

CHOOSING THE RIGHT ADVERTISING MEDIUM FOR YOUR BUSINESS



Advertising provides more frustration and confusion for small business owners than most other areas of business. The reason for the frustration is that the average small business owner does not know how to make advertising work consistently. It's not that they don't see successes from time to time; it's just difficult to string these successes together on a consistent basis.

This guide provides the small business owner with some straightforward information that will help bring about consistent success in advertising. This is not textbook theory but rather a good dose of honest and practical information that can be put to use today.

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Key Principles for Advertising Success:

While there is no "magic formula" that will guarantee advertising success, there are some principles that should be used to guide you in developing a sound advertising strategy.

The Right Media:

Any media can work, but not every media can work for every business. You must select the media that has the highest likelihood of producing the best results for your company.

The Right Schedule:

Your ads must reach as many potential customers as possible. More importantly, these potential customers must be exposed to a sufficiently large number of ads in order to make an impact. It is better to reach fewer people repeatedly than it is to reach a large number of people infrequently.

The Right Message:

The advertising message must be persuasive and compelling in order for potential customers to respond.

This guide will deal exclusively with the first key principle.... **The Right Media**

The Right Media for Your Business:

Newspaper, television, radio, billboards, direct mail, the internet...each medium has its strengths and weaknesses. Every medium can work, but not every medium can work for every business.

When looking for The Right Media for your business, keep in mind two things:

- 👉 You must select the medium that has the highest likelihood of success for your particular business.
- 👉 You must use that medium according to its particular strengths.



There are many factors that can help you determine which media would be best for your business.

These factors include: your business type - service vs. retail, your location, your competitive position in the marketplace, your service area, your goals for advertising, and a host of others. Your challenge is to take all these factors into consideration and choose the medium whose strengths will best complement your individual business.



NEWSPAPER:

Strengths of Newspaper Advertising

The newspaper is a highly respected and credible medium. The printed word is one of the oldest forms of mass communication. This fact alone will insure that the newspaper will remain a viable advertising medium for years to come.

The newspaper is primarily an information delivery vehicle. People who read the newspaper are looking for information of immediate interest to them. To that end, businesses who would advertise in the newspaper would do well to create an ad that is full of useful buying information.

The newspaper is a good medium to reach adults over 45 years old. Research indicates that the average newspaper reader is getting older. The people who spend the most amount of time reading the newspaper are those people who grew up with the newspaper as their primary source of information.

As an advertising medium, the newspaper reaches those people who are in the market for a product or service right now. People reading the newspaper tend to notice ads that address a need they currently feel. At the same time, they will "overlook" ads that do not speak to a currently felt need. This process is called "selective perception."



Dr. Sandra Metts, Professor of Communications at Illinois State University, says, "Selective perception is a necessary and natural part of controlling the abundance of noise in the environment. Selective perception can sometimes operate as a filter to bypass information that we simply do not want to process." In other words, the human mind screens out information that it deems to be irrelevant and focuses on that information that it views as important at the time. This decision of whether or not to "perceive" a given stimulus is made in a fraction of a second and is largely involuntary.

Dr. Sandra Metts

For example, a woman is reading her newspaper over morning coffee. While glancing from page to page, she makes hundreds of near instantaneous decisions whether or not an article or ad is relevant to her life at this precise moment. If she has been thinking recently about purchasing a new sofa, she will subconsciously "notice" many of the furniture ads in the paper.

Unfortunately, newspaper's greatest strength can also be its biggest weakness

Weaknesses of Newspaper Advertising

The newspaper reaches only those people who are in the market for your product or service.... right now.

While selective perception will help customers zero in on your ad if they currently have a need for your product or service, it can also make your ad go unnoticed if they are not presently in the market for your product or service. Since an extremely small percentage of the population is in the market for a given product or service at any one time, this leads to a rather sizable problem for the newspaper advertiser. If most of the readers don't even notice your ad, then your ad budget is doing little to create product demand. Ultimately, much of the cost of running that ad is wasted.

