.

# Analyze all ads in relation to response

Divide ads into at least two classes: high-response ads and low-response ads. Then look for differences between the two classes.

The time the ad was broadcast or run may be responsible for a particular response level. Other factors, however, may be just as influential as time or even more so, though in radio time is often crucial.

Consider the message and how well it was expressed. Did the copy stick to the theme or did it wander? If you used slogans, did they help make the point? For print, consider the effects of illustrations, type, size, color, and ad location. In broadcast, consider whether or not the voice of the person doing the ad or music used may have had an effect.

Emphasis on brand names should also be checked. Price figures should be analyzed. If price lines are involved either in the ad or in the merchandise line of which the advertised product is a part, you should consider them also.

Check the effect of the length of broadcast ads. Did you get the best results with 10-second, 30-second, or 60-second announcements?

Check the size of print ads. Size often has a bearing on response. As a general rule, the larger the ad, the larger the response.

# Try to see a pattern of dominance

Your analysis of high-and-low response ads, may show that certain details make the difference between a high or low response. Try to find the combinations which work best for your firm and merchandise.

# Note changes occurring over time

You should never take a winning combination for granted. There is no single formula that will insure high response ads every time. Advertising changes. Therefore, you should watch the ads of others to see what changes are occurring. Continue to analyze your own ads, make small changes occasionally, and note any variations in response.

# Listen to what people say about your ads

In doing so, try to discover your mental framework within which any comment about your ad was made. Then try to find points which reinforce believability and a feeling that your product fulfills some wish or need.

However, you should not be misled by what people say. An ad can cause a great deal of comment and bring in practically no sales. An ad may be so beautiful or clever that as far as the customer is concerned the sales message is lost.

### When You Use Several Media

When your ads appear simultaneously in different media - such as the newspapers, on radio and television, in direct mail pieces, and as handbills - you should try to evaluate the relative effectiveness of each. You can check one printed medium against the other by using companion (the same or almost identical) ads in the newspapers, direct mail, and handbills.

You can make the job of analyzing and comparing results from the media easier by varying your copy - the message. Your ad copy, thus, becomes the means of identifying your ad response.

You can check broadcast media - radio and TV - by slanting your message. Suppose, for example, that you advertise an item at 20 percent reduction. Your radio or TV ad might say something like this; "Come in and tell us you want this product at 20 percent off."

You can compare these responses with results from your "20 percent off" newspaper ad. Require the customer to bring in the newspaper ad - or a coupon from it.

Some of the ways to vary the copy are; a combination of the brand name with a word or some words indicating the product type; tone of voice; speed of delivery; picture variation; size variations; and color variations. Check your printed ads against each other as well as against your radio and TV ads.

Be careful that the copy variation is not so great that a different impression is received from each medium. Here you would, in effect, have two different ads.

# **Short-Term and Long-Term Effects of Advertising Results**

Even one ad or commercial or highway poster can result in sales for one product and attention for your business. You should remember, however, that a series of ads that are related will result in sales over a longer period of time than the campaign lasts. Your business name will become very much better know. Your expenditures for advertising therefore, should be scheduled over a period of three, six, and twelve months. Avoid deciding to advertise this week and putting off the decision about when you will next advertise.

### Where to Get Help

Most newspaper offices have at least one person who can help you plan the overall layout, design of your ad, provide illustrations for your ad, and make suggestions about the copy that will be contained in the ad. Radio stations will frequently help write copy and provide a music background for the commercial. Television stations may produce your commercial, usually for a fee. Outdoor advertising agencies may paint or design a poster or bulletin for you, again at a price. Specialty advertising firms may recommend gift items, some at very low cost.

Many small towns, as well as all cities, will have one or more advertising agencies that are organized to create and place retail advertising for advertisers.

These agencies will probably charge you a specific fee, as local media may not pay an ad agency fee.

If a college, university or other school is near you, you might find that students will be happy to create your ads and even plan your campaign.

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# 6. How to Take Advantage of Advertising Specialties

For years small business owners have been putting their names and logos on Advertising Specialties and Promotional Products such as calendars, notepads, ballpoint pens and key tags and giving them to customers and prospects. Not intended simply as an act of business generosity, this is promotional products advertising to be exact. The problem is that many small business owners don't know the fine points of the advertising specialty form of advertising and don't maximize the advantages it offers. This guide explains why advertising specialties works and provides illustrations of how small business firms have applied this targeted medium to specific promotional objectives achieving some remarkable results.

An industrial film studio once ran an ad headlined: It's more important to reach the people who count than to count the people you reach. That is a handy maxim for business owners to keep in mind when they plan their advertising, because money spent on reaching the people who don't count-non-prospects-is money wasted.

This fact is acknowledged by your life insurance agent who gives you a calendar each year or by your bank that gives you a ball-point pen with the bank name on it. As a policyholder and as a depositor, you count with these businesses, and they give you these promotional items-properly called advertising specialties-to let you know it.

