

THE UNIVERSITY OF MISSOURI BULLETIN



The 1948 Newspaper Advertising Clinic
School of Journalism

1948

Newspaper Advertising Clinic

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Association

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THE 1948 NEWSPAPER ADVERTISING CLINIC

This bulletin contains edited manuscripts of talks made at the 1948 Newspaper Advertising Clinic, January 17 and 18, at Columbia, Missouri. Subjects include various phases of General, Retail, and Classified newspaper advertising.

Newspaper advertising managers and advertising personnel had asked for information and practical knowledge of the most successful current techniques in developing newspaper advertising.

At the request of the Missouri Newspaper Advertising Managers Association, and in cooperation with that organization, the School of Journalism, University of Missouri, planned and presented this Advertising Clinic. It was designed to meet the desires and perhaps the needs of newspaper advertising people, and to benefit also the newspapers they represented. It has been presented as a service to newspapers and to newspaper advertising.

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ADVERTISING

By WESLEY I. NUNN, *Advertising Manager, Standard Oil Company (Indiana), Chicago, Ill.*

It was my privilege last November to attend the Dedication Dinner which formally opened the General Motors Motorama Exhibit at the Museum of Science and Industry in Chicago and to inspect that fine, new, exhibit, which represents not only a tremendous amount of money, but a great deal of thought and effort. It does truly tell a fine story. Somewhere at the exhibit I ran across a statement which impressed me very much—I wrote it down and I should like to quote it to *you*—as a prelude to my remarks on the subject of advertising.

“It takes hundreds of thousands of American enterprises to produce the huge variety of goods needed to satisfy the wants of the people. Each business, large or small, plays its part. So it is that the wants of customers are better satisfied than anywhere else in the world. So it is that in 200 years we in America made more progress in raising living standards than the rest of the world made in 6000 years. Here mass production and mass distribution meet mass wants.”

You and I know, of course, that advertising is the catalyst which makes mass production, mass distribution and mass consumption *really work*. It is advertising, of course, which is of direct interest to all of us here today—and I shall enjoy the privilege of discussing advertising with you from several angles, or viewpoints, including the public's attitude and reactions toward advertising, the influence and value of the newspaper as an advertising medium, and the economic and social values of advertising.

Advertising is a *glamor* business. It's one of the *most* glamorous of all the glamor businesses—and that's easy to understand. It is the business that employs Bob Hope—and Bing Crosby—and Ginnie Simms.

We engage the services of America's leading artists and illustrators, men like Norman Rockwell, Earl Oliver Hurst, and Albert Staehle—and we pay them hundreds, or even a thousand or two dollars for a single painting.

An Iowa farm boy gets into the advertising business and ends up with an apartment in town, a summer home in the North Woods, and a winter home in Florida. A bright *co-ed* dominates an agency's plan board—and *her* income is fabulous.

Yes, it's a glamorous business and it is small wonder that it is so regarded by much of the public.

On all sides we hear both good things and bad things about advertising. Among the negatives we hear such things as these:

“It's mostly a pack of lies and exaggerated claims!”

“Those radio commercials drive me nuts!”

“If they wouldn't spend so much money on advertising—they could sell their products cheaper!”

“It's vulgar—in bad taste—unpleasant!”

“Advertising is used to make a cheap product seem worth a high price.”

“Every advertiser says *his* product is best—but they can't *all* be best.”

And then we hear these more *pleasant*—sounding statements:

“I like advertising because it helps me make out my shopping list.”

“I often try products because of the advertisements I read.”

“Before I buy a large item—like a car or refrigerator—I read advertisements for *information* and as a basis for comparison.”

"Advertising gives me *confidence* in the brands I buy."

"I have learned to be a *better cook* because of advertising."

And so it goes. Some are *for* advertising, and some "agin" it. Fortunately, authentic surveys indicate that the vast majority of the people have predominantly favorable impressions of advertising—and recognize its importance in the scheme of things.

And that is Advertising's FORCE.

The possession of a Force—as we know from our country's experience with the atomic bomb—carries with it certain obligations which must be discharged to prevent that force from being abused or misdirected.

Fortunately, there is ample evidence that misleading, unethical, bad-taste advertising just does not pay off in the long run!

And that important fact will help correct *abuses*—intentional or otherwise!

