

CHAPTER 18

Advertising

Sections

18.1 Advertising Basics

18.2 Creating an Advertising Campaign



College
and Career
Readiness

Reading Prep

Before you begin reading this chapter, preview the section heads and vocabulary lists. Make a list of questions that you have before reading. Search for answers to your questions as you continue reading the chapter.

Check Your Marketing IQ

Before you begin the chapter, see what you already know about marketing by taking the chapter pretest. The pretest is available at www.g-wlearning.com/marketing/.

DECA Emerging Leaders

Marketing Management Team Decision-Making Event, Part 2

Career Cluster: Marketing

Instructional Area: Communication Skills, Selling

Procedure, Part 2

In Chapter 17, you studied the performance indicators for this event.

1. The event will be presented to you through your reading of the Knowledge and Skills Developed, Specific Performance Indicators, and Case Study Situation.
2. You will have 30 minutes to review this information and prepare your presentation. You may make notes to use during your presentation.
3. You will have ten minutes to make your presentation to the judge, followed by up to five minutes to answer the judge's questions. Both members of the team must participate in the presentation, as well as answer the questions.
4. Turn in all your notes and event materials when you have completed the event.

Case Study Situation

You are to assume the role of sales team for Fit for Life, a new health club located next door to a large hospital. The **manager (judge)** of Fit for Life has called on your team to describe a sales and marketing strategy to sell memberships to the 1,000 employees who work at the hospital.

Fit for Life is a 24-hour health club equipped with a running track, racquetball and tennis courts, swimming pool, exercise equipment, and numerous fitness classes. Since Fit for Life is open 24 hours a day,

seven days a week, it is highly accessible to medical employees who work any shift at the hospital.

The manager (judge) of Fit for Life wants to obtain memberships from the majority of hospital employees. The manager (judge) has asked your team to develop a sales and marketing strategy that will convince hospital employees to join the health club. Your team has been called on to describe an effective sales presentation for hospital employees. Your team must describe special incentives you will offer to encourage hospital employees to attend the sales presentation and special promotional events offered by Fit for Life to sign up new members.

Your team must describe the types of communication that will be the most effective for recruiting health club members. Your presentation should include the following topics: communication, oral presentation, building clientele, motivational theories, customer service, and product features.

You will present your sales strategy to the manager (judge) of Fit for Life in a meeting to take place in the manager's (judge's) office. The manager (judge) of Fit for Life will begin the meeting by greeting you and asking to hear your ideas. After you have presented your information about a sales strategy to sell health club memberships and have answered the manager's (judge's) questions, he or she will conclude the meeting by thanking you for your work.

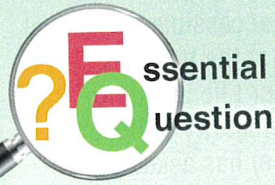
Critical Thinking

1. Which features should be emphasized by Fit for Life that are attractive to hospital workers?
2. Why should Fit for Life's hours of operation be emphasized in the meetings with hospital employees?

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Section 18.1



What role does advertising play in promotion?

Advertising Basics

Learning Objectives

- LO 18.1-1 Describe advertising as an element of the promotional mix.
- LO 18.1-2 Cite common types of advertising media.
- LO 18.1-3 Identify considerations in media selection.

Key Terms

search engine optimization (SEO)
media planning
advertising agency
creative plan
reach

frequency
cost per thousand (CPM)
circulation
lead time

LO
18.1-1

Advertising

Advertising is one element of the promotional mix. It is any nonpersonal communication paid for by an identified sponsor. *Nonpersonal* means the message is delivered through a media channel, not in person. The message is the same for everyone who receives it.

Advertising is a daily influence in our lives. It is everywhere—on the street, on the Internet, in smartphone apps, and on television and the radio. Advertising can change people's beliefs and attitudes about products and help them make buying decisions. It may create positive or negative feelings about a product, brand, or company. The main purposes of advertising are to persuade customers to buy a product or accept an idea, inform customers about products, or remind them to take action.

Advertising and Society

While advertising clearly benefits business, it also can benefit society. Advertising can:



pxl.store/Shutterstock.com

Advertising is one element of the promotional mix and is everywhere you look. *Where do you encounter ads in your daily life?*

- inform consumers and businesses about product choices;
- encourage consumers to seek a higher standard of living;
- stimulate competition among businesses so they offer better products at lower prices;

- help increase employment needed to keep up with demand for advertised products;
- encourage acceptance of new and innovative products; and
- help people learn about health and social issues.