The fact these items are given away shouldn't be misinterpreted as purely an act of business charity. There is a reason for presenting specialty advertising gifts. When used properly, specialty advertising can be one of the most effective means of promoting a small business. The trick is to use it properly. But first business owners must understand what it is and what it can and cannot do for their companies.

# Why Advertising Specialties and Promotional Products

Advertising specialties are defined as useful articles of merchandise that are imprinted with an advertisement and are given to customers and potential customers without any strings attached. Unlike premiums, they are not earned or awarded in exchange for a purchase. Sometimes the ad on these specialties is no more than the name or logo of the sponsor. Every day one comes across cigarette lighters, ashtrays, paperweights, ball-point pens and T-shirts that meet this description. These are just a few of the

estimated 15,000 different types of merchandising items that are used in the medium called specialty advertising.

All advertising media offer users specific advantages-and all media have their limitations. You must be familiar with the strengths and weaknesses of the various media in order to make the right choices for your business. Let's look at some of the advantages offered by **promotional products**.

Unlike newspapers and television, which are mass media, promotional products are one of the targeted media. Newspapers and television are fine when you want to deliver your message to the most people you can possibly reach. But in this mass audience are many people who are not interested in what you have to sell. Consequently, you must also look for promotional efficiency. This is provided by the targeted media-direct mail, trade press and specialty advertising-because they can deliver your message only to prospects, thereby saving you the expense of buying non-productive circulation.

Notice that advertising specialties products are defined as useful articles of merchandise. Because they are useful, at least to varying degrees, they are kept and used by recipients. Each time the items are referred to, the advertiser's name and message get exposure. The recipient doesn't always consciously note the ad, of course, but the message is entered into the individual's memory and can be recalled at the appropriate time.

Advertising recall is important, but so often advertisers don't achieve this sought-after benefit from the media they use. What good does it do when the TV viewer chuckles over a clever commercial but can't remember the name of the sponsor?

When it comes to ad budgets, small businesses obviously cannot compete with corporate giants. Budget limitations severely restrict the small entrepreneur's use of some of the costlier mass media. Fortunately, specialty advertising comes in a lot of price ranges. There are, remember, 15,000 different types of specialties, some costing several dollars and some only a few cents apiece. So there are specialties available to any advertiser, regardless of how small the budget.

How consumers react to your advertising is important. If they are offended or indifferent to it, you have not gained from your promotional investment. Specialty advertising, however, carries with it an ingratiation factor. People like to get something for nothing, regardless of how inexpensive the item may be. They tend to look favorably on companies giving them free specialties. There is statistical evidence that people prefer to patronize businesses giving specialties as opposed to those that do not, all things being equal.

Another unique attribute of advertising specialties is that it permits advertisers to personalize the message. Suppose out of all your customers and prospects there are a hundred or so key ones you want to concentrate on. Because you probably can identify them by name, you can give added value to the advertising item you send them by imprinting their name on it. The favorable reaction to this kind of message enhancement can never be overstated.

As you can see, there are several advantages offered by advertising specialties, some of which cannot be found in other media. Specialties also have some limitations. One has to do with the amount of copy space available. On a ball-point pen, for example, there usually isn't enough space to imprint more than the advertiser's name and address. To overcome this deficiency, advertisers often distribute a printed companion piece with the specialty, and this flyer or brochure contains the reasons to purchase.

Another liability is the comparatively long production and delivery time sometimes required to implement a specialty advertising promotion. Even stock items ordered right out of a manufacturer's catalog sometimes take four to eight weeks for delivery. Consequently, the business owner who plans to hold a clearance sale the following week may find his or her purpose better served by using newspaper ads and TV or radio spots.

Another drawback worth mentioning is the difficulty one finds in measuring the results of many specialty promotions. Of course, this is a problem with other media, too. Unless a method of evaluation is built into the advertising specialties, the business owner may have no evidence the promotion is doing him or her any good. Indeed, some types of promotions offer no practical means of measuring their effectiveness. This doesn't mean the promotion shouldn't be undertaken. A simple promotion to achieve goodwill for the business owner may do just that, but it is difficult to weigh that goodwill and translate it into sales.

### **Elements of a Promotion**

You should not confuse a planned promotion with a simple distribution of specialties. Promotions require considerable forethought and work and, consequently, they are likely to be much more productive. Promotions are composed of a number of elements:

# **Establishing objectives**

Defining target audiences

Adopting a distribution method

Developing a theme and copy

Selecting the appropriate specialties

Implementing the promotion

Evaluating the results

**Objectives.** No one advertises without a reason and an expectation of accomplishment. However, sometimes the reasons and the expectations are not clearly understood and stated. Unless you set forth at the beginning realistic objectives, consistent with your budget, you become a traveler embarking on a trip without any conception of how or where you're going.

**Target audiences.** These are the prospects for your business. Sometimes they are qualified on the basis of probable use of your products or services: heavy users and light users. Greater promotional weight may then be applied to the heavy users' group that will produce more revenue for your business. You may recall the adage that 80 percent of a firm's business comes from 20 percent of its customers.

