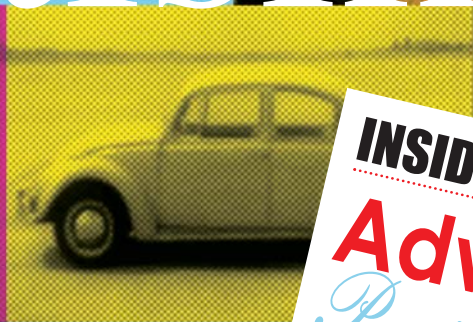
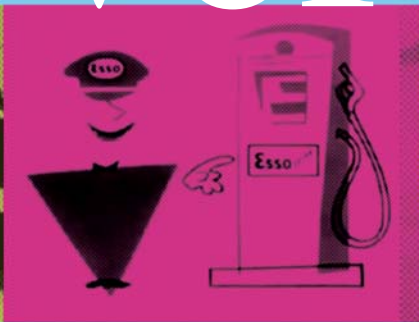


Marketing Link

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Marketing Link is your link to news, information and advice on issues of interest to businesses, organizations and marketing professionals. The quarterly newsletter emphasizes topics related to marketing, advertising, promotions, communications and corporate culture.

American advertising



INSIDE

Advertising Part 1

This issue of Marketing Link contains Part One of a two-part series on Advertising Media Analysis, in the next issue.

Set Your Ad Budget Page 2

Ads, Ads, Ads Page 2

Advertising Media Options Page 2

On the Campaign Trail Page 3

The Best of 20th Century Ads Page 4

Working with an Ad Agency Page 4

Marketing and Advertising Page 4

PLUS

Inc. Blotter

Page 4
Who is the "Tooth Fairy" working for anyway?
What's so special about Mister Potato Head?
And more . . .

American Advertising: It's Delicious, It's Delightful, It's Delivered.

Nobody has to tell Americans about advertising. Studies show the average American is exposed to about 5,000 ad impressions per day. It's on our televisions and radios. It's in our newspapers and magazines. It's online on your computer and in line at your supermarket. Advertising happens on the road, in the mail, on the phone and in the skies above us. It is inescapable and, for most businesses, indispensable.

Advertising works. In America, businesses spend about \$250 billion a year on advertising and the messages have a profound influence on where we spend our time, how we spend our money and what companies we choose to trust. Advertising keeps your brand name in the public eye and each supporting message helps your company achieve "top of the mind" awareness – a key position when it's time for consumers to make a buying decision.

The influence is pervasive and, whether we realize it or not, highly effective. Do the phrases "Plop, plop, fizz, fizz" or "Where's the beef?" or "It's the real thing" bring any specific products to mind? Without the need for the business name, Alka-Seltzer, Wendy's and Coca Cola remain highly recognizable by the creative elements of their advertising. The same is true for visual representations – think of the Nike "Swoosh" or McDonald's golden arches. These slogans and symbols have become part of our culture and are monuments to advertising's impact on brand awareness. The key to their success is consistency of message – a slogan repeated often enough or a logo kept in the public eye becomes part of our collective memory.

Set your ad budget

– And Get More Bang for Your Buck

So you have a litany of fantastic media to carry your message and you've identified an enormous target audience of potential customers. What's to stop you from saturating your community with brilliantly crafted messages about your product or service?

If you're like most people, it's the budget.

There's that dreaded "B" word, the scourge of the best-laid marketing plans. But as infuriating as the "want vs. can afford" process can be, it has a practical purpose. The budget is the advertising component that forces you to make tough decisions. It drives you to carefully consider the media you use, target your audience with pinpoint accuracy and specifically define your objectives.

Advertising reaches a wide audience, but you're also reaching a lot of people who don't use your product or service. And while some media is more narrowly focused than others (a trade journal might specifically reach your potential target without the broad reach of a television network), not everyone in your target audience is destined to become a future customer. As much as everyone in business hates waste, it's really not a bad situation. Advertising is like fishing – you're casting your line into the water, but you don't expect to reel in the entire lake. The important thing is to make sure the ad dollars that reach your target audience are good bait – and that they bring in business.

How much bait you use depends on your budget. It's your budget that pushes you to select the media that yields the greatest number of potential customers at the lowest cost per potential customer reached.

