

Bynum's Advertising Tips

How to Increase Your Advertising Response Through Effective Use of the Media

Do you feel like you've promoted your product long enough to expect a higher response rate than your current media response figures show? The problem may be something other than your advertisement(s). Perhaps you should re-examine your media plan in the following manner:

Use Advertising as an Investment

In print, produce two different ads. Have them split run (if the publication can do it). Code the ads with coupons to keep records of response. Test the publications after you have determined the best ads to see which publication pulls the most. Again, code the ad with a department code number. For example, for your ad in the *Post-Gazette*, your code could be putting the day in the address. This works with coupons. Direct response ads can also be used to evaluate public interest. Include a number for free information; use a reply coupon.

How to Test

Because of the expense of a real campaign, some small scale testing can be done in the beginning. Produce two commercials, run both on two different stations, or give two different numbers in the ads. Record each time a response is made. If your budget does not allow for two different ads, at least have your ad script and storyboard tested by your ad agency. Such a test can be done by a focus group or limited survey. Your agency or researcher can help you with what to look for in a test.

Broadcast

Experts feel that a radio spot should be heard at least 3 times by an individual to be recalled. Remember, if they hear and read about you, you are building trust. Those who need your product may eventually buy.

Establishing an Advertising Budget

One way to establish a budget is to pick a number out of the sky. Another method is to look at your business or marketing plan. Evaluate your company. Are you the lowest priced in your category? You may need to spend more than the middle priced competition since you are after volume. If you are the highest priced in your category, you will need to spend more on advertising and target to a select group.

Before you establish a budget, make sure you have the basics: A logo, business cards, stationery, invoices, purchase orders, etc. Some companies choose a percentage for their ad budget. Some choose 7.5 percent of gross sales. You may need to spend 12 percent if you are in a very competitive area. If you're grossing \$50,000 per month business, you may be able to do effective advertising at \$5,000 per month. If your budget is small, amortize the cost of items such as brochures. Other ways you can establish a budget: You can take a percentage of the unit of products you wish to sell. You can take your profits and place them back into the ad budget.

Watch your Competition

Watch your market. Have your agency watch for trends. You may profit from increases in your budget during the year to take advantage of opportunities.

When business seems slow, a special promotion may help. Statistics prove that companies that advertise during slow times reap big rewards when the economy picks up.

12 Ways to Stretch Your Ad Dollar

1. Begin with a basic advertising strategy; a basic direction gets rid of the costly trial and error method.
2. Remember, a plan is a plan. It can be altered.
3. Don't ask for comprehensive sketches if a quick layout can suffice. The closer to finish, the more you pay in time and materials.
4. Don't wait until Tuesday for the project you need Wednesday. Your procrastination will cost you dearly. Next time you do, ask them to break out the overtime cost.
5. Tell your creatives what you have in mind. State the problem; let them come up with solutions.
6. Keep meetings down to a few. Use memos and conference calls.
7. Set up steps of approval: Ad strategy, Research, Budgeting, Media, Creative and Production.
8. Get an estimate and up it 10% or more.
9. Suggest suppliers, but don't push it.
10. Have your agency compare costs. Get three bids. (Be careful, the lowest price is not necessarily the best value.)
11. Check out of town.
12. Pay on time. Late fees are expensive.

Can Your Profit Margins Support Field Selling?

You are living dangerously if your company doesn't have accurate knowledge of the profit (or loss) structure of your sales territories. Not keeping close tabs on the cost of obtaining sales can literally "eat you up." It's vital to analyze what your sales dollar is buying. Have your in-house financial people (or your CPA) calculate three key items for each territory or each sales person:

1. The cost-per-car
2. The cost-per-order
3. The cost-per-dollar of sales

McGraw-Hill estimates that the cost-per-call in America is now at an all-time high of \$225! Today's field sales people (either employees or representatives) spend only about 39 percent of their time actually selling. Traveling, servicing, waiting, going to meetings, writing reports, plus a certain amount of "downtime" consumes the other 61 percent. Reconfirming this, a nationwide McGraw-Hill survey of sales managers indicated that they believed that only 30 to 35 percent of their sales personnel were cost-effective.

No matter what industry you are in—if your markups are too slim and competition so fierce that you cannot raise prices, you have only one alternative. **Lower your marketing costs.** Easier said than done, you say? Well ... start by objectively reviewing your distribution system. Roll up your sleeves and carefully study how your goods and services have been marketed until now, and how they might be in the future.

For instance:

- Which customers are most important and most profitable?
- Which customers are least profitables?
- Which customers and prospects have not received enough attention to expand their importance?
- How much field time is being allocated for new accounts? For marginal accounts?

And so on.

Gregarious sales people tend to dwell with those customers they like—even though they may not be lucrative accounts. Conversely, certain accounts will continue doing business with your company without the expense of face-to-face selling. The arithmetic—if you study it closely—tells the tale. But you must have the determination to dig it out, learn from it, and take the proper remedial action—as soon as possible.

For a giant corporation, such statistics are a serious matter. For a small to midsize business, they can be nothing less than **a matter of life or death.**

Once the study is completed—and you have pinpointed your weak points—consider your alternative courses of action. Either **(1) find ways to increase sales volume at the same expense, or (2) find ways to lower costs while maintaining your sales volume at current levels.**

In recent times, database marketing has made a quantum leap. All pertinent information about customers and prospects can be stored. You can include a company's attributes, decision maker's names, prior contact activity, etc. You can directly link it with order entry, customer service and other systems that hold data important to closing a sale. When coupled with direct mail and telemarketing, databasing permits you to communicate quickly and without waste with every known segment of your market.