**Distribution method.** advertising specialties are distributed to the targeted prospects in a number of ways: over the counter in the advertiser's place of business; by a second party whose business is related in some way to the advertiser or its customers; by direct mail solicitation; and by sales people calling on prospects.

Proper attention to distribution is essential, because the promotion will fail if the specialties don't reach the right people.

**Theme and copy.** The theme is what gives a promotion an identity, ties it together and makes it memorable. The copy that appears on the specialties and the accompanying product or service literature should relate to that theme. If you are mounting a full-fledged campaign involving other media, be sure you coordinate the specialties with the over-all campaign theme.

**Selection of advertising specialties.** This is a key element that should not be slighted. It involves much more than examining a couple of catalogs and choosing a specialty that catches your eye.

In making your selection, you must first, of course, consider your budget. Suppose you've allocated \$1,000 to purchase specialties and you have in mind a target audience of 1,000 persons. This means your choice is limited to specialties costing no more than \$1 apiece. If you think a higher-ticket item will be more effective, you can reduce your intended target audience to, say, 250 persons, thus allowing for a \$4 item. Another alternative is to increase your budget. You can also make a stratified distribution, whereby the higher priced specialties are directed to the best prospects and the lower-priced items are distributed to lesser prospects.

The next thing to be examined is the desired audience reaction. If you are simply trying to get noticed, an attention-getter is required. This can be anything from a balloon or novelty item like the giant Styrofoam We're Number One fingers. On the other hand, if you want to be remembered over a period of time, choose a specialty that is more useful and practical and, hence, more likely to be retained by the recipients.

Your distribution method must be considered, too, when you select specialties. For example, if you intend to mail the specialties to your target audience, you should either consider the weight and size of the articles or add to your postage budget.

Whenever possible, the specialties should be related in some way to your product or service, to your target audience, or to your promotion theme. This is why optometrists often use packets of eyeglass lens tissues to promote their practices and why auto dealers give key-tags to prospective car buyers. The association between the specialty and the advertiser or the item and the audience usage has the effect of triggering audience recall.

**Implementation.** This is the point where the promotion strategy is executed. It involves not only distributing the specialties to the target audience but also securing whatever information and cooperation is needed to make the promotion work. Examples of implementation will be described in the next section covering typical promotion objectives.

**Evaluation.** This is something that is often ignored because it is either impractical in relation to the promotional investment or because the response is difficult to measure. Yet whenever possible, business owners should try to get a reading on the promotional efficiency of all media they use because it helps them determine whether the promotion should be repeated, revised or discontinued and whether or not the budget is sufficient. Promotions employing a direct mail solicitation, for example, are easy to measure. All you need to do is make a split-run mailing in which half the audience gets the specialty and product literature and the other half gets only the literature. Then you compare the response rates between the two audience segments.

# **Typical Promotional Products Objectives**

There are hundreds of applications for promotional products. These are some of the most frequent uses by small businesses:

Celebrating grand openings or special events

Building store traffic

Developing or qualifying business leads

Promoting image and maintaining customer goodwill

Introducing new products and services

Opening doors for salespeople

**Grand openings and special events.** Whether a business is brand new in town or has been around awhile, it needs to make prospects aware of its existence. One of the best ways is to bring prospects to the establishment so they can see for themselves what the firm's . capabilities are.

Example: Management of a welding and metal fabricator wanted a large turnout at its open house and wished to assure that guests saw every phase of production. The invitation promised each guest an unidentified gift for attending. In addition, prizes were to be awarded at random. Since it was impossible to give each guest an escorted tour, prize stations were set up in each work area. Guests were given their gift, a pewter letter opener embossed with the advertiser's logo, and an itinerary showing the prize stations. At each station was an RFD-type mailbox containing an envelope that could be slit with the letter opener. The message inside indicated if guests had won a prize or should try their luck at the next station. Of the 797 persons invited, 575 attended and toured the entire facility.

**Store traffic.** Specialty advertising can help develop patronage. All it takes is a little imagination.

Example: Owners of a restaurant specializing in French cuisine and fine wines believed the best way to increase their patronage was to go after the affluent market. They targeted 500 upper income families new to the area and sent them a linen wall calendar on which was imprinted the recipe of the restaurant's famous shrimp Creole. Recipients were told they could get a free cocktail for each member of their party with purchased meals if they presented the hanger string of the calendar. Fifty-two percent of the targeted households took advantage of the free cocktail offer, and many respondents became regular customers.

**Developing leads.** Who is really in the market for your product or service? They need to be identified and made aware of what you have to offer.

Example: A personnel placement agency ran an ad in a business journal announcing The Grant Texas Type-off in which secretaries and other typists could compete for a prize trip to Acapulco. Specialties were chosen to conform to the promotion's western theme. Agency employees wore T-shirts imprinted with the Wanted-poster theme of the Type-off, and name badges resembling sheriff's stars were issued to the fast-typing finalists, judges and members of the press. Media reporters were also issued theme-imprinted tote bags and T-shirts. The competition produced good media coverage and 400 entrants. The sponsoring agency obtained 100 new placement candidates and 50 new companies for its client list.