And just like when you were preparing your creative strategies for your campaign, setting a budget means identifying your objectives and your target audience. You'll also need to familiarize yourself with the types of media available for your message

(and the costs of using each of those media) and consider what your competitors are doing with their ad dollars.

There are four traditional methods of translating that information into a dollar amount:

Strategic Objective: The preferred choice of marketing professionals, this approach advises determining your advertising objectives, then selecting the proper media, message and frequency needed to achieve those objectives. The problem is, it's not a static number based on sales or an expense budget – it's based on something you have yet to achieve. Still, it makes sense to spend more advertising dollars if you want to increase sales or awareness.

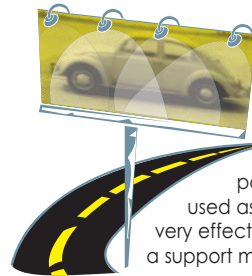
Fixed Percentage of Sales: A common choice among advertisers, businesses using this method set their advertising budget as a fixed percentage of their overall sales. While it makes sense on an accounting ledger, the failing is obvious: when sales slip, the percentage of your advertising budget declines – precisely at the time when a business might need to raise its ad budget in an effort to lure customers. If this method was followed in the strictest sense, a new business with no revenue could have no advertising, the one tool that could help it gain recognition and market share.

Competitors Level: In this method, the budget is based on keeping pace with what your competitors are spending. While this takes advantage of industry-wide marketing insight and keeps the competition from pulling away, it limits your ability to make strides against your competitors or reposition yourself in the marketplace.

Residual Budget: Probably the least effective (but most "budget-friendly") choice of all budgeting options, this method sets the advertising budget based on whatever money is left after all other costs are covered.

Ads, Ads, Ads

For those ready to advertise, there is an endless variety of media available to carry your message. Some of the more popular options include:

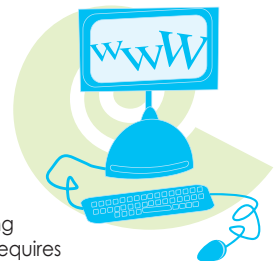


Outdoor and Mobile

This group includes billboards, Beetle-boards (advertising painted on Volkswagens), taxi-cabs carrying top-mounted display boards, bus advertising (both interior and exterior), painted truck panels and more. It's rarely used as your primary advertising message, but it's very effective at building name recognition, as well as a support media in combination with other advertising.

Online

The internet is an advertising marketplace that is providing exciting new opportunities thanks to a growing broadband and wireless community. Ads range from the familiar banner ad to innovative video clips. Corporate web sites allow you to promote your product or service to a potential audience of millions, and online stores allow instant selling. Online advertising holds some promising opportunities, but it requires a high level of expertise to use it effectively.



TV

Television remains the king of the hill in terms of reaching a large number of households with a single message. With cable and local programming, targeting specific groups is possible, though it's at its most effective when reaching a broad, general audience. TV can yield impressive returns, but check to make sure the cost is justified by the number of individuals within your target group who will receive the message. Consider production costs and expertise when making your decision.



Continued Pg. 3 . . .

On the Campaign Trail

The maxim "the whole is greater than the sum of its parts" may be the definition of synergy – but it is the hallmark of an effective ad campaign. A campaign is more than a collection of advertisements, it is a skilled, purposeful approach to messaging using a mix of creative elements and media. With a consistent message presented in various formats (TV, radio, print and billboard, for example), an ad campaign is more memorable and has a greater impact with your audience than a collection of individual ads with differing themes or messages. In addition, the campaign increases the chance you'll reach a larger percentage of your target group, and it refreshes your message to keep it from getting lost in an ever-changing sea of advertising.

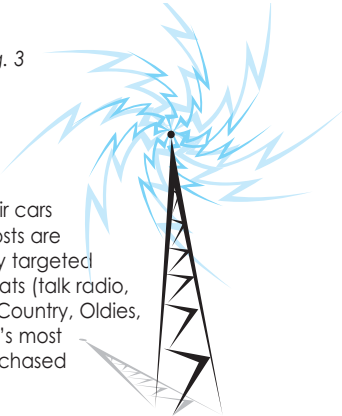
The GE Model

Ideally, the campaign will have a common theme or element that unites the message in the mind of your target. That way, each ad reinforces a message already delivered by a previous ad. It's the "synergy" effect. The common element can be a slogan, a musical theme, an image or icon, a spokesperson or a unique visual style. General Electric began using the model effectively decades ago with its campaign "We Bring Good Things to Life." Prior to that, GE, a maker of a wide range of consumer and industrial electronics, had taken a divisional approach to advertising. With each category of product carrying its own advertising message, the company was spending a lot of promotional money, but they found the public was not making

Continued Pg. 3 . . .