The newspaper tends to attract price shoppers. People who utilize the newspaper tend to make buying decisions largely on the basis of price. The fact that newspaper readers tend to be price shoppers may make it difficult to sell your product in the newspaper at full price.

Newspaper readership is declining. This decrease in readership is due primarily to the fact that younger people are, looking to electronic media as their primary source of information. This decline in readership coupled with a steady increase in advertising costs may make advertising in the newspaper a less cost-effective advertising choice for many business owners.



RADIO

Strengths of Radio Advertising

Radio commercials are "intrusive." An advertising message that is "intrusive" has the ability to gain entrance into the mind of the audience whether or not that person wants it to. To illustrate, finish the following advertising slogan: "Winston tastes good like a...." It has been against federal law since 1970 for a cigarette manufacturer to advertise on radio or television. Yet three decades later, most of us can still remember that "Winston tastes good like a cigarette should." We didn't set out to memorize that slogan. However, most of us can still sing it thirty years later. That is the power of an intrusive medium.

Intrusiveness is an extraordinary benefit for the radio advertiser. When a message is intrusive, it reaches those people who are in the market for the product right now as well as those people who are not in the market right now but will be someday. So, an intrusive medium such as radio or television helps create product demand and also persuades future customers to think of you when they finally decide to make a purchase. As a result, there is very little waste when using an electronic medium such as radio.

Radio offers affordable frequency. By comparison with other media, radio is very inexpensive. This means an advertiser can

afford to purchase more commercials on radio than he could on a more expensive medium. This is a critical advantage.

Radio can be targeted demographically. Radio formats are always designed to appeal to a specific demographic group. This allows a business owner to advertise on a radio station that reaches a group of people that matches the customer base of his business.

Radio utilizes the power of the human voice. This is perhaps the greatest advertising benefit that any medium has to offer. The spoken word is more easily understood, more persuasive, and more effective than the written word. Let me illustrate. Which is more persuasive, a brochure or a salesperson? Would you rather have a potential customer read a brochure about your business, or would you rather they be called on by a salesperson?

Radio is visual. Even though it cannot show pictures, radio is extraordinarily visual. The differ



ence between the visual images provided by television and radio is that the TV image is the same to all who view it while a radio commercial can create an image that is personal and unique to each person who hears it. When you use radio, you would do well to write ad copy that puts radio's visual nature to work for you.

Weaknesses of Radio Advertising

Radio cannot show an actual product. In spite of its visual nature radio cannot show an actual product. This can be a problem if the product being advertised is not familiar to the public as a whole and needs to be viewed in order to be understood.

Radio is not tangible. Compared to a printed ad, a radio commercial cannot be carried around and referred to at a later date. Therefore, a company that uses radio advertising should never write a commercial that has a laundry list of facts that would be impossible for the listener to remember. Instead, speak to the emotional need of the audience.



BROADCAST TELEVISION

Strengths of Television Advertising

Television ads are "intrusive." Again, an ad that is intrusive has the ability to gain entrance into the mind of the viewer whether or not the viewer wants it to. This intrusiveness helps create product demand. As a result, there is far less waste involved when using television or radio.

Television ads can reach large groups of people. Television programs appeal to a mass audience. This makes television a real viable medium for those businesses whose customer base is composed of many different age groups.

Television is visual. The visual nature of television lets advertisers actually show their products or store in the ad. This allows viewers to experience your business before they even step foot through your door. This can be a great advantage to those retailers who have a particularly attractive store or a brand-new product that needs to be introduced.

Television utilizes the power of the human voice. As previously discussed, the spoken word is easily understood and more persuasive than the written word. Current research suggests that sound plays a far more crucial role in the effectiveness of television commercials than what was originally believed.

Weaknesses of Television Advertising

Broadcast TV commercial time can be expensive. Highly rated programs will naturally be more expensive for advertisers. The more expensive a media is, the fewer commercials a small business owner can afford to run. So, if you elect to advertise on broadcast television, choose a channel, program, or time period that you can afford to dominate.