Aside from electricity, there is probably nothing so widely used and so little understood as advertising. There are mysteries about electricity—mysteries which we cannot fathom, despite all our vast and complex knowledge—but there is no mystery about advertising!

Yet, those of us who happen to use advertising in our business are constantly running into men and women who think advertising is something mysterious or strange or secret. Some of them think advertising is *all* glamor and excitement—and lots of money for very little work. Others think advertising is anti-social, an economic waste, something evil that has been foisted on a gullible public. But many people just simply don't *understand* what advertising is—or what it does.

That's why, so often, people say: "Why does business spend so much money for advertising? Wouldn't it be better to save that money and cut the price of goods and services?" Or, they ask: "Just what does advertising *do*? Does it really make people buy things?" Or, someone will shake an accusing finger under my nose and demand that I tell him whether it is not true that advertising makes people buy things they don't need at prices they can't afford.

And there is the frequently *implied* suggestion that anyone who uses advertising is some kind of suspicious character!

No one ever asks me, except in a spirit of honest inquiry, how many salesmen we have, or how many trucks we must maintain, or how many people are in our accounting department. They take *these* things for granted—as ordinary business expense.

No one ever suggests that we could sell our products more cheaply if we had fewer salesmen, or if we didn't have lighted signs identifying our stations.

Everyone takes it for granted that it is sound business policy—and *helpful* to the public, rather than harmful—for department stores and *other retailers* to spend quite a bit of money, in the aggregate, in installing interesting, sales-compelling street windows. No one thinks it strange that business houses should install attractive fixtures, use lots of lights, and make their store interior as *pleasant* and *comfortable* as possible. All of these things are *accepted* by the public—and *welcomed* by them—as "good business."

Yet, it would be possible to argue that all of these normal business operations add to the *cost* of distributing merchandise—and that many items could be sold more cheaply if stores did not have the expense of trimming and maintaining windows—the cost of operating air-conditioning systems—the extra expense of providing attractive gift-wrapping for packages, etc. It would be *possible*, I say, to argue that elimination of these and other services would reduce the cost of merchandise, but nobody *does* argue that way, because they know that the public

appreciates these aids to buying and because they realize that all of these things help stores make greater sales to more people and thus help to *reduce*, rather than increase the cost of much of the merchandise they sell.

Now, what I'm getting at is simply this: Business—and government—and politicians—and churches—all use advertising for one reason, and one reason only: *Because it is the most efficient, least expensive way that has ever been discovered to deliver a message to large groups of people.* None of the businesses that invest money in advertising do so because they want "glamor" or "excitement," or because they have any special interest in advertising as such. To them, advertising is simply another ordinary business operation which helps them run their businesses and make more sales at lower cost.

And let me tell you that the minute business discovers some other cheaper or more efficient way to do what advertising now does—*advertising is finished*—because no one will be able to use it successfully against a cheaper or better method of making sales.

Let me illustrate what I mean. I am told that in a good, well-run department store, it costs about ten cents every time a single salesperson makes a contact with a single customer. In some lines of business, where the salesman has to seek out his prospects, this cost may be ten, or twenty or a hundred times as great. Now, all of us who use advertising realize that these *personal* contacts between salesman and prospect are the *most effective* selling we can do. We'd love to have enough salesmen to make daily or weekly calls on every single prospect for our goods or services—but simply *can't afford it!*

So we turn to advertising. We turn to advertising because, in spite of what you have heard, advertising is *not* expensive. Through the newspaper, or the radio, or magazines, or outdoor, or direct mail we can reach thousands upon thousands of possible customers at a tiny fraction of the cost of personal selling. We can, in most cases, do it for less than one cent per person. We can familiarize our prospects with our name, the kinds of merchandise we sell, and where it can be bought. We can tell about new products, new prices, and new uses for the things we make and sell.

In that way we can make more people familiar with our products and our company and more willing to come in to our stores or stations—so that the cost of personal selling is reduced—because our salespeople can sell more goods to more people with greater ease than they could if these people were not *pre-conditioned* toward us by our advertising.

Now, then, does the public pay the cost of advertising? Of course it does—just as it pays the cost of delivery and wrapping and rent—and everything else that goes into selling a product. But does it mean that the *total cost of the product* is higher when that product is advertised? Not at all. Advertising, as I have said, is the cheapest way we know to deliver a sales message and, if it is used intelligently and effectively, it should *reduce* the cost of products by the simple miracle of motivating *mass production* and *mass consumption* so that we can sell more and more goods and services to more and more people at less and less *real* cost.