**Promoting image and goodwill.** Reliability, quality products, fair prices, fast service; concern for customers are typical images businesses like to portray. Specialties can help, too.

Example: A plumbing supply company mailed a survey questionnaire to plumbing contractors. Copy on an accompanying cartoon explained the firm valued the recipients' business and wanted their opinion of the company's performance, because We want to be sure to measure up. To elicit a response, the mailer contained a logo-imprinted tape measure, chosen because of its association with the theme-Measure Up. The mailing generated a 35 percent return, enabling the company to correct service deficiencies.

**Introducing new promotional products and services**. When you're offering prospects something they haven't seen before from you (or perhaps from anyone else), you've got to tell them about it.

Example: a purchaser of a materials-handling equipment distributorship quickly sought to divorce itself from the previous owner's reputation for poor service. The new owner mailed to 425 prospects a card introducing a cartoon character, Super Hustler, who was described as being faster than a speeding piston, more powerful than a C-500, and able to cut overhead in a single call. The new service policy was amplified in a second mailing that guaranteed a repair man on the scene within three hours of a call. Imprinted on the enclosed specialty, a shoulder phone rest, was the number to call for service. The final mailing promised another specialty, a coffee mug, for those who returned a

reply card. Approximately 50 percent of the recipients requested a coffee mug, which was delivered by a salesperson. The new service policy and its imaginative proclamation helped increase the distributor's service business 27 percent.

**Opening doors for salespeople.** Few salespeople are so presumptuous as to think prospects are waiting to receive them with a brass band. More often, the prospect is "in conference," "out of town," "can't be disturbed," or is otherwise unavailable to the salesperson. And when direct mail is used, often there is a secretary who is screening the mail. What is needed is a door opener.

Example: Telephone solicitation was being used by a sales training organization to arrange appointments for its salespeople. Because it was securing only four appointments for every ten calls, the company decided to try something else. The firm's specialty advertising counselor recommended designing a custom specialty-an 11 ounce bar of chocolate molded into the shape of a giant baby pacifier. The item tied in nicely to the accompanying copy: Instead of trying to pacify salesmen whose sales are declining, show them how to improve. Attractively gift-wrapped, the pacifier was delivered to the target audience without the sender's name on the box so the recipient would have to open the package to find out who sent it. The idea worked. It achieved for the sales trainer a 90 percent appointment rate, and these calls produced an 80 percent closing rate.

Success stories like these do not come about by accident. These advertisers wanted results and looked for someone who could deliver them.

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# 7. Planning and Executing a Retail Advertising Campaign

Small Business Retail Advertising Tips is not merely an element of business expense, it is an investment in building your sales. The future growth of your business will be influenced by your ability to plan and execute an effective advertising program. This Chapter offers guidelines to help you plan your advertising budget, select media, use cooperative advertising, and prepare the ad itself.

CUSTOMERS WANTED, NO EXPERIENCE NECESSARY was the sign one hobby and toy retailer displayed across an entire window. Perhaps the owner thought this was funny, but valuable advertising space was being wasted.

Windows are valuable attention-getters. This retailer should have featured products, prices, or "specials" in stead. The retailer not only missed the opportunity to advertise products, but also missed the chance to project the store image to the passing public.

In retail merchandising, advertising begins with the store and its windows. Rental costs depends on location and customer traffic so window displays have special values. One study by a trade publication allocated as much as 40 percent of the store's rent to its

window space. The giant stores in New York, Chicago, or Los Angeles fully capitalize their window value, but smaller stores often waste them.

# Start With the Retail Advertising Sales Budget

The sales budget is the foundation of all business. It affects profits and costs, including the advertising investment. In preparing the advertising budget, first decide what percentage of your anticipated sales volume you will allocate to advertising. This percentage will vary according to the condition of the business, local competition, and the nature of your products. Trade journals offer comparative percentage statistics on an industry-wide basis. By multiplying your total anticipated sales by the percentage, you will get the total amount of advertising money you can budget for the year.

Then, many owner-managers find it convenient to base their advertising on their planned sales for each month. For example, if March contributes 8 percent of the year's sales, they plan to spend 8 percent of the advertising budget for that month. This way you can base your advertising for each month on the planned sales for that particular month.

One exception to this approach is the Christmas season, which contributes as high as 25 percent of yearly sales for some businesses. It would probably be unwise to spend that much of your total budget for that period. However, you can build some flexibility into your budget if you plan in six-month blocks. This will allow you to spend part of your Christmas advertising money in October and November in preparation for Christmas. Of course, this will vary from business to business.

Finally, you should allocate any money you will need to accomplish a specific task you have planned. Examples of this task approach are: starting a new business with the announcement of the "grand opening," introducing a new product, or conducting a special promotion. This allocation is simply added to the regular budget.