Advertising Law

Advertisers have legal and ethical obligations to consumers and business customers. They are responsible for providing honest, accurate information. Advertisements often make promises about product features and benefits that encourage people to buy. Misleading or false advertisements sometimes make promises that are not kept. Laws and regulations protect buyers from deceptive and improper advertising practices. These laws regulate what advertisers can and cannot say.

Information conveyed through promotional material must be factual and accurate. As you will recall from Chapter 4, advertising materials must follow federal guidelines set by the Federal Trade Commission (FTC), the main federal agency that enforces advertising laws and regulations. Under the *Federal Trade Commission Act*, federal law states the following.

- Advertising must be truthful and nondeceptive.
- Advertisers must have evidence to back up their claims.
- Advertisements cannot be unfair.

False advertising is overstating the features and benefits of goods or services or making false claims about them. It is both unethical and illegal. Businesses that misrepresent their products or services risk losing customers, at the very least.

The FTC's website provides information on advertising and marketing basics. The website should be consulted before creating advertisements to ensure that guidelines are followed.

LO
18.1-2

Types of Advertising Media

Advertising makes its way to an audience through various types of media. The types of media used can include print media, outdoor media, broadcast media, and the Internet.

Print Media

Print media is one of the most effective forms of advertising. It includes all tangible promotional messages. Print media includes newspapers, magazines, directories, and direct mail.

Newspapers

A newspaper is a daily or weekly publication printed on inexpensive paper. It is usually discarded after reading. Newspapers are bought by many different people, so they do not fit any specific target market. Consumers often rely on newspaper advertising for information on sales, new products and stores, and coupons. Although print newspaper sales have declined, newspapers are still a viable advertising medium.

Consumers often look at newspaper advertisements to learn about new products and current sales. *Coupon clippers* are people who cut out coupons to save money on products. Coupons generally have a promotion code that indicates



Social Media

Twitter

Twitter is a free microblogging service that allows its users to publish short posts called *Tweets*. Twitter can be a useful tool for conversations with customers. Businesses can connect in real time with customers who may be using a product or visiting a booth at a trade show. Customers can instantly find information about a company and its products from the Tweets posted. Marketers can see what customers are saying about the company, the industry, or a topic that helps gather intelligence about the competition.

Tweeting for marketing takes careful planning because the message is limited to 140 characters. Similar to other social media, thoughtful messages should be composed rather than responding or sending a Tweet without thought. It is better to take a few extra minutes to compose a strategic Tweet that will be effective and send a message that is appropriate.



Trong Nguyen/Shutterstock.com

Magazines are purchased by people in specific target markets based on their interests. *How can advertising in a magazine be tailored to a magazine's target market?*

where the coupon originally appeared. Marketers use different promotion codes to track consumer response to advertisements and coupons.

Magazines

Magazines are printed weekly, monthly, or quarterly, usually on high-quality paper. Magazines are purchased by people in specific target markets based on their interests. People tend to keep magazines longer than they keep newspapers. Therefore, magazine advertisements, just like the articles, can be repeatedly seen by readers. The value of more expensive magazine advertisements can be higher than that of newspaper advertisements, even though the circulation may be lower.

Directories

Businesses and individuals still use print telephone directories. These directories list names, addresses, and phone numbers in alphabetical order. Directories are given to all households and businesses, so they are not targeted publications. Included in most telephone directories are the yellow pages for business listings, advertisements, and coupons. Advertisements in the yellow pages can be affordable for businesses with a small promotional budget. Telephone directories are used repeatedly, so an advertisement is seen many times.

Direct Mail

Direct mail is a type of print advertisement sent directly to individual customers without the use of

a third party. It includes direct marketing pieces such as brochures, coupons, flyers, and post cards.

Outdoor Media

Outdoor signs have been used as a form of advertising since the 19th century. They are placed where an audience on the move can see them. Two common forms of outdoor advertising media are billboards and transit promotion. Other forms of outdoor advertising include skywriting, blimps, and hot-air balloons.

Billboards

A *billboard* is a large outdoor sign typically placed in a high-traffic area, such as next to a highway. Billboards can be an affordable advertising method to display promotional messages 24 hours a day. The only way to target billboards is by location.

Digital billboards change images every four to ten seconds. Messages from one or more advertisers may be flashing on the same sign, which can be distracting for drivers. Some states and a number of cities have banned digital billboards.

Transit Promotion

Transit advertising is found on the outside or inside of buses, taxis, subways, trolleys, and



Anton_Ivanov/Shutterstock.com

Billboards, including digital billboards, can be an affordable advertising method. *Where do you commonly see billboards?*

commuter trains. Transit advertisements have high visibility to a narrow market. They are generally an inexpensive way to reach an often captive audience. Putting information on company vehicles is an inexpensive way marketers can promote a business.