Radio

Radio can be used effectively as a primary media or in support of a campaign. It has the advantage of spontaneity (many listeners are in their cars and can act instantly), production costs are reasonable, and it can reach a highly targeted audience because of its various formats (talk radio, news stations, sports stations, Top 40, Country, Oldies, etc.) Radio is a repetitive media, so it's most effective when multiple spots are purchased and run over a period of time.



Print



Print ads allow greater flexibility in targeting your audience with a wide variety of newspapers, magazines, newsletters and trade journals in the marketplace (in the case of newspapers, reader targeting can take place within the publication by specifying sports, lifestyle, classifieds, etc.) And it can allow you more space to explain or sell your product. Usually, ads are sold by the column inch (or specified size on the page,) enabling you to control costs by choosing a larger or smaller ad space. Balance circulation and demographics against production and placement costs to determine if print is the right choice for your message.

Direct Mail

A direct mail campaign allows the sender to target specific recipients, cities or neighborhoods for your message. By including coupons or response cards, you can track your ad effectiveness. While it's a highly personalized delivery system, be sure to design your ad in a way that separates it from the daily offering of "junk mail" – which can have a negative connotation.



Promotional Products

Promotional products can remain in view for a long period of time reminding your target audience of your message. Giveaway items like pens and magnets have use-value and may be passed from person to person. Higher end imprinted gift items are used to show appreciation to clients and draw the attention of hot prospects. Promotional products can be targeted to reach specific individuals, but they generally require additional messaging either through other forms of advertising or follow-up from your sales force.



The Best of 20th Century Advertising

At the end of the millennium, Advertising Age took a look back at 20th century advertising and selected the best of the best in various categories. The following is a trip down your promotional memory lane.

Top 10 Advertising Icons

The Marlboro Man
Ronald McDonald
The Green Giant
Betty Crocker
The Energizer Bunny
The Pillsbury Doughboy
Aunt Jemima
The Michelin Man
Tony the Tiger
Elsie the Borden Cow



Top 10 Jingles

McDonalds
"You Deserve a Break Today"

US Army
"Be All that You Can Be"

Pepsi
"Pepsi Cola Hits the Spot"

Campbell's Soup
"M'm, M'm Good"

General Motors
"See the USA in Your Chevrolet"

Oscar Mayer
"I Wish I Were an Oscar Mayer Wiener"

Wrigley's Doublemint
"Double Your Pleasure, Double Your Fun"

Winston
"Winston Tastes Good Like a Cigarette Should"

Coca Cola
"It's the Real Thing"

Brylcreem
"A Little Dab'll Do Ya"



Top 10 Advertising Campaigns

Volkswagen
"Think Small" 1959

Coca Cola
"The Pause that Refreshes" 1929

Marlboro
"The Marlboro Man" 1955

Nike
"Just Do It" 1988

McDonalds
"You Deserve a Break Today" 1971

DeBeers
"A Diamond is Forever" 1948

Absolut Vodka
"The Absolut Bottle" 1981

Miller Lite
"Tastes Great, Less Filling" 1974

Clairol
"Does She... or Doesn't She?" 1957

Avis
"We Try Harder" 1963

Top 10 Slogans

DeBeers
"Diamonds are Forever"

Nike
"Just Do It"

Coca Cola
"The Pause that Refreshes"

Miller Lite
"Tastes Great, Less Filling"

Avis
"We Try Harder"

Maxwell House
"Good to the Last Drop"

Wheaties
"Breakfast of Champions"

Clairol
"Does She... Or Doesn't She?"

Morton Salt
"When It Rains, It Pours"

Wendy's
"Where's the Beef?"

... On the Campaign Trail, Continued from Pg. 2

a connection between the ads. Each ad had an immediate message impact, but no synergy when combined as a whole. Consumers were familiar with GE, but they did not perceive the company as a major advertiser or a top competitive brand in their individual categories – though both, in fact, were true. The "Good Things" campaign united the ads and reminded the public of the extensive range of products under the GE brand, raising their perception of the company's standing and creating a more memorable message.