Retail advertising is a completely controllable expense. The function of the budget is to control advertising expenditures. This can be done through a monthly tabulation, as shown in the following chart. With this record, the danger signals flash when the budget is over-extended.

The accounts listed in the chart are not comprehensive, they serve only as examples. For instance, some companies include publicity in the advertising budget, others treat it separately.

•
Retail Advertising Budget
ACCOUNT Month Year to Date
Budget / Actual / Budget / Actual
Media
Newspapers

Radio	
TV	
Literature	
Other	
Promotions	
Exhibits	
Displays	
Contests	
Advertising Expense	
Salaries	
Supplies	
Stationary	
Travel	
Postage	
Subscriptions	
Entertainment	
Dues	
— T-4-1-	
Totals	
Profile Yourself and Your Customers	

The next step in your advertising plan is to take a good look at both yourself and your customers. You will need the answers to such questions as:

What business am I in?

What quality of merchandise do I sell?

What kind of image do I want to project?

How do I compare with competition?

What customers services do I offer?

Who are my customers?

What are their income levels?

Why do they buy from me?

By profiling yourself and your customers in this way, you will be better able to direct your sales message to those most likely to buy and thus make more effective use of your advertising dollar. For example, if you own a clothing store and are planning a sale on jeans and t-shirts, a message on a local popular radio station might be a better choice than a more distant classical music station. You might also specify a time for broadcast that is after school hours if your anticipated customers are teenagers.

# **Retail Advertising Media**

When you know what you want to advertise and whom you want to reach with your message, you must select the advertising medium to reach them most effectively. Because of the local nature of their operation, most retailers find newspapers, radio, and direct mail the most commonly available choices. However, to reach wider markets, you may consider other media such as magazines, television, billboards, and transportation signs.

### Newspapers

Some retailers consider them a primary advertising medium for several reasons. They offer the advantages of local coverage and precise timing. In addition, results may be measured in terms of specifically-featured products or prices. Newspapers also lend themselves to promotional tie-ins such as coupon use of contests. Rates are related to circulation and vary according to the number of newspaper "lines" contracted over a period of time.

There is some difference in thought about the best technique for newspaper advertising. Some owner-managers prefer four quarter-page ads to one full page. Others think it better to have fairly large-sized ads and run them so they really make an impact. Others successfully use the skip method where they run several ads to make an impact and then skip a period of time with no advertising.

In some areas, "patterns" may emerge and must also be considered. For example, a retailer may find that the best results are obtained when ads are run just before pay day of a large local industry.

If the newspapers you deal with offer special locations, specify the position you want. When possible, aim for upper locations.

### Radio

Radio follows the listener everywhere, in the home and on the highway. It is characterized by immediacy in scheduling, lower rates compared with other media, and little or no production costs.

Basic rates depend on the number of commercials contracted for, the time periods specified, and whether the station broadcasts on AM or FM frequencies. Some stations offer both Am and FM coverage. Usually FM broadcasting is more localized and offers wider tonal range, due to highly technical reasons.

In negotiating a contract, some stations may propose a "barter" arrangement in which part of the cost, sometimes as much as 50 percent, may be paid in merchandise. This is especially true where the retailer can provide material needed by the station in its own operation. One station offered such a deal to an office supply retailer. Another example concerned a printing establishment.

It is good business practice to:

Be sure that the commercials are broadcast at the times specified;

Instruct the station when to change the message if the "copy" refers to specific dates or occasions.

Ask of invoices in duplicate or triplicate when actual copies are required by cooperative arrangements with suppliers.

### **Direct Mail**

An accurate, up-to-date mailing list plays the most important roll in direct mail advertising. Stores with charge accounts have a valuable list at their disposal, waiting to be used.

Direct mail has many purposes. It can be aimed at old customers, inviting them to presale occasions. It can be focused on prospective customers for individual products. Or it can be used to create "goodwill."

Smaller stores, or stores without credit accounts, can build up their own lists from publications or directories.

Consult the post office in advance regarding fees, permits, and other requirements for direct mailings.

# Benefit from Cooperative Retail Advertising Policies of Suppliers

Many manufacturers and wholesalers state that a significant part of the reserves they set up are for cooperative advertising are not used by their retailers. This is surprising because cooperative advertising results in substantially lower costs for the retailer.

For their own legal protection and to insure the greatest return from their investment, manufacturers set up specific requirements to be observed in cooperative advertising. The retailer should consult each vendor about the requirements which must be met to qualify. The retailer must also be aware of the procedures to follow to apply for and receive payments. Some vendors relate cooperative dollars to the amount of the retailer's business. Others do so on a percentage basis. So, you must be aware of how

many cooperative dollars you have to spend. The amount and rules for payment of cooperative dollars are at the discretion of the vendor.

# "Goodwill" Advertising

Every retailer receives requests and solicitations for advertising by all types of organizations including social groups, schools, churches, and fraternal societies. Often, friends and relatives make these requests. From the standpoint of maintaining good public relations, the retailer is frequently reluctant to turn them down. The cost of these donation should not be charged to advertising but to publicity or to "contributions" so that the advertising budget is not distorted.