Production quality of TV spots must compete with national ads. Even a relatively simple national TV ad can cost several hundred thousand dollars to produce. That's just the production cost, that doesn't include the cost of the airtime. Most small businesses with limited ad budgets cannot compete with that sort of production quality. As a result, it is fairly easy to spot a local ad up against a national TV ad.



CABLE TELEVISION

Strengths of Cable Television Advertising

For the small business owner, cable television can be a very viable alternative to broadcast television. In addition to possessing all of the strengths of broadcast television, cable TV has a couple of additional strengths worth looking into.

Cable TV is cost effective. Typically, cable television is very reasonably priced. As a result, a local cable advertiser can afford to purchase considerably more commercials. This can be a great advantage for a small company.

Cable TV can be targeted geographically. In large markets, cable companies usually divide their coverage territory into cable zones. This allows you to run commercials within individual zones rather than the entire market area. So you can buy a cable zone right around your location without wasting money on people who live too far away to travel to your store.

Cable TV can be targeted demographically. Each cable channel is designed to appeal to a certain demographic group (i.e., ESPN attracts a high concentration of male viewers, Nickelodeon targets children, MTV appeals to teens, Lifetime is the network for women, etc.). This allows a business owner to reach a very specific group of people that matches his customer base. It is a wonderful advantage.

Weaknesses of Cable Television Advertising

In addition to sharing the weaknesses of broadcast television, cable TV possesses two additional weaknesses.

Cable channels typically have much smaller audiences. Even the top cable channels rarely reach more than 3% of all of the people watching television. (Source: Broadcasting & Cable). As more channels are added, the pie will be fragmented even further.

"Channel surfing" can lower the impact of cable commercials. Even a small cable company may offer over 30 channels to its subscribers. Add to this situation a remote control and you have a recipe for channel surfing or "zapping." When a viewer has the choice between a commercial or watching programming on another station, the programming usually wins. This means that many of your commercials may not be seen by the very people you are paying to reach.



OUTDOOR ADVERTISING (BILLBOARDS)

Strengths of Billboard Advertising

Billboards reach a lot of people. Billboards located on busy highways or major thoroughfares will reach a very large number of people. Furthermore, people will come in contact with your message at all times of the day and night. This is a very nice advantage.

Billboards are ideal for giving driving directions. The best two words on a billboard are "Exit Now." A billboard that is close to your business location can help people find your store more easily.

Weaknesses of Billboard Advertising

Billboard messages must be short. Given the fact that people who read billboards are traveling in moving cars, the message on the billboard must be short - usually 8-10 words. If you use more than 8-10 words, the response to the billboard will go down considerably. As a result, writing copy for billboards is very challenging since it can be quite difficult to be persuasive in just a few words.

Billboard locations must be good in order to be effective. One or two billboards located on high traffic areas will typically be much more effective than multiple boards in low traffic areas. This makes the good locations very expensive and much more difficult to obtain. If you decide to use outdoor advertising, pay the extra money to buy a good location near your business if none is available don't buy any. Wait until a good location becomes available.



DIRECT MAIL

Strengths of Direct Mail Advertising

Potential customers can be targeted very specifically with direct mail. No other medium can target potential customers as specifically as direct mail. A good list broker can sell you a mailing list targets a group as specific as 50 year old men who live in the 64489-zip code, who are married and have two children in college, and who make \$75,000 or more per year, and drive a late model Infinity." This is an extraordinary advantage if your customer base is very focused and narrow.

Results of a direct mail campaign are very easy to track. A small business owner can track the results simply by calculating the number of coupons redeemed or the number of phone call received.