Broadcast Media

There are two forms of broadcast media: television and radio. Television and radio advertisements, or *commercials*, reach a large number of people daily. Commercials are short messages, typically 15, 30, or 60 seconds in length. Still, they can be costly to produce.

Television

The most expensive advertising medium is television because it reaches the most people. Similar to other forms of advertising, television commercials are designed to appeal to specific target markets. Making television commercials is much like making short movies, which makes the cost of using it for advertising high.

Commercial time can be bought on the national or local level. Local-television advertising is more affordable because it reaches only local viewers.

Infomercials are paid product demonstrations. Infomercials are longer than commercials, usually 30 minutes. This type of programming is watched by some consumers and can be a good way to sell a new product. Infomercials tend to run at times



MikeDotta/Shutterstock.com

Transit advertisements, such as those on buses, are highly visible to a narrow market. *What types of transit advertisements have you seen in your community?*

Employability Skills

Inside Voice

Be aware of the volume of your voice when speaking to a coworker or on the phone. Often, others are within earshot of your conversation. Talking in the hallways, outside an office, or in a cubicle can be disturbing to those around you. If a conversation requires more than a few words, move into a conference room or other space where a door can be closed.

with low viewership, so the costs may be less than some commercials.

Radio

Radio is an affordable advertising option to reach local customers. Radio advertising is typically much less expensive than television. There are many radio stations. They play music or have talk programs that attract very different target markets. For example, classical music and talk radio stations tend to have older listeners. Rock and pop music stations have more listeners in the teen and young-adult markets. Radio is an effective way to reach certain groups of people.

Internet Media

Internet advertising is advertising using the Internet for promoting product. This includes advertising on a company's own website, as well as placing advertisements on the websites of other businesses. The goal is to reach typical users who are in the target market for the business or product. Internet advertising also includes e-mail campaigns and social media.

Online Advertising

Online advertising is placing advertisements on websites where typical viewers are the target market for the business. Examples of online advertising are described in Figure 18-1. Marketers must know which websites will best reach the market. It is also important to know if dollars spent on digital advertising are providing value by delivering customers.

Online Advertising

- **Banner advertisements** are placed at the top of a website, typically in a box, and look similar to a print advertisement.
- **Demonstration videos** are posted on free video-sharing websites.
- **Floating advertisements** float across or around the screen and disappear in seconds.
- **Pop-up advertisements** pop up when a website is clicked open; customers can typically close these on the screen or block them completely.
- **Pop-under advertisements** are similar to pop-up advertisements, but they appear after the web page is closed; customers can typically close these on the screen or block them completely.

Goodheart-Willcox Publisher

Figure 18-1 There are many types of online advertising.

Search engine optimization (SEO) is the process of indexing a website to rank it higher on the list of results that appears when a search is conducted. This process includes adding special coding and typical search terms to the website text. SEO helps increase the chances of higher rankings on any Internet search engine.

Marketers often purchase key search terms on search engines, which is called *paid SEO*. Small text advertisements show up on the side of the URL list when the purchased terms are used in a search. Advertisers are charged by the number of people who click on the small advertisement, which is a link to the main website. Most search engines have tracking metrics, such as Google AdWords for advertisements purchased on Google. The metrics provide daily reports that track how many people clicked on an advertisement or made a purchase because of an advertisement.

E-mail Campaigns

E-mail can be an effective way to reach a wide variety of customers. However, in order to abide by the spam laws, e-mail campaigns must allow the receiver the option to receive or reject the e-mail. This is known as *opt-in*, which means the receiver must be given the option to opt-in or opt-out of the e-mail campaign. Unsolicited e-mail is called *spam* and reflects poorly on any business sending it. The last thing marketers want to do is offend a customer. One way to avoid being labeled a spammer is to send e-mails only to people who

give permission to use their e-mail address for promotional purposes.

Before conducting an e-mail campaign, marketers should read and understand the 2004 CAN-SPAM Act. This act is enforced by the FTC and allows individuals to report companies that send spam. Businesses that violate the CAN-SPAM Act are subject to financial penalties. Highlights of the act are shown in Figure 18-2.