And here's another question: Is advertising an important part of the cost of goods? Well, it's important, all right, but it is normally one of the *smallest* segments of cost. In fact, according to Professor Neil H. Borden of Harvard University, all advertising costs, including even the cost of the classified ad *you* buy when you want to sell your old washing machine, *all* advertising costs have never accounted for more than three percent of the national income of the United States.

So advertising isn't mysterious—or *too* glamorous. It's just an ordinary business function, like any other business function, and it provides a service for everyone in the community. So I repeat, it is the catalyst which makes mass production, mass distribution, and mass consumption really work.

Fortunately, the executives of my company share my appreciation of the true value of regular, consistent and persistent advertising. Our advertising expenditures in the year of 1947 were the highest in the company's history, including large amounts for new signs, training materials, etc., but also including a new high for the total amount spent for consumer advertising. Our 1948 advertising budget calls for a slight increase in our expenditures for consumer advertising over those of last year, partly because of increased costs of everything connected with advertising.

As you may appreciate, it is no easy task for us to allocate our advertising expenditures in such fashion that every one of our 4,000 agents and 18,000 dealers—in a 15-state area—will have so far as is possible and practicable, the same amount of advertising support with due consideration to volumes of business, potentials, and a dozen other influencing factors.

It is more difficult for a general advertiser such as Standard Oil to measure the direct effectiveness of its advertising than it is for the retailer, who can immediately relate many sales results to advertising pressure, at least to better advantage than we. Of course, we do carry on, both directly and through our advertising agencies, a tremendous amount of research. Also, we take full advantage of the research available to us from other sources, such as the Association of National Advertisers, of which we are a member, and the American Association of Advertising Agencies, of which our two agencies are members.

One of the most valuable research projects which is available to us and which we use consistently is the Continuing Study of Newspaper Readership, jointly sponsored by ANPA, ANA, and AAAA. These studies should be and I am sure are, a fertile source of information, ideas and suggestions to both your editorial departments and your advertising departments.

Advertising, as we do, in more than 1,800 newspapers varying in size and circulation from the more than a million copies of the *Chicago Tribune* down to a thousand or so of each of the 1,300 weeklies on our list, we are naturally keenly interested in the amount of space required for an ad in a paper of one size, as compared with the amount of space required for an ad in a paper of another size, for the same readership or effectiveness. We have always agreed with the general proposition that the bigger the paper, the bigger the ad required to do a given job or, inversely stated, a smaller ad in a smaller paper will get the same readership as a large counterpart of the same ad in a large paper. There will probably never be a mathematical formula covering this situation, but we do have, as a result of some recent efforts, more positive information on this subject than ever before.

From the first 100 studies in the Continuing Study of Newspaper Readership, and from other similar studies, including some by the School of Journalism of the University of Missouri, we selected all of the advertisements which appealed primarily to men (since at least three-fourths of all petroleum products are purchased by men). There were approximately 1,200 such ads. Each of these was measured in terms of size of ad, observation and circulation of the paper. In round figures, here's what we found: a 1,200-line ad in newspapers of more than 100,000 circulation, an 800-line ad in newspapers with between 15,000 and 100,000 circulation, and a 400-line ad in newspapers of under 15,000 circulation—all have

about the same observation or readership. Some further readership studies conducted by one of our agencies came up with almost identical results. Of course, these figures deal with trends and averages only. The next thousand such ads, or the next field survey, might bring different answers and, of course, there's nothing exact about it. I mention it here only as possible comfort to any salesman of newspaper space who might feel that he is handicapped because his milline rate is larger than that of another paper. As a rule of thumb proposition, he can assure his customer that less space in his paper will do the same job as more space in a bigger paper. Of course, the salesman for the bigger paper has the consolation that the advertiser *must* use more space in his paper to get the same job done!

One of the things we did a few years ago to try to relate advertising effectiveness directly to sales was to conduct a study of newspaper advertising in three groups of test cities. In the first group the advertising was confined to premium grade gasoline. In the second group the advertising was equally divided between premium grade and regular grade. In the third group of cities the advertising was confined entirely to the regular grade. So far as possible all other factors were equal. When the proportion of premium grade gasoline sales was examined for each of the three groups, it was found that during the test period premium sales were relatively best in those cities where advertising was exclusively on the premium grade, second best where both grades were advertised, and poorest where premium gasoline was not advertised at all.