Campaign Stages

An advertising campaign can provide valuable exposure, but it requires creativity and strategic planning. The following five steps are recommended for developing your campaign:

- Set your promotional objectives, including your target audience
- Establish your advertising budget
- Identify a clear, concise, memorable and believable message
- Choose the right media to deliver your message to your target audience
- Evaluate your results

An advertising campaign is a major commitment that can influence your company's standing in the marketplace for a sustained period of time. With so much riding on its success, companies turn to an advertising agency for help in planning and creating various components of their campaign. Consider your own company's unique situation when deciding which agency is right for you.

Working with an Ad Agency



Advertising agencies are diverse entities offering everything from a la carte media buying or graphics creation, to a full-slate of

services like market research, campaign creative, public relations and more. It could be the agency's role to give your promotional messaging a professional quality, a consideration that could play an important role in how your product is perceived in the minds of your clients. In addition, a good agency can help you select the right media and develop an objective-based message, services which often mean your company gets more bang for your promotional buck.

Choosing the right agency – and ensuring you get the services your company needs – requires some planning and investigation. Know what your agency offers and whether it meets your needs.

Start by asking yourself these questions:

- What are your objectives? Do you need help defining those objectives?
- What services do you require to achieve your objectives?
- Do you require marketing research or other services to target your ad?
- Does your target audience expect a "professional" look or presentation?
- Can the agency provide professional ad design and production?
- Do they have a track record of creativity and success?
- Can they match or better the advertising your competitors are using?

- Are they equipped to coordinate a full campaign using various media?
- Can the agency prepare a plan that fits your budget?
- Can they help you maximize your message impact through media placement?
- Do they have a system for monitoring the results of your advertising?

Remember, it's not important whether the agency is large or small – each has its own advantages – what's important is that the services and "chemistry" are a good fit for your business. If you need help in determining what agency services would benefit your company, contact your local ad society or give us a call. We'll be happy to help.

Marketing and Advertising: The Dynamic Duo

Advertising helps businesses break through in a crowded marketplace. Still, advertising is a complex discipline – the message ultimately sent to consumers is the last step in a total marketing process aimed at refining that message and defining your audience. What works for one product doesn't necessarily work for another (Maytag doesn't sell its washers and dryers the same way DeBeers sells its diamonds, though both are successful – and, in many cases, both target the same group.)

While the methods and media of advertising are broad and varied, advertising as a whole has only three primary objectives:

- To inform
- To persuade
- To remind

What separates advertising into its many forms are the unique marketing objectives of business. What makes your product different from every other product on the market? Who uses your product – and who should be using it? Where are your buyers and how do you reach them? The answers are found in marketing. It's your

game-plan. Marketing gives your advertising message the power to:

- Create awareness, customer interest or desire
- Boost sales
- Build brand loyalty
- Launch a new product or service
- Change customer attitudes or reposition a product
- Support activities of your sales force or distributors
- Build your company image or brand identity
- Remind and reassure your customers
- Offset your competitors' advertising message
- Promote a cause or candidate
- Change public perception or behavior

Advertising agencies and marketing specialists can help you identify your objectives, target market and media options. With that information in hand, you can begin the exciting process of developing the creative strategy that will become your company's advertising message.

Marketing Link

Marketing Link is a publication of Bells International, Inc., an Austin-based corporation offering advertising, promotional products, new media, event fulfillment, online store development and marketing services for clients across the U.S.

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Inc. BLOTTER

Mr. Potato Head was the first toy ever advertised on TV. It happened in 1952.

The next time you slip a quarter under the pillow of a 6-year-old in exchange for a newly extracted tooth, you might also want to slip a little something to the people at **Colgate**. They claim "**Tooth Fairy**" as a registered trademark.

This year's **Super Bowl** set an all-time record, drawing **\$2.4 million for a 30-second ad** (more than double the cost of a decade ago). Second place goes to last year's **Friends** finale, which drew about \$2 million per 30-second spot.

The popularity of the TV program **The Apprentice** made contestant **Omarosa** a household name. But don't confuse celebrity with popularity. **Clairol** cancelled plans to use the controversial figure in an Herbal Essence ad after an internet campaign threatened to **boycott** the product if she was used as a spokesperson.

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