# **Use Promotional Ideas in Your Advertising**

Retailers featuring products without the benefit of low prices, novelty, or new features have found promotional techniques an excellent basis for their advertising. Action is the keynote for sales promotion; however, merchandising ideas are the necessary prelude to action. If you coordinate promotion with advertising and personal selling, you can usually increase store traffic and thus produce good sales results.

The first requirement is a sound selling idea such as a "special sales" event, price discounts, a liberal credit plan, a contest, or a premium offer. There are many sources for promotional campaign suggestion, including trade journals, newsletters, and various books on the subject.

Once you have planned and scheduled the campaign, promote it through the use of newspaper and radio advertising, window and store displays, coupons, and literature. Promotions are especially necessary for retailers starting a new business.

# Pack Your Ads with Selling Punch

Here are some tips you can use when you begin to work up your advertisements. When properly followed they will help inject selling punch into your advertising.

Make your ads easy to recognize. Give your copy and layout a consistent personality and style.

Use a simple layout. Your layout should lead the reader's eye easily through the message from the art and headline to the copy and price to the signature.

Use dominant illustrations. Show the featured merchandise in dominant illustrations. Whenever possible, show the product in use.

Show the benefit to the reader. Prospective customers want to know "what's in it for me." But, do not try to pack the ad with reasons to buy - give the customers one primary reason, then back it up with one or two secondary reasons.

Feature the "right" item. Select an item that is wanted, timely, stocked in depth, and typical of your store. Specify branded merchandise and take advantage of advertising allowances and cooperative advertising whenever you can.

State a price or range of prices. Don't be afraid to quote high prices. If the price is low, support it with statements which create belief, such as clearance or special purchase.

Include store name and address. Double check every ad to make sure it contains store name, address, telephone number, and store hours.

# The Only Purpose Is To Sell

If you try to be clever, humorous or subtle in your advertising, you handicap its objective which is to help you sell your products. The elements of good copy are sometimes summarized in the term: AIDCA. This is, attract Attention, develop Interest, Describe the product, Convince the reader, and get Action.

For effective copy-writing, make each word count. Avoid unnecessary words. Keep sentences short. Put action in your words. Use terms your readers will understand. Don't use introduction, get right to the point of your message. Make use of imaginative ideas, variety, or colorful references only when they do not interfere with or slow your sales message.

Observe the advertisements of the major stores in metropolitan cities; they convey a world of informative suggestions to retailers who cannot afford the services of advertising agencies.

Do not advertise something you are "stuck with." If customers did not want the item previously, no amount of advertising will sell it. Your best results will come when you advertise items that your customers prefer and like to buy from you.

The purpose of advertising is to get traffic into your store. A highly desirable item featured in your ad will bring in this traffic. Then, the customers may buy other items if you have them properly priced and displayed.

# The Growing Power of Consumer Protection

The small retailer must be more and more concerned with the effect of consumer protection regulation. Regulations on advertising are now being made at Federal, State, and local levels.

Nationally, the Federal Trade Commission, the Food and Drug Administration, and the Federal Communication Commission are among the various regulatory bodies which control the advertising practices of the large corporations. At the retail level are such mechanisms as state departments of consumer affairs, local bureaus of consumer affairs, and the Better Business Bureaus.

Among the regulations of the greatest importance to retailers are those concerning the use of false or misleading advertising resulting in "bait-and-switch" practices. Advertising is a very viable or audiable medium, easily subject to supervision an criticism from both legal and consumer standpoints. You should use care in making statements and claims for the products you advertise. Be sure that they conform to the various state and federal regulations and the standards of good taste.

Advertising should be viewed as a sales building investment and not simply as an element of business expense. When it is well planned and well carried out, you advertising can be an important factor in the future growth of your business.

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# 8. How to Use Signs to Your Advantage

Have you considered the impact that your sign has on your business? This chapter discusses signs, what they can do for your business, and how they can be used to your advantage. A checklist for ordering a business sign is also provided.

### Introduction

Signs are one of the most efficient and effective means of communication. Signs help people find you; they reach people who are passing by your establishment; they present an image of your business. In short, signs, tell people who you are and what you are selling.

Signs are such a powerful communication medium that it is difficult to estimate the extent of their influence. Other media require the directed attention of the person receiving the message. Signs, however, can convey a message while creating a mood or feeling of atmosphere. It is not necessary for people to give full attention to your sign in order to derive meaning from its presence.

# What Is a Sign?

A sign is the most direct form of visual communication available. In fact, so many people use signs without a second thought that it is easy to overlook their importance. When we cannot talk to other people directly in a given location, we tack up signs: wet paint, beware of dog, enter here, garage sales, etc. signs are the only form of mass communication directly available to everyone - they are the people's street communication system.

# What Signs Can Do for Your Business

Signs perform three major communications functions for your business; they give information and direction, provide a format for street advertising, and build your image.