That was at least some indication of the value and effectiveness of advertising, newspaper advertising, if you please!

You know, as I think of the many thousands of conversations I have had with advertising managers and other representatives of newspapers, big ones, little ones, all sized ones, over a period of several decades, I sometimes wonder if all newspaper advertising managers realize the potency of the item they sell, at least I have had all too few newspaper salesmen tell me the fine things about his medium which I know to be true and which I have on many occasions passed on to others!

I think, perhaps, one of the best ways for me to convey directly to you the conception which I have of the newspaper as an advertising medium would be for me to read to you from a speech which I made at one of our annual series of sales meetings held in eight midwestern cities and attended by about 3,000 of our sales people, including all of our salesmen, all of our sales supervisors and sales managers, and the managers and assistant manager of our 26 sales divisions. With your indulgence I will read you what I told them:

"There are some things you should always have in mind concerning our great *back-bone* medium of advertising—the newspaper. Because of their tried and proved value over a period of many years newspapers will again carry this year, a tremendous schedule of Standard Oil advertising.

"Newspaper advertising builds *profit* because newspapers have universal readership. *Everyone* reads a newspaper. It's an intimate thing, it appeals to everyone its contents are current, interesting and attention-getting.

"Day after day newspapers, everywhere in the country, put on a big show, an all-star show, a headline show. In the newspaper we meet the world's greatest personalities, we meet *big names*.

"Big names, names that are making news, making history, appear daily in newspapers and attract the attention of millions of readers. Newspapers headline

the biggest show on earth, the day by day action of the world, the news of the world.

"World events, terrible in their stark drama, but *news* nevertheless. War, pestilence, famine, flood—horrible catastrophes that no one can escape reading. It's news, world news, important news. It's the story of today.

"And in addition, the press carries still other news that attracts a tremendous volume of readership. News from the world of sports.

"For a complete and accurate play-by-play record of the game, we turn to the newspaper. Baseball, football, hockey, basketball—all of the sports that interest you, me, and every other fan in the country are reported in the papers we read *every* day of the year.

"The papers also carry news of important discoveries of things and events that are stranger than fiction. It's startling news that builds readership and adds to the advertising power of the press.

"Features that *are* stranger than fiction—stranger and more gripping because they are true reports of actual happenings. You can't keep people *away* from this overwhelming, dramatic parade of events in our newspapers. It's news, *fresh* news, every day.

"And then, because American is filled with little children who never grow up, except in size,—because America has a grand sense of humor—we turn once more to our newspapers for our daily *smile*.

"From six to sixty, we all read Dick Tracy, Little Abner, Terry and the Pirates, and many other comic strips.

"We read our newspapers for all of these things and we also read our newspapers in search of greater *values* for the *dollars* we *spend*. We read the *ads*.

"Newspapers make their calls as regularly as the milkman! And they're just as welcome! Newspapers are on *friendly* speaking terms with every car owner. They reach the owners of new cars and used cars—impartially. Newspapers are read everywhere, on the farm, in the factory, in the office, at home. They have a chance to do their selling in all sorts of places at all times of the day—a silent force, constantly at work.

"That's why newspaper advertising forms the backbone of every Standard Oil campaign!"

And now I should like to say a few words about a particular function of advertising which is becoming more important almost every day and which may yet turn out to be the greatest thing advertising has ever done for the people of this country and the world. This is the job of selling the American way of life itself.

Advertising which does not specifically sell a product or service is generally termed "institutional advertising." There has been a good deal of it done for many years, especially during the war.

Today, with this experience fresh in their minds, advertisers, individually and collectively, are discovering that institutional advertising can do not only a fine job of making people think well of a particular company or industry, but also the more important job of explaining, illustrating and reinforcing the system of free enterprise.

For, make no mistake, it *is* free enterprise which makes this nation what it is. Most people agree with that statement, yet all too few of us understand exactly what is meant by free enterprise, *why* and *how* it produces a degree of well-being that makes Americans the most fortunate people in the world. Faith in our system

is vitally important. Most of us have faith. But the strongest faith is that faith which is based on facts, secure and unshakeable, because it comes from the head as well as from the heart. The businessmen of America have a duty to their fellow countrymen and to themselves to sell more than products and services. They must sell the *way of life*—which makes it possible for *them to produce* and their *customers to buy*.