Social Media

Social media is a platform that connects people with similar interests. Social-media websites create online communities where information, ideas, messages, pictures, and videos are shared. Businesses can also connect to people through social media. Marketers can take advantage of social-media websites to make special offers to different groups of people. They can also create a dialogue with people about products, suggestions, and other topics of

CAN-SPAM Act

1. E-mail header information, including the originating website or e-mail address, must identify the organization that sent the message.
2. The e-mail subject line must accurately represent the content of the e-mail message.
3. The e-mail must be identified as an advertisement or promotion.
4. The e-mail must provide a valid physical postal address for the organization.
5. Recipients must be given clear instructions on how to opt out of receiving future e-mails from the organization. The organization must ensure these opt-out requests do not get caught in its own spam filter.
6. Opt-out requests must be honored within 10 business days. Organizations cannot charge a fee or require the recipient to take any other step as a condition for honoring an opt-out request.
7. The organization cannot sell or transfer e-mail addresses of those who have opted out.
8. Even if an outside company is hired to conduct e-mail marketing, both companies are still responsible for compliance with the law.

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Figure 18-2 Marketers should read and understand the CAN-SPAM Act before conducting an e-mail campaign.



Marketers use social media like Facebook to make special offers to different markets. *What is your opinion of a business using social media to advertise to potential customers?*

interest. Examples of social media include Twitter, Facebook, Instagram, Pinterest, and Snapchat.

LO
18.1-3

Media Selection

The process of determining the best media that meets a campaign's objectives is known as **media planning**. Selecting media for a campaign involves considerations of factors such as the target market and type, or types, of media that will be available in the demographic area. It also includes considering the pros and cons of each type of media, as shown in Figure 18-3, to ensure the appropriate choice is made.

Advertising is an expensive part of the promotional mix. For that reason, budgetary and scheduling considerations must be evaluated. These include the cost of creating the advertisement, cost of placement, and lead time.

Cost of Creation

Many people are involved in the development of an advertising campaign, including writing, designing, and physically creating the final pieces. Each person must be paid for his or her time and talent. Some companies have professionals on staff to create the various elements in the promotional mix. Other businesses, both large and small, may choose to use outside resources to create their promotions. For example, freelance graphic designers and copywriters may be hired to perform those services.

Some companies use an advertising agency to create promotions. An **advertising agency** is a

firm that creates advertisements, commercials, and other parts of promotional campaigns for its clients. Typically, the advertising manager from the marketing team is the *client*, or primary contact, for the advertising agency. The manager works with an agency account representative to produce advertisement campaigns. The client makes agency assignments through the account representative who manages the agency staff. The staff creates and delivers the assigned creative services.

The advertising or marketing manager works closely with the account representative to develop a creative plan for the agency. A **creative plan** outlines the goals, primary message, budget, and target market for the advertising campaign.

The advertising agency will have a copywriter who writes the message. A graphic designer chooses the visual graphics and creates the overall design. A layout artist or broadcast production manager delivers the final advertisement or commercial. A media buyer purchases print advertisement space and broadcast commercial time on behalf of the client. The advertising agency bills the clients for work performed on an hourly basis.

Cost of Placement

The cost to place advertisements varies depending on a number of factors. When a single person views an advertising message, it is called an *impression*. In all types of media, the cost increases depending on the amount of exposure, or number of impressions, the ad will get.

- **Reach** is the total number of people expected to see an advertisement.
- **Frequency** refers to the number of times the advertisement appears before the customer.
- **Cost per thousand (CPM)** refers to the cost of an advertisement per one thousand impressions. The abbreviation is CPM because *mille* means *one thousand* in Latin.

In print advertising, costs are usually based on size of the advertisement, the price paid for the print space, and how many times the advertisement will be printed. Costs are also based on how many people see the advertisement based on circulation. **Circulation** is the number of copies distributed to subscribers in a defined time period. A full-page advertisement in a national magazine might be as much as \$50,000. A small advertisement in a local newspaper may only cost \$500 because fewer people will see it.

Running advertisements on broadcast media is even more expensive, often costing thousands, or

Pros and Cons of Advertising Media			
Media Type	Medium	Pros	Cons
Print	Newspapers	• Flexible by geographic need • Provides detailed message • Short lead time	• Expensive to reach target audience • Hard to target a specific market • Print audiences declining
	Magazines	• High quality • Highly targeted markets • Long advertisement life • People share or give away magazines	• Advertisement clutter • Print audiences declining • High cost • Long lead time
	Directories	• Efficiently reach those needing the service • Kept for a year or more	• Cannot change advertisement for one year • Limited readership • May be expensive
	Direct Mail	• Easy to reach a target market • Easy to track and collect metrics • Flexible by geographic need • Provides detailed message	• Considered <i>junk mail</i> by many • High cost • Low response rate • Negative environmental impact
Outdoor	Billboards	• Flexible by geographic need • High frequency • Low cost	• Hard to measure demographics • Low reach • Short message
	Transit Promotion	• Flexible by geographic need • High reach and frequency • High visibility to narrow market • Low costs	• Could become damaged by vandalism or weather • Hard to target a specific market • Space limitations
Broadcast	Television	• May impact popular culture • Messages can be entertaining • Most watched medium • Visual and audio	• Advertisement clutter • Channel surfing or skipping commercials • Fragmented audiences • Most expensive medium
	Radio	• Highly targeted markets • Increased frequency • Relatively low costs • Short lead time	• Advertisement clutter • Difficult to achieve high reach • Channel surfing during commercials • Only audio
Internet	Online Advertising	• Changes made quickly • Cost effective • Easy to measure effectiveness • Highly targeted markets • Short lead time • Visual and audio	• Fragmented search engines • Limited Internet access for some customers • Many people install software to block ads
	E-mail Campaigns	• Cost effective • Easy to measure effectiveness • Highly targeted markets • Interactivity • Short lead time	• Laws must be followed to avoid sending spam • Limited Internet access for some customers • Many people delete or filter ads without reading • Risk of hacking and/or identity theft
	Social Media	• Cost effective • Easy to measure effectiveness • Highly targeted markets • Invites dialogue with customers • Short lead time	• Limited Internet access for some customers • Risk of hacking and/or identity theft