Signs Give Information About Your Business and Direct People to Your Business Location.

Signs index the environment so people can find you. This is especially true for travelers, new members of your community, and impulse shoppers who may be on a journey to purchase a particular good or service which you sell. Americans are mobile. Each year

40 million of us travel over 1.7 trillion miles by automobile and approximately 19 per cent of us change our place of residence. A primary source of customers for your business is the large number of people who are new to your community or who may be just passing through. Your sign is the most effective way of reaching this mobile or transient group of potential customer.

Signs can correct a poor location by substituting effective communication for poor site characteristics. If your business is located on a site which is not visible or in a building which does not not correspond with the goods or services offered, your sign can overcome this disability. For example, most buildings are not built to conform to the design needs of any particular type of tenant. Without an effective sign it is often impossible to determine what type of business is being conducted in a given building. In addition, when your site is located off a busy traffic artery or in an area which is not easily accessible your sign can communicate to people who are passing on a busy street several blocks away. If you are located off a busy freeway but far from an exit, your sign becomes your main device for directing people to your business. High-rise signs are used when a business is located away from potential customers' normal pathways of travel.

# **Signs Are Street Advertising**

Your sign provides an easily recognizable display format for the goods or services you are selling. For most businesses the street is where potential customers are. The message conveyed on the street reaches people who are close enough to make a purchase.

Street advertising also help people develop a memory of your business name and the products and services you sell. People tend to buy from businesses they know.

Signs can build an image for your business and help you identify with the market segment you are trying to reach.

Through materials and design, a sign can appeal to a given group of potential customers. For example, some firms attempt to capture the youth market, others senior citizens, others unmarried single people and so forth. If you have a particular market segment that you wish to attract to your business, your sign can be an important means of bringing these people in.

# The Advantages of Signs

On-premise signs are your most effective and efficient means of commercial communication because they are inexpensive, available, practical, easy to use, always on the job, and directly oriented to the trade area of your business.

# **Signs Are Effective**

Your sign is an integral part of your advertising program along with the other forms of commercial communication such as television, radio, newspapers, magazines, and billboards. There are four basic criteria used to judge the effectiveness of these advertising media: (1) coverage of the trade area, (2) repetition of a message, (3) readership of a message, and (4) cost per thousand exposures of a message. Two other criteria important for the small business owner are (5) availability and (6) ease of use. Let's see how signs measure to the above criteria.

- 1. Signs are oriented to your trade area. Signs do not waste your resources by requiring your to pay for wasted advertising coverage. The people who see your sign are the people who live in your trade area.
- 2. Signs are always on the job repeating your message to potential customers. Your on-premise sign communicates to potential customers twenty-four hours a day, seven days a week, week after week, month after month, year after year. Every time people pass your business establishment they see your sign. The mere repetition of the message will help them remember your business.
- 3. Nearly everyone reads signs. Signs are practical to use for nearly everyone is used to looking at signs and using signs, even small children. Studies have shown that people do read and remember what is on signs. When special items are displayed, sales increase for these particular items within the store.
- 4. Signs are inexpensive. When compared to the cost of advertising in some other media, the on-premise sign is very inexpensive. Table 1 indicates the cost-per-thousand-exposures for various media in a given type of community. Unless your trade area encompasses an entire city or region, where you must rely upon broad based media coverage, there is no better advertising dollar value than your on-premise sign.
- 5. Signs are available to each and every shop owner. There is no need to schedule the use of your sign. Your sign is available to you whenever you need it and to be used however you please.
- 6. Signs are easy to use. No special skills or resources are needed to operate a sign once it has been installed. If it is an illuminated sign, all you need to do is flip the switches and that may not be necessary with timing equipment. Once the initial expenditures are made no special resources or professional services are needed. You need only operate and maintain your sign.

# **Checklist for Ordering a Business Sign**

Before you select a sign for your business there are several things you need to consider. A competent sign company in your area can help you with the answers to some of these question if you are unsure how to obtain them.

1. Who are your customers?

Potential customers for your business are people who reside in your trade area. Most of your customers come from the immediate area within a half mile to a mile of your business location. Trade areas come in assorted shapes and sizes depending upon the business. Trade areas may also vary seasonally.

# 2. How do you get information on potential customers?

Plot a dot map of your customers as soon as you begin business. This is easily done by plotting the addresses of people who stop in your store (and particularly of those who purchase) as a dot on a street map of your city. Within a few months time you will have a fairly clear idea of the trade area from which you are drawing your customers. You will then be able to decide what type of sign would best meet the needs of the people in that trade area. For example, if your customers can only reach you by automobile or you are located on a very busy street, the type of sign that you use will be very different than if you have a shopping center location and people must walk to your store from parking lots.

Obtain your street profile from a city traffic engineer. Since your sign communicates to people who pass your business establishment, you can direct your message to potential customers if you know what type of traffic passes your door. Your city traffic engineer can provide information which will tell you: where people begin and end their trips, how people travel, when people travel by time of day, why people travel, and where they park when they reach a destination. Even small cities and towns have traffic volume maps available to tell you how many people pass by your business every day.