I am not talking about *glorifying* the American way of life. Our economic system doesn't need *glorifying*. It does need *explaining*. If people understand *what* the system is, *how* it works, and *why it can and does* out-produce every other system known, they, themselves, will glorify it. It isn't a perfect system. But the more people who understand it more fully, the more certain it is that they will, first, see and, second, improve those features of it which can and should be improved.

If my experience in advertising has taught me anything, it is this: You can't go wrong telling people the truth. As long as Americans can get the truth and are free to make up their own minds, the American system will *do better* than hold its own against all competitors.

DEVELOPMENTS AND USE OF MARKET DATA IN SELLING

By PAUL GORHAM, *General Manager, Illinois Daily Newspaper Markets, Springfield, Ill.*

In Illinois we do a lot of things. In Missouri you undoubtedly do a lot of things too, but I am not so familiar with them, and as the manager of a state newspaper group, composed of 48 daily newspapers I have no comparisons to make whatsoever. We can readily appreciate that the difference of a few miles makes a difference in markets. Probably some of the things that we do in Illinois would not be feasible at all in your state and some of the things that you do might not work for us.

So I will try and tell you of the things that we do, you can then form your own conclusions and if I can contribute anything to this advertising clinic, about which I am so thoroughly sold, then I will be happy and can assure you that the trip has been much worthwhile.

This is the second time that I have been at this University. The first time was about six or seven years ago when we had a presentation which we used extensively then and which we called "Know Your Illinois."

I brought along a few things that you may be interested in seeing, or at least hearing about, among which are such things as circulation comparison forms, billboards comparisons, our national lineage report which we issue each month, our Illinois Consumer Analysis and also want to tell you that we conduct advertising clinics in Illinois, four a year, divided into the northern and southern regions and hold a spring and fall clinic in each region.

We have done this for the past six years and our members send all of their advertising staffs including local, national and classified salespeople. We have a number of talks, as you will have here today and tomorrow, hold discussions among the various groups of local, national and classified under the chairmanship of an advertising manager of each group. We have from 280 to 320 in attendance at these two meetings each spring and fall.

CIRCULATION COMPARISON—This is our circulation form. We try to issue it each year and have a new one in process now. We got tired of hearing that our good friends, the newspapers in Chicago and St. Louis, covered the northern and southern parts of Illinois and that Illinois newspapers were hardly necessary in the scheme of national advertising.

We used ABC reports to make our city zone circulation comparison. It shows the number of homes, occupied dwellings, the coverage and percent of coverage of our newspapers, of their city and then break down the St. Louis and Chicago newspapers circulation, show their percentage of coverage which they have in our homes and cities.

This has proved a very effective sales tool for us. It gives the agency, manufacturer and others interested in advertising a quick and accurate picture of our markets. We have shrunk up the Chicagoland area a little bit and also pushed some of the "49th state" area farther south or west. We do not use it in a vicious manner but use it to tell our story and to get business.

BILLBOARD COMPARISONS—Billboards also seem to be competitors of newspapers. We secure billboard costs in each of our member cities and show minimum and maximum rates as well as costs of illuminated boards, then take this monthly

cost and show how much space could be bought in each of our member newspapers for the same expenditure. Some of the billboard boys are unhappy about this situation but it has caused some of them to change their theme song from "Billboards Will Do Everything" to the fact that people do pass these boards and occasionally take a glimpse of them.

NATIONAL REPORTS—We issue a national lineage report each month. This was brought about by the fact that Media Records discontinued their report during the war with the exception of 108 metropolitan cities.

This left our newspapers without a report of any kind, so our Planning and Sales Committee said "Let's put out our own report." They asked us to make up a form and to submit costs. We did so and found that we could produce this report for \$200 to \$225 per month for our 48 members. We list our papers down the side of the page, group the different advertised products by classifications, such as foods, drugs, cosmetics, agricultural, banking and finance, radio, etc.

Our members supply us a copy of their national billing at the end of each month. We have a deadline that reports must be in our office by the 8th and they must contain the name of the agency, the advertiser, the product and total lines. We use two girls to produce this report and it is made roughly on work sheets, then copied, then typewritten and proofed three times. Then pasted alphabetically, the headings are pasted in and the final pages go to the offset printer on the 15th of each month. He has it back to us so that we can send it to the members and subscribers by the 20th.