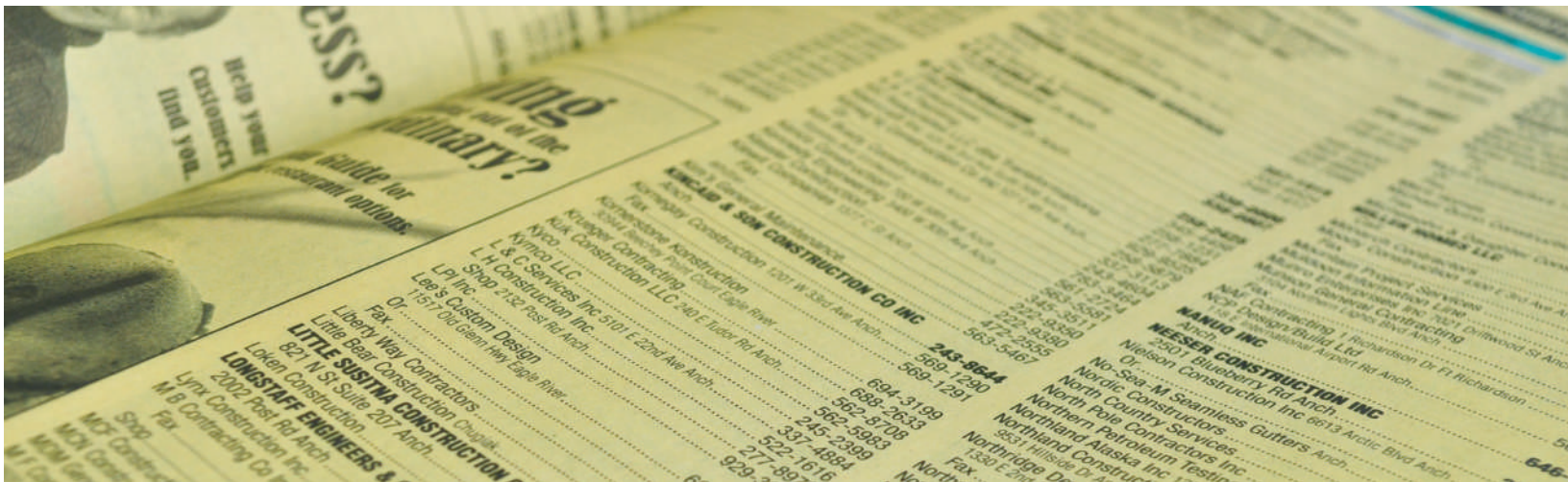
Weaknesses of Direct Mail Advertising

There is a lot of waste with direct mail. Due to the overabundance of "junk mail," the average person sorts the mail over the trash can. As a result, most of your direct mail pieces will never even be read or considered.

Your price point must be attractive. Even if your mailing gets read, most direct mail consumers are looking for an attractive price point. As a result, it is very difficult to sell your product or service at full price.

Direct mail is becoming more expensive to produce. Increases in postal rates, design & layout fees, production charges, list purchases, and printing are making direct mail a less cost-efficient medium to use.





YELLOW PAGES

Strengths of Yellow Page Advertising

The yellow pages are an excellent service directory. Most people who reference the yellow pages are looking for a service not a product. If you own a service-oriented business, you should probably have a strong presence in the yellow pages.

The yellow pages reach customers who are in the market now. The yellow pages are usually the final link in the purchasing process. People referencing the yellow pages have decided they need your service; now they are looking for the information needed to contact you. Yellow page readers are in the market right now.

Complete contact information can be listed in a yellow page ad. Very few of the media can list an extensive description of your business, complicated directions, or multiple phone numbers. This is a great strength of the yellow pages.

Weaknesses of Yellow Page Advertising

Since it is primarily a service directory, most retailers won't see much benefit from a yellow page ad. I'll go to the yellow pages if my water heater breaks, but I won't shop for a new business suit out of the phone book. If you own a retail shop, an in-column listing is all you will probably ever need in the yellow pages.

An ad in the yellow pages is not intrusive. The yellow pages do not help persuade people who are not in the market right now. No one sits and flips through the yellow pages just to pass the time. So, people will only come in contact with your yellow page ad when they currently feel the need for your service.