Know how many new people move to your area each year. This is a potential market for your business. This type of information can be obtained from any board of realtors, chamber of commerce or police department.

3. How are you going to communicate with the customers?

In order to communicate effectively, a sign must be noticeable and readable.

A sign must be noticeable. After a while a sign becomes part of the landscape. It loses some of its ability to attract attention. By periodically changing some small design element or by using changeable copy, a sign can continue to attract interest. Time and temperature devices or rotating and moving parts can be used to maintain interest in a commercial message. Time and temperature devices or rotating and moving parts can be used to maintain interest in a commercial message. Time and temperature units also provide a needed public service.

A sign must be readable. A sign needs to be large enough to read. You need to know how far a person if from your store when he first sees your sign and the real speed of traffic on your street. With this information, a competent sign company can use a formula to calculate the necessary size for your design and build you an effective sign.

# 4. What are you trying to say?

Decide on a message that is clear and simple.

Focus on key words. Choose one or two words which describe your business. Clever or strange names may only attract certain customers.

Be Brief. The cleaner and clearer the message, the more impact it has. Listing or names or unclear symbols confuse rather than communicate.

# 5. What image are you trying to portray?

Design of your sign is very important. Your sign tells people a lot about your business. Stark simple design and materials may suggest discount prices and no frills. Elegant and expensive sign materials may suggest luxury goods and services. Two basic design considerations are important when ordering a sign.

Physical elements of sign design. These include considerations such as size, placement, materials and structure. The size of the sign is an important consideration for your business. The biggest sign that you can afford may not necessarily be the best one for your needs. A sign which is either too big or too small will not communicate your message effectively. The number of signs is also important. Too many signs compete with one another and reduce the effectiveness of your message by presenting an image of confusion to potential customers. The materials used for your sign determine its appearance and performance. For example, differences in cost, appearance, color, durability, flexibility and reaction to extreme weather conditions can be found in the many types of plastics available. The structure of a sign also contributes to its effectiveness. Pole covers and cantilevered construction help portray an attractive message. Figures 1 and 2 illustrate how physical elements of sign design affect business image.

Graphic elements of sign design. Graphic elements of design include layout of the message, colors, lettering, shape symbolism, harmony, and daytime versus nighttime lighting conditions.

Legibility is a test of good design. If your sign is well designed, it will be easy to read. Legibility means that the letters or characters on the sign are distinct from one another. Some color combinations of background and letters give excellent legibility while others are very poor. To test your sign's legibility, drive past your business and see if you can read it from a distance. Look at it both day and night. Some signs are difficult to read because of illumination problems such as glare from street lights, signs on nearby business establishments, or shadows caused by buildings. A well-designed sign blends with the environment, has a message impact and overcomes viewing problems.

# 6. How much should your sign cost?

You should consider several factors when determining the cost of your on-premise sign.

A sign is an investment. Your sign is one of the most permanent parts of your business and is exposed to weather and constant use. The average life of signs varies from five to eleven years, depending on type of materials used, construction and other factors. Find out how many years of service to expect from your sign. It pays to purchase good materials if you intend to use the sign over a period of years.

Maintenance costs. No business can afford to have its sign fall into disrepair. A dilapidated sign tells the public that you are not concerned with your business image or their visual environment. Some types of signs are virtually maintenance free while other require more attention. Find out how to replace burnt out bulbs or tubes in your sign. Determine who is responsible if the wind blows your sign down and someone is injured.

Energy consumption. New technological developments now enable some types of signs to achieve energy savings without sacrificing effects. Inquire about new energy saving bulbs and internal materials.

Owning or leasing. Many sign companies have programs whereby you can lease a sign for a given period of time and they will maintain it for you. This may be more economical for a new business, especially if there is any chance that logos or names may change in the first few years of operation. Statistics show that if a small business fails, it will happen somewhere between the first and second year of operation. Leasing a sign during this period of time might help save some of the initial capital needed for operating expenses.

Custom or standardized. Some large companies offer standardized types of signs which are cheaper than signs which are custom designed and constructed. Many of these standardized units can utilize ingenious design techniques to bring forth creativity and individuality. Often the standardized units can be arranged in different configurations depending on your needs. Some standardized sign units use the highest quality materials and are designed to be relatively maintenance free. Mass production enables these units to be sold much cheaper than if designed and produced from scratch.

# 7. Signs communicate in a shared environment.

A sign's ability to send its message beyond its locations requires that you be sensitive to the effects of your message on others. Since you share your space with others, consider their rights and sensibilities too. They are potential customers.

Consider city or town planning goals and regulation when ordering a sign. Some types of signs are not permitted. determine what the regulations are in your community before you discuss design with a sign designer. Most sign companies are well aware of the regulation in any given community and can guide you in selecting a sign which is not in violation of the law.

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