If we are a few days late, we have learned that we must send a bulletin to the papers because if we do not, they will be telephoning or telegraphing asking when the reports will be ready because they use them in many ways. The newspapers are arranged by size, the 100,000 population markets first, and scaling down to our smallest member, which has a population of 8,000.

It used to be that we had to depend upon the agency or someone else to tell us where the schedules were running and how much the lineage was but we don't have to do that anymore. We can tell them often-times more about what they are doing than they know themselves. As I have said, this cost runs about \$2400 to \$2600 per year and is included in our yearly budget. We sell a number of these reports to the newspaper representatives, several advertising agencies, and manufacturers. We charge \$10 per month, per copy. This is from \$15 to \$75 per month less than Media Records charged our members before they discontinued their report. All of these we use in our central office and on our trips covering our territory of 17 states. We find them effective and important.

Probably the greatest sales tool we have produced is the Illinois Consumer Analysis. Consumer analyses have been produced for 25 years by the Milwaukee *Journal*, and not so long by the Omaha *World-Herald*, Philadelphia *Bulletin*, Indianapolis *Star* and a number of other newspaper of which I believe there is a total of nine in the United States. Ours cover from 40 to 45 cities and is the most comprehensive analysis of its kind, and the only one on a state-wide basis, in the country.

It shows quite a picture of markets of all sizes. It shows a trend from year-to-year that is most important to the manufacturer and his advertising agency and while it costs our members about \$45,000 per year, it produced in 1947 almost a half a million dollars in business. We are happy with it because it does the thing that nearly everyone in the newspaper business has often wished could be done and that is *bring people to see us instead of us going to see them.*

We handle our analysis a little different than anyone else. We use 300 trained interviewers. We interview 13,000 to 14,000 housewives with a questionnaire which contains 75 to 80 questions. We have trained these interviewers so that they do an excellent job. We have a supervisor over each crew of women in each city. She is also trained so that she knows what to do and sees that each worker is doing her job right. She also does the tabulating.

Our first attempt at this task, which is one of tremendous effort and detail, required about six months for securing the information, tabulations, compiling and preparations for the printer. It required about two and one-half months on the part of the printer so we were some eight months in producing our 1946 survey. Last year we were 92 days from the time the interviewing started until the final draft was to the printer who required about 30 days more so that in a total of four months the entire book was issued.

Most of our papers order from 100 to 1,500 individual books. We have 7,000 copies of the state books printed and these go all over the United States as well as to Brazil, Sweden and several other foreign countries.

It required 15 volumes for the 1947 Consumer Analysis and 18 for the 1946 job. We have learned a lot from our former two surveys. We include a map showing where the cities are located and where the surveys are made. We find out how many people in each city own their homes and how many rent, what the rental is in each town according to four different rental brackets, the shopping days of Mrs. Housewife, and on what days of the week is the most shopping done.

Our findings show the preference of people for various brands, and since they have been checked by some of the well known researchers of the country and have found that we are within one percent, we have no hesitancy in using them.

Our studies bring out, without question, that all business is local. You have heard this before from the Bureau of Advertising and will probably hear it from my friend, John Giesen, who is on the program tomorrow. Our state-wide analysis verifies the Bureau's statement as no other studies have been able to do and shows that advertising must be done in each market for maximum sales.

Since producing the Consumer Analysis, our office traffic has increased from about 50 a year to 500. These visitors consist of advertising and sales managers, vice-presidents and presidents, district and divisional managers, salesmen and others connected with the advertising and merchandising of various products.

Our telephone calls total about 3,000 per year, our telegrams about 1,500 and we receive nearly 10,000 letters. We can not imagine anything that will prove more profitable, or bring more people to us, or put us in contact with the top executives as fast, as the Consumer Analysis. It is the greatest door opener that we have ever used.

I could talk for many minutes about the Consumer Analysis, how it has changed the advertising and marketing plans of many manufacturers, how it has brought business to our newspapers, how it has made an extension of many accounts that were running in only a few of our markets, and the things that it will do for local retail stores such as food, department, drug, and appliances. It does a successful job.

MERCHANDISING AND PROMOTION

By HAL CULP, *Advertising Manager, Herald-Whig, Quincy, Ill.*

The merchandising of an advertisement often has been likened unto the "follow through"—something that completes the effectiveness of the process. We are all familiar with the term, "follow through," as it pertains to sports; we recall how the baseball pitcher remains poised—momentarily—after having made his delivery; how the kicker in football "swings through" with his leg as he boots the pigskin, and holds his poise momentarily as the ball sails through the air; and, how the basketball player stands motionless, momentarily, after he releases the free throw toss.