Goodheart-Willcox Publisher

Figure 18-3 There are many considerations when selecting the appropriate type of media for an advertisement.

even millions, of dollars. In broadcast media, costs depend on the length of the advertisement and how many times it will be viewed or heard. *Prime time* refers to the hours during which broadcast media consumption is at its peak. In the United States, prime time is generally considered to be 7:00 p.m. to 10:00 p.m., depending on the location. Running broadcast advertisements during prime time is more expensive than during other hours of the day. For example, a 30-second commercial during the Super Bowl can cost several million dollars because the television event takes place during prime time and draws millions of viewers.

the advertisement actually runs. It is important to consider lead times when planning an advertising campaign. Consider, for example, a campaign with the goal to increase sales during the Fourth of July holiday weekend. The advertising materials must be ready for placement well before that time.

Lead time must be considered when selecting media because lead times vary by medium. The lead time to run an advertisement in a national magazine could be a month or more. The lead time to run an advertisement in the local newspaper might be only 24 hours.

Lead Time

Lead time is the time between reserving the advertisement space or broadcast time and when

Section 18.1 Review

Check Your Understanding

1. What is the main purpose of advertising?
2. Explain false advertising.
3. What is the most expensive advertising medium?
4. Name the law that is important for marketers to understand before conducting an e-mail campaign.
5. What factors can affect the cost of a print ad?

Build Your Vocabulary

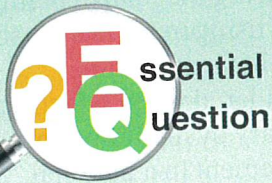
As you progress through this text, develop a personal glossary of key terms. This will help you build your vocabulary and prepare you for a career. Write a definition for each of the following terms and add them to your personal glossary.

advertising agency
circulation
creative plan

cost per thousand (CPM)
frequency
lead time

media planning
reach
search engine optimization (SEO)

Section 18.2



How might an advertising campaign affect the success of a product?

Creating an Advertising Campaign

Learning Objectives

- LO 18.2-1 Summarize how an advertising campaign is developed.
LO 18.2-2 List elements of an advertisement.

Key Terms

advertising campaign
headline
copy
action words
typography
typeface

weight
art
layout
white space
signature

LO 18.2-1 Developing an Advertising Campaign

An **advertising campaign** is a coordinated series of related advertisements with a single idea or theme. It is one piece of the overall promotional campaign.

Some media are more appropriate than others for use in a campaign. The types of media used depend on the product being advertised and the target market. There is no one medium or mix of media that is the best to use for all advertising situations. Steps for creating successful advertising campaigns are to set goals, establish a budget, brainstorm the creative concept, write the message, select the media, and evaluate the results, as shown in Figure 18-4.

Goals

The promotional plan addresses each element of the promotional mix that will be used. Since advertising is one part of the promotional mix defined in the promotional plan, advertising goals

will be a part of the goals that are already established. For example, advertising goals might include reaching a specific sales goal or increasing brand awareness by 10 percent. However, these goals may be refined as the advertising plan is developed.

Budget

The advertising campaign budget must be established before media is chosen. It will be

Advertising Campaign Development

- Set campaign goals
- Establish a budget
- Brainstorm the creative concept
- Write the message
- Select the media
- Evaluate the results

Goodheart-Willcox Publisher

Figure 18-4 An advertising campaign is a coordinated series of related advertisements with a single idea or theme.



tsyhung/Shutterstock.com

Part of concepting is brainstorming what the campaign should look like. *Why is concepting important when developing an advertising campaign?*

assigned based on the amount designated for advertising in the overall promotional budget. It is important to be clear on the amount allocated for the campaign and to understand what can be afforded. For example, a marketer may want to run television advertisements, but the budget cannot support the cost. Criteria for allocating budget

dollars should be influenced by the objectives that are intended to be met.

