Creative Use of Advertising and Promotion

Chapter 10: Advertising and Promotion

Developing a Unique Selling Proposition (USP)

- USP - A key customer benefit of a product or service that answers the critical question that every customer asks: "What's in it for me?"
- Identify your product or service’s USP by describing the primary benefit it offers customers and then list other secondary benefits it provides.

Developing A Unique Selling Proposition (USP)

- Briefly list a few facts that support your product’s USP
- Then focus your ads to stress these top benefits and the facts supporting them!
A Six-Sentence Advertising Strategy

1. What is the purpose of this ad?
2. What USP can you offer customers?
3. What other key benefits support your USP?
4. At whom are you aiming the ad?
5. What response do you want from your target audience?
6. What image do you want to convey in your ads?

Creating a Promotional Strategy

- **Publicity** - any commercial news covered by the media that boosts sales but for which the small business does not pay
- **Personal selling** - the personal contact between sales personnel and potential customers resulting from sales efforts
- **Advertising** - any sales presentation that is non-personal in nature and is paid for by an identified sponsor

Tips for Stimulating Publicity

- Write an article of interest to customers
- Sponsor an offbeat event to attract attention
- Involve celebrities “on the cheap”
- Offer to be interviewed on TV and radio stations
- Publish a newsletter
- Speak to local organizations
- Sponsor a seminar
- Write news releases and fax them to the media
- Serve on community and industry boards and committees
- Sponsor a community project or support a nonprofit organization
- Promote a cause
Top Salespeople...

- Are enthusiastic and alert to opportunities.
- Are experts in the products or services they sell and understand how their products and services can help their customers.
- Concentrate on select accounts with the greatest sales potential.
- Plan thoroughly.
- Use a direct approach with their customers.
- Work from their customer's perspective.
- Use past success stories and testimonial.
- Leave sales material with potential customers.
- See themselves as problem solvers, not just vendors.
- Measure success by customer satisfaction as well as by sales volume.

How Sales Representatives Spend Their Time

<table>
<thead>
<tr>
<th>Activity</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Active selling</td>
<td>10%</td>
</tr>
<tr>
<td>Prospecting</td>
<td>10%</td>
</tr>
<tr>
<td>Travel</td>
<td>18%</td>
</tr>
<tr>
<td>Problem solving</td>
<td>14%</td>
</tr>
<tr>
<td>Personal downtime</td>
<td>17%</td>
</tr>
<tr>
<td>Administrative tasks</td>
<td>31%</td>
</tr>
</tbody>
</table>

Successful Personal Selling Requires a Selling System

1. Prepare
2. Approach
3. Interview
4. Demonstrate, explain, and show
5. Validate
6. Negotiate
7. Close the sale
Chapter 11: Marketing Communications

Fundamentals of a Successful Ad

Selecting Advertising Media: Key Questions

- How large is my firm’s trading area?
- Who are my customers and what are their characteristics?
- Which media are most likely to reach those customers?
- What budget limitations do I face?

Selecting Advertising Media: Key Questions (Continued)

- Which media do my competitors use?
- How important are repetition and continuity of my advertising message?
- How does each medium compare with others in audience, reach, and frequency?
Comparing Media

- **Audience** - the number of paid subscribers a particular medium attracts
- **Reach** - the total number of people exposed to an ad at least once in a period of time, usually 4 weeks
- **Frequency** - the average number of times a person is exposed to an ad in that same time period

Selecting Advertising Media: Key Questions (Continued)

- Which media do my competitors use?
- How important are repetition and continuity of my advertising message?
- How does each medium compare with others in audience, reach, and frequency?
- What does the advertising medium cost?

Advertising Expenditures by Medium

- Television: 33.3%
- Radio: 10.4%
- Newspapers: 11.6%
- Magazines: 16.6%
- Out of home: 2.9%
- Internet: 10.4%
- Other: 2.4%
- Directories: 7.7%
Advertising Media Options

- Word-of-mouth

Word-of-Mouth Advertising

- Make your business buzz-worthy
- Promote your company to “influencers”
- Make it easy for satisfied customers to spread the word
- Use the Web to amplify your company’s word-of-mouth advertising
- Tap into the power of YouTube

Advertising Media Options

- Word-of-mouth
- Sponsorships and Special Events
Sponsoring Special Events

- Don’t count on sponsorships for your entire advertising campaign.
- Find an event that is appropriate for your company and its products and services.
- Research the event and the organization hosting it before agreeing to become a sponsor.

Sponsoring Special Events (Continued)

- Try to become the dominant (or, better yet, the only) sponsor of the event.
- Clarify the costs and the level of participation required for the sponsorship up front.
- Get involved in the event.

Advertising Media Options

- Word-of-mouth
- Sponsorships and Special Events
- Newspapers
- Radio
**Snappy Radio Copy Should...**

- Mention the business often
- Stress benefits to the listener
- Use attention-grabbers
- Zero in on a particular audience
- Be simple and to the point

**Snappy Radio Copy Should...**

- Sell early and often
- Be written for the ear
- Be rehearsed before presentation
- Use positive action words
- Put the listener in the picture
- Focus on getting a response

**Advertising Media Options**

- Word-of-mouth
- Newspapers
- Radio
- Television
- Magazines
- Specialty advertising
- Point-of-purchase ads
### Advertising Media Options
- Word-of-mouth
- Out-of-home ads
- Newspapers
- Transit advertising
- Radio
- Direct mail
- Television
- World Wide Web
- Magazines
- Specialty advertising
- Point-of-purchase ads

### Advertising on the Web
- 2011: U.S. companies spend $36.5 billion on Web advertising
- Types of ads:
  - Banner
  - Display
  - Pop-up
  - Interstitial
  - Contextual
  - Pay-per-click

### E-Mail Advertising
- Permission e-mail vs. spam
  - Radicati Group study: 171 billion e-mails sent per day
  - 71 percent of those are spam
- Stick to marketing basics
E-Mail Advertising

- Collect customers’ and potential customers’ e-mail addresses
- Make subject line short, meaningful, and to-the-point
- Make the e-mail’s look and feel consistent with your company’s image
- Send e-mails when customers are most likely to make purchases
- Write copy that produces results
- Use value-added items to increase response rates

Advertising Media Options

- Word-of-mouth
- Out-of-home ads
- Newspapers
- Transit advertising
- Radio
- Direct mail
- Television
- World Wide Web
- Magazines
- Directories
- Specialty advertising
- Trade shows
- Point-of-purchase ads

Preparing an Advertising Budget

- What is affordable
- Matching competitor’s advertising expenditures
- Percentage of Sales
  - Past Sales
  - Forecasted Sales
- Objective-and-Task
How to Advertise "Big" on a Small Budget

- Hire freelance copywriters and artists
- Use cooperative advertising
- Participate in shared advertising
- Use stealth advertising
- Maximize publicity with techniques such as cause marketing

(Continued)

- Repeat ads that have been successful
- Use identical ads in different media
- Hire independent copywriters, graphic designers, photographers, and other media specialists
- Concentrate advertising when customers are most likely to buy