The "follow through" in advertising, which we shall term merchandising and promotion, is equally important to the firm which is making an investment in advertising. In fact, it may well determine the final success of the promotional endeavor.

In a well-organized retail promotion many factors are co-ordinated in order to make it successful: (1) the right goods . . . at the right time . . . at the right price; (2) an attractive window display to literally "stop" shoppers and entice them into the store; (3) a volume display of the merchandise at the point-of-sale; (4) a trained sales staff . . . properly informed on how to sell the merchandise; and, (5) newspaper copy in sufficient amount and properly written. When all of these factors of the retail promotion are planned correctly synchronized and properly executed the retail advertiser has reason to believe his merchandising plans will work out satisfactorily.

This is quite a contrasting picture, however, from the national, or general, advertising promotion. The general advertiser is not only remote (geographically) from the market in which his advertising is appearing, but unlike the retail advertiser who controls every factor of the promotion, the manufacturer has no control over one important factor. This lone factor may well be the key which will determine the success or failure of his campaign, because its his "follow through." I refer to the merchandising co-operation which the advertising medium affords in support of the advertising schedule.

Let us consider for a few minutes *who* is involved in the merchandising process, and it may be more apparent why there is the need for merchandising co-operation, why general advertising schedules frequently have a letter attached in which the agency (in the interest of its client) requests your merchandising assistance. In the interest of the entire newspaper industry, I hope that my message today may cause you to throw fewer of these "SOS" requests into your waste basket, and that you will give them intelligent consideration.

The manufacturer, or advertiser, is primarily interested in producing and distributing a large volume of merchandise at a profit. Since, however, he gets assistance from a number of people in the process of distribution, it seems to me his real responsibility reverts to that of *product production*. The area of his distribution activities may be nation-wide, regional or even confined to an area of one state. Regardless of the breadth of his activities, his problem remains the same—he needs merchandising assistance to "bridge the gap" between his dealers and himself. It seems perfectly logical for him to expect the newspaper to bridge this gap for him.

The advertising agency plans, produces and places the advertising copy for

his client, the manufacturer. The agency's only problem is to do the very best job that it can. It must do this if it is to hold the account. The agency, of course, dreams that the account will grow—that increased billings will result from promotional success. The agency men know considerable about your market: the number of automobiles owned . . . whether your town's water is hard or soft . . . how many feet it lies "plus-or-minus" sea-level . . . and so many other things. What the agency may have scant knowledge about concerning your market includes the consumer preference for its client's product . . . its relative standing compared to competitive brands, and an unbiased knowledge of the distribution of the client's product in the market . . . and the distribution of competitive brands.

These are but two of the many important things you may be able to provide the agency. In my opinion the agency performs a valuable service, and is not prejudiced in any way—for, or against newspapers—that its only interest is in benefitting its client. The agency men know that the newspaper is a vital factor in its community; that by its very nature it is well-informed concerning the people in that market; and, that the newspaper can (if it will) follow through and bridge the gap so necessary if the schedule is to be successful. That's why the agency so often requests your co-operation.

The broker, in case there is one involved in the particular account, is interested in the success of the ad campaign. You may not hear from him, but he will be aware of your activities. He is, of course, a salesman, and you are likely to find him "up to his ears" in orders. The broker may not run right over and hand you a bouquet for having managed to get the new schedule on "Who-Zit" peanut butter, one of the many products he represents, but he appreciates advertising support. He is a good contact for you, too—he can give you many leads which may be followed up and developed into advertising schedules for you. Like the manufacturer and the agency, the broker fully appreciates what an important factor the newspaper may be in rounding out the merchandising program.

The distributor is the "organizer type." His responsibility primarily is that of organizing the dealer set-up, supplying them with the merchandise, and helping them sell more of the product. Whether he is interested in foods, home appliances or livestock feed, he is the aggressive type, believes in mass display, point-of-sale and publication advertising. You're "missing the boat" if you don't sell him—keep him sold on newspaper advertising. He carries considerable weight at the factory with the "big boss," the general sales manager. His recommendations go a long way. He can do much for you. He is conscious, too, of the retail advertising you carry in your newspaper; he is aware of the close relationship you have with retailers; and he, like the manufacturer, the agency and the jobber, knows there is a merchandising gap that only the newspaper can bridge.