Concept

The creative concept process, also known as *concepting*, is looking at the big picture and brainstorming what the campaign should look like. The concept may be an idea for a print advertisement, or one for a television commercial with a well-known public figure that provides entertainment value. When the concept is developed, it may be presented as a prototype or rough draft to management for approval.

Message

Effective campaigns deliver a marketing message that is valuable to the customer. The unique selling proposition (USP) should be at the heart of the campaign. The *unique selling proposition (USP)* is a statement of how the products, brand, or company are better than the competition. It explains why the customer should purchase products from your company rather than another company. For example, price, features, benefits, new items, store location, hours, and sale pricing are often included in advertising.



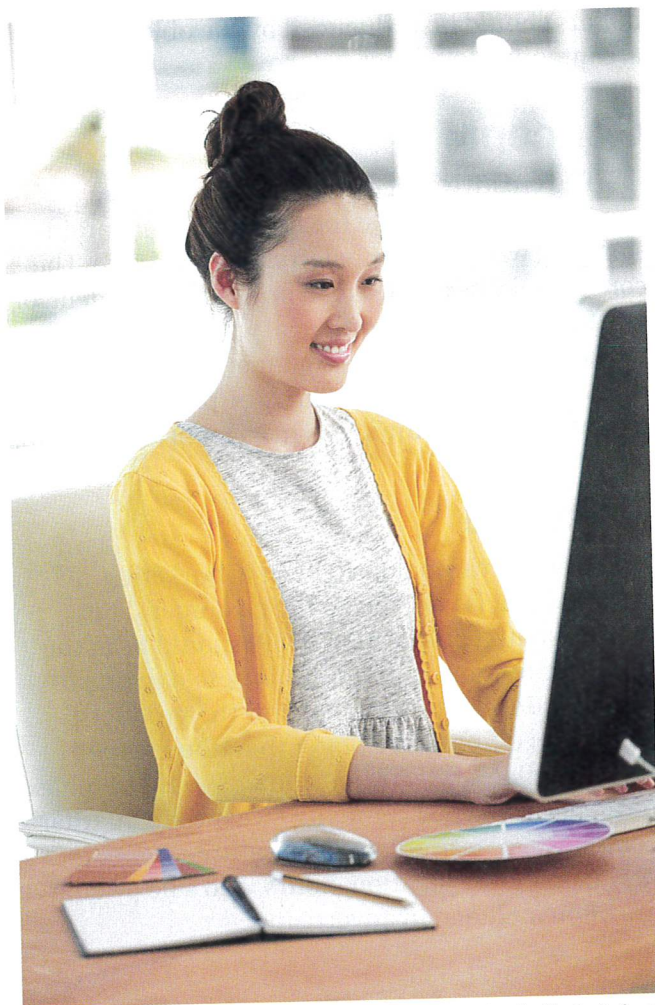
Case in Point

Airbnb

Airbnb is an online community that allows travelers to book accommodations in the homes of other people all over the world. Homeowners can offer just one room or their entire house, condo, or apartment. The company's goal is to provide "a sense of belonging and comfort and community" no matter where its customers may travel.

Airbnb was started in San Francisco in 2008. In just a few years, the company grew to over 1.5 million listings in more than 34,000 cities around the world. Airbnb achieved its success through careful planning and research. The company understood that social media and the Internet were the perfect media to market their new company.

The company launched the #OneLessStranger campaign and social experiment in 2015 to promote the Airbnb brand. The campaign encouraged people to do random acts of kindness for strangers and to post a picture including the hashtag. The goal of the campaign was for every participant to get to know someone new and create one less stranger in the world. Airbnb showcased the photos taken as part of this campaign on its website's map. In less than three weeks, over three million people worldwide had contributed to or were talking about the campaign. This kind of success does not happen without a detailed, well-thought-out marketing plan.



wavebreakmedia/Shutterstock.com

A graphic designer at an advertising agency creates the overall design of an advertisement. *How might a marketing team benefit from hiring an advertising agency?*

Media

An important step in planning is selecting the appropriate media for a campaign. It must be determined which media will best communicate the message. Costs and scheduling are also considered when selecting the media.

Evaluate

Marketing must evaluate whether their advertisements are seen by the expected number of people. *Reach* is total number of people expected to see an advertisement. *Frequency* is the number of times the advertisement appears before the customer. Reach and frequency numbers help to determine the cost of some media.