Your ad in the yellow pages is surrounded by all of your competitor's ads. The best you can hope for is that when people go to your business heading in the book, they respond to your ad rather than your competitors. Make sure your ad copy and layout is very strong and persuasive.

You cannot change your yellow pages ad copy mid-year. If your business climate changes, your yellow page ad won't.



INTERNET/WEB PAGES

Strengths of Internet Advertising

A web site can allow you to do business outside of your market area. Since the internet is worldwide it allows you to advertise your business internationally. This is a strength if your company's product can be shipped easily or if your service can be extended easily outside of your current market area.

A web site can provide extensive information about your business. A web site is the preeminent information delivery source. There is virtually no end to the amount of information that can be contained on your company's web site.

A web site allows you to elicit instant feedback from potential customers. Consumers can purchase your product or service with just a click of a mouse. Furthermore, it is relatively easy to get very specific information from visitors. This information can be used to construct a mailing list or database for future advertising endeavors.

Weaknesses of Internet Advertising

It is difficult to get consumers to come to your web site. This is the biggest stumbling block for most companies on the web. A simple search on any of the popular search engines may produce tens of thousands of different businesses that fit your particular business category. Most companies who successfully use the internet rely on other media to publicize their web address.

It can be labor intensive to keep a web site updated. The key to success on the web is to get customers to repeatedly return to your site. In order for it to be appealing for a customer to do so, there must be new information that can be gained by returning. So, you need to continually update the content on your web site. For a business with a small staff, this can be a very daunting task.

TWO CARDINAL RULES OF MEDIA SELECTION

Before you begin the process of selecting the media that you will use to advertise your business, please remember the Two Cardinal Rules of Media Selection:

Cardinal Rule #1: Create an Annual Advertising Plan

Most business owners bounce from media to media in an attempt to find one that works for them. Invariably, they don't give the ad campaign sufficient time to develop before they are off to find a medium that will "work".

Advertising is not magic. Successful advertising is nothing more than a potential customer coming in contact with a persuasive message over and over and over again.

There are several benefits derived from using annual advertising contracts that include:

- 👍 The ad campaign is given time to mature and "take hold."
- 👍 Media providers typically offer better prices if you purchase long term contracts.
- 👍 You can turn away all media salespeople for the rest of the year because your ad budget has already been allocated.

Create an annual plan. Then stick with it. Select the media you're going to use and then negotiate annual contracts with the media providers.

Cardinal Rule #2: Never Buy a Bigger Media Provider Than You Can Afford to Dominate

Most business owners try to spread their ad budget over too many media in an attempt to cover all their bases. What ends up happening is that none of the media is used properly.

If you can't afford to dominate the top TV station's 10 o'clock newscast, then buy the 6 o'clock news or buy a lower rated station's 10 o'clock news. If you can't afford to run a good schedule on the top radio station, then be the biggest advertiser on a smaller station.

It is better to pick one or two media providers that you can afford to dominate and go with them. There is no future in being a small fish in a big pond.

Factors That Affect Media Selection

In order to make an intelligent decision as to the best media to use when advertising your business, you need to have a thorough understanding of your business and your market place. There are a variety of factors that must be taken into consideration:

- 👍 Your company's unique selling proposition
- 👍 The goals for your advertising
- 👍 Your current competitive environment
- 👍 Your location
- 👍 The nature of the core message you will communicate
- 👍 Your business philosophy
- 👍 Where your competitors are advertising

Review the strengths and weaknesses of each of the media and decide which one best fits

your company. Remember that any medium can work but not every media can work for every business. Once you have determined which medium will work best for your business, you will have completed the first of the three Key Principles for Advertising Success.

CONCLUSION

"The definition of crazy is doing what you've done before and expecting a different result."

Many small business owners are so busy working in their business that they spend very little time working on their business. The unfortunate result is that these business owners simply continue to do what they have always done and hope that it delivers a different result. Select the right media for your business. This is the first step in developing an effective advertising plan. Once this is accomplished, you will have strengthened your advertising program significantly which very likely is much more than any of your competitors have done...