Because of the computer, direct response marketing has emerged as a quantifiable science. It's quick and cost-effective because you reach potential customers and sell them at less waste. As a matter of fact, the smaller your promotional budget, the more critical it becomes to spend your limited dollars wisely.

How to Tell if Your Agency has Created a Good Ad

The Ad as a whole

1. Does it single out and stop the prospect? (No one else matters)
2. Are the visual and headline unexpected?
3. Does it look inviting and easy to read?
4. Does it promise a meaningful benefit?

The Visual

1. Is it reduced to its simplest element?
2. Does it make a selling point?
3. Does it avoid tint blocks, overprinting, type tricks, and "Addy" devices?

The Headline

1. Does it speak to the prospect?
2. Is it comprehensible without the subhead and copy?
3. Does it tell an important part of the story not told by the visual and copy?

The Copy

1. Does it speak the reader's language (not the advertiser's)?
2. Is it about the product from the beginning?
3. Is it personal and enthusiastic?
4. Is it long enough to tell the whole story, and no longer?
5. DOES IT ASK FOR ACTION?

The above questions are some of the 50 questions Bynums uses to evaluate an ad. If you are looking for advertising that gets your message out in a clear manner, give Russell Bynum a call at 412/471-4332.

Eight Ways to Hold Interest

The late, great Victor Schwab of *Schwab & Beatty*—founder of the largest mail order ad agency of its day—had eight rules for an ad to hold a reader's interest. They included:

1. Stick to buying points, concerning reader; not selling points concerning advertiser. Sell people, not things.
2. Avoid vague generalities. Be concrete. Tell who, what, when, where and how.
3. Grammatically, lead carefully from one point of interest to the next. Link them clearly.
4. Give copy News Value. Put News (and most newsworthy item) into first paragraph.
5. Speedily identify copy with needs and desires to reader.

6. Select sales angles with greatest general appeal. Concentrate on them. Don't clutter up copy with minor claims. Stick to buying points, concerning reader; not selling points concerning advertiser. Sell people, not things.
7. Touch people on points of common human contact. Make them say "Yes, that is just like me!"
8. Avoid flat claims. Use vivid portrayal of dramatic situations, humanized facts, and word pictures to inspire the reader to want, as soon as possible, what the product will do for, and get for him.

Advertising in an Unstable Economy

If the recent plunge in the stock market is causing more cautious consumer spending, what should companies do about advertising? Three words ... **Crank it up!** Or at least maintain the pace of your current campaigns. Marketing executives in the automobile, financial service, and food product industries, to mention a few, view an unstable economy as a crucial time to concentrate on reassuring your target market.

During this period, consumers appreciate being reminded of the values they receive from your products and/or services. In David Ogilvy's book entitled *Ogilvy on Advertising*, he notes that studies of six recessions show companies that did not cut their advertising budget reaped a significantly greater increase in profits than companies that decided to make budget cuts. Make cuts in your advertising budget, and you could lose some, if not all, of your market share.

Weigh your options before making a costly mistake. Plan a new strategy (remember to think long range) and you could eventually gain a larger piece of the pie.

Consider the mediums you are presently using. Would your strategy be more profitable if you concentrated more of your ad dollars on television instead of print, or vice versa?

In times of economic uncertainty, seize the opportunity to sell the strengths and values that your customers rely on.

Create Better Ads with The 4-"I"'s

Breaking through the clutter of today's advertising is getting tougher. Creative graphics are often not enough. We can help you design successful ads. Review these four elements:

- **INNOVATION** - Study ads for similar products, and then try a different graphic treatment. Just don't be too different. You want your ad to stand out from the rest ... not stand alone somewhere else.
- **IMPORTANCE** - Find something new or important to say about the product being advertised. Single out the most important benefit for the prospect.
- **INVOLVEMENT** - Here's where many ads fall short. To grab the reader's attention is one thing. But once you have it, you need to keep it. And the best way to do that is to involve them in the ad. Maintain intrigue. Use sentences that carry them from one point to the next.
- **IMMEDIACY** - Create a sense of urgency in your ad. Ask the reader to respond by a certain date to get a special discount or gift. Call the phone number a "Hot Line." For ideas that get results, call 412/471-4332.

Package Design: Making a Good First Impression

Everyone knows the saying, "You can't judge a book by its cover." But that's exactly what many consumers do. Because of this, the aesthetics of a package design play a crucial part in making a good first impression on potential consumers.

Here's how to initiate an effective new package design program: First, revisit your product objectives by redefining what you are selling, your target market, and your product benefits. Provide a thorough description of the persons you plan to reach; then compare this profile to your design ideas.

Take a good look at your competitors. Study their packaging. How well will your package design stand up against theirs on the shelves?

Now take another look at your package design. Will it communicate the benefits you have identified? Bounce your ideas off others by holding focus groups that represent your target market. Instruct participants to describe the features that set your design(s) apart from your competitors. Use their input to create a package that says "specially designed to meet my market segment preferences."

Have an expert help you choose symbols, colors, ink, etc. Different colors, symbols and shapes project different images to the consumer. For help in this important area of marketing, call 412/471-IDEA!