Reach and frequency metrics are used to measure advertisement effectiveness. The more often a person sees an advertisement, the better the chance the message will be remembered. However, viewers begin tuning out the message after seeing it too many times.

LO
18.2-2

Elements of an Advertisement

The classic structure for an advertisement has four elements:

- headline;
- copy;
- graphics; and
- signature.



Green Marketing

Ecofriendly Marketing Premiums

Many businesses advertise through marketing premiums for customers, such as pens, reusable tote bags, and other novelty items. When using these products in promotions, your company name is repeatedly seen by current and potential customers as the item is used. Consider the environmental impact of the items when planning to purchase marketing premiums. Choose promotional items made from recycled or sustainable material, and avoid unnecessary packaging. Be conscious of the sourcing and distribution practices related to the items. Using carriers with low carbon ratings can reduce the environmental impact of product distribution. Customers typically appreciate and remember environmentally responsible actions of businesses and companies.



Courtesy of @Pacific Cycle; Goodheart-Willcox Publisher

Figure 18-5 There are no set rules for where each element of an advertisement appears. However, most advertisements begin with a headline.

These elements are identified in the Schwinn bicycle advertisement in Figure 18-5.

Headline

A **headline** is a statement designed to grab the attention of viewers so they will read the rest of the advertisement. Headlines usually appear in large type or have some other attention-getting graphic element. A general rule recommends that headlines have no more than seven words.

The headline uses words to call attention to the advertisement, much like a lure on a fishing hook. Copywriters hope that by reading the headline, a person is hooked into reading the rest of the advertisement. In fact, the aspect of an advertisement that grabs attention is often called the *hook*.

Research shows that over 80 percent of readers only read headlines. Because of this fact, many advertisers think the headline is the most important part of the advertisement.

Section 18.2 Review

Check Your Understanding

1. What is concepting?
2. Why is the unique selling proposition (USP) an important part of the advertising message?
3. What is a hook in advertising?
4. When choosing typography for an advertisement, what decisions are included?
5. What elements make up the graphics of an advertisement?

Build Your Vocabulary

As you progress through this text, develop a personal glossary of key terms. This will help you build your vocabulary and prepare you for a career. Write a definition for each of the following terms and add them to your personal glossary.

action words
advertising campaign
art
copy
headline
layout

signature
typeface
typography
weight
white space

Chapter Summary

Section 18.1 Advertising Basics

LO 18.1-1 Describe advertising as an element of the promotional mix.

Advertising is any nonpersonal communication paid for by an identified sponsor. The main purposes of advertising are to persuade customers to buy a product or accept an idea, inform customers about products, or remind them to take action.

LO 18.1-2 Cite common types of advertising media.

Advertising media includes print media, outdoor media, broadcast media, and the Internet. Newspapers, magazines, and directories are print media. Outdoor media includes billboards and transit promotion. Broadcast media is television and radio. Internet advertising includes online advertising, e-mail campaigns, and social media.

LO 18.1-3 Identify considerations in media selection.

The process of determining the best media that meets a campaign's objectives is known as media planning. Considerations made when selecting the appropriate type of media for an advertisement include the costs of creation, the costs of placement, and lead time.

Section 18.2 Creating an Advertising Campaign

LO 18.2-1 Summarize how an advertising campaign is developed.

An advertising campaign is a coordinated series of related advertisements with a single idea or theme. The advertising campaign is one piece of the overall promotional campaign. Steps for creating successful advertising campaigns are to set the goals, establish a budget, brainstorm the creative

concept, write the message, select the media, and evaluate the results.

LO 18.2-2 List elements of an advertisement.

The classic structure for an advertisement has four elements: headline, copy, graphics, and signature. A headline is designed to grab the attention of viewers so they will read the rest of the advertisement. Copy provides information and sells the product. Graphics provide visual interest. Graphics include typography, art, and layout. The signature identifies the person or company paying for the advertisement.

Check Your Marketing IQ

Now that you have completed the chapter, see what you have learned about marketing by taking the chapter posttest. The posttest is available at www.g-wlearning.com/marketing/.

Review Your Knowledge

1. Describe advertising as an element of the promotional mix.
2. Provide an example of how advertising benefits society.
3. List the main points of the Federal Trade Commission Act that relate to advertising.
4. Cite common types of advertising media.
5. Identify considerations to be made when selecting media.
6. Explain advertising campaigns.
7. Summarize how an advertising campaign is developed.
8. Name a metric that can be tracked to evaluate the success of an advertising campaign.
9. List the elements of an advertisement.
10. Cite examples of what the most effective advertising copy does.

Apply Your Knowledge

1. In an earlier chapter, you selected a company for which you are writing a marketing plan. Identify one product for which you will create an advertising campaign.
2. Identify the goals for your advertising campaign. What are you trying to accomplish with this element of the promotional mix?
3. Describe a segment of the target market for your product. Write a profile that describes the demographics, interests, lifestyle, and typical daily activities and purchases of your market segment.
4. List the types of media you will use in this campaign and cite the pros and cons of each one. Explain how each type of media relates to the goals of the campaign.
5. Develop a time line that could be used to deliver the advertising campaign.
6. Think about advertisements you have seen or heard in the last 24 hours. List the ones you remember. Why do you think you remembered those specific advertisements and not others? How might you repurpose the effective elements of these advertisements in your own campaign?
7. Develop a theme concept for your advertisement by brainstorming what the campaign should look like. List or illustrate two to three concepts that could potentially reach your campaign's goals. Select one concept to use for the campaign.
8. Write a headline and copy for one print advertisement for your product using the AIDA model. The features and benefits of the product should be clearly stated. Include a call to action to close the message. Contact information for your company should be provided so customers can obtain samples or information, or make a purchase.
9. Design the advertisement. Include the headline, copy, graphics, and other necessary elements of the advertisement. Ensure the headline grabs attention, the copy gives compelling reasons to buy the product, the graphics and typography

are visually appealing, and the signature includes all necessary elements.

10. Identify metrics you can use to evaluate your advertising campaign. Describe how you will use these to measure responses. How will you evaluate the results?

Apply Your Math Skills

Hero's Sandwich Shoppe is a local restaurant chain. The owner of the business wants to expand to the rest of the state. To begin, the owner hired an advertising agency to launch an advertising campaign. Apply your math skills to solve the following problems.

1. A radio commercial that will air on four radio stations throughout the state cost \$1,000 to produce. The air time for the 60-second commercial is \$500 per radio station. What is the total cost of the radio commercial?
2. The Hero's Sandwich Shoppe website was configured for SEO. The website configuration cost \$5,000. The advertising agency charges \$300 per month for continuation of the SEO service. Hero's Sandwich Shoppe signed a contract to use this service for one year. What is the total cost of the SEO?
3. How much is Hero's Sandwich Shoppe paying the advertising agency for both the radio commercial and the SEO service?

Communication Skills



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Reading Analyze the quality of the information presented in the visuals in this chapter. Is the information coherent? Is concrete evidence presented? Report your findings to the class.

Writing Review the list of ways advertising benefits society that appears in Section 18.1. Select one of these benefits and write several paragraphs about how advertising benefits you, including your personal life and your community.

Speaking Impromptu speaking is talking without advance notice to plan what will be

said. Turn to the person next to you and ask him or her to explain what *nonpersonal* means in advertising. Were you able to hold an impromptu conversation on this topic? What did you learn from speaking with the other person?

Internet Research

Effective Campaigns Conduct an online search for *examples of effective advertising campaigns*. Select two or three examples. Describe how these successful campaigns coordinated all the elements of the promotional mix.

E-Commerce Marketing *E-commerce* refers to the buying and selling of goods on the Internet. Visit the website of a business that conducts e-commerce. Also conduct an online search for the name of this business. Study both the company's website and the search results to determine the role of e-commerce in this company's marketing efforts.

Social-Media Advertising Select an online advertisement that utilizes social media. How does the company incorporate social media into the advertisement? Note any websites, social-media pages, or mobile apps used or mentioned in the advertisement. What can you deduce about the target market based on the elements of this advertisement?

Advertising Media by Generation Your generation is called *Generation Z* or *iGeneration*, partly due to the amount of time it spends communicating on electronic devices. Conduct Internet research about the types of advertising media used to reach people in your age group. How does this differ from the best ways to reach adults in their 40s and 50s? Are there any similarities?

Teamwork

With a teammate, create a collage of advertisements you believe are excellent. Identify the headline, copy, logo, and signature on each advertisement. List all the reasons you think these advertisements are effective.

Portfolio Development



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CTSO Competitive Events

Participation in CTSO competitive events encourages leadership, teamwork, and career development. Many CTSOs, including DECA, host competitive events in which students compete against each other. These events usually require advance preparation and study.

1. Identify the CTSO events in which you have competed. Create a Microsoft Word document to list the name of each organization and title of the event. Use the heading "CTSO Competitive Events" and your name.
2. In your document, briefly describe each event, how you prepared, and the outcome of the event such as how you placed. Save the document.
3. Locate copies of the rubrics for the competitive events listed in your document. The rubric will explain how the event judges evaluated you. Include these rubrics in the portfolio along with the document you created.
4. Update your master spreadsheet.