The man I would like to mention last, who is very important in the merchandising picture, is the district manager. Starting at the level of the manufacturers' sales representatives, one can often get important recommendations to the district manager, whose "OK" often is the difference between getting, or not getting, an advertising schedule. No one among the many I have mentioned is more interested in the merchandising co-operation you afford than the district manager. Obviously, he must be "sold" on your operations in behalf of his product. It is imperative that you know him, understand him and co-operate with him; that is, if you want your newspaper recommended. He it is who often decides whether the advertising in his district be in newspapers, or radio, or magazines.

Now that we have seen WHY there is a need for merchandising co-operation, the question arises, "What types of such co-operation do manufacturers, through their agencies, request. There are many types of merchandising helps which are often requested, but I think we can classify them into 5 principal types: dealer tie-ins, publicity, bulletins, interviews, surveys, and reports.

Of all the many types of co-operation, I am of the opinion that dealer tie-ins most often hit the jack-pot. It is of course true that some schedules forbid the newspaper to sell dealer tie-ups—emphasize the point that no dealers ads are to be published adjacent to the general copy, or even on the same page. Others, however, request the newspaper to solicit ads from the dealers, which are usually spotted above, below or beside the manufacturer's copy. Incidentally, this is rather an unexplored field. Much lineage could be secured if more of us took the time and effort to contact dealers and urged them to run copy in connection with the general copy.

It is in the food classification, however, where we find most emphasis in the matter of dealer tie-ins. The agencies and manufacturers watch our activities in this with more than passive interest. Obviously, they assume that if an advertising grocer lists their product in his regular merchandise copy, greater sales should result from the experience. I am aware that we all have had our difficulties in obtaining food tie-ups. I realize it is often difficult to get the grocer to list "Who-Zit" Peanut Butter, even though he may have it in stock, and we may have a beautiful sustaining advertising schedule promoting it to the consumer. There are, however, several things we can do to urge the grocer to co-operate.

The most potent weapon available, unfortunately, is not available in all markets. I refer to the *Consumer Survey*. This type of sales tool is most potent because it is factual, and leaves little to doubt. Every product must stand on its own reputation. The survey which the Illinois newspapers have compiled each year also includes a distribution report on products. Thus we not only can point out the consumers' preference for various products, but also whether the grocers have the products on their shelves. Obviously, a product must be on the dealer shelf or it cannot be sold. With such sales ammunition it is not difficult to point out to advertising grocers why they should tie-in with certain manufacturers' copy which is appearing in our newspapers. For instance, if a certain brand of coffee has a consumer preference of 38.5% and 88% of the stores have the product, it would seem profitable for the grocer to mention that item in his advertising, compared to a product which has a 2% preference. A product which only entices two customers out of every 100 certainly isn't one that a small grocer, who has a limited amount of capital, should get excited about.

Another plan which may be utilized to secure more dealer tie-ins is the publication each week of a mimeographed bulletin. We call ours *The Advertising Preview*. This bulletin is designed to accomplish several purposes. It is mailed on Saturday and reaches all advertising grocers, a few prospective advertisers, all wholesale grocery firms and several manufacturers' representatives. It lists every food store product which is to be published in our newspaper the following week; it features certain products—the start of a new schedule, special coupon deals, etc.; it urges grocers to list these items in their grocery ads; it keeps the grocers informed as to what items are being advertised; and, it keeps the retail staff men informed as to what products they should try to get as tie-ins from their customers. These bulletins are very inexpensive to work out, and we have more than tripled our grocery tie-ins since starting the Advertising Preview early in 1947.

A third method of obtaining tie-ins, or rather, influencing grocers to list certain

items, is the "cut" library. We provide all advertising grocers with loose-leaf note book binders. As rapidly as we get dealer tie-in mats from the manufacturers we have them cast and proofs pulled on sheets which are then taken to the retailer. Our retail staff men actually put them in the retailer's book . . . alphabetically. Thus our advertising grocers have excellent cut libraries on their desks. All the advertiser has to do is cut out the illustration and paste it on his layout. We have the mats in our possession. This seems more practical to us than the confused mess of mats that most grocers collect as salesmen call and leave mats with them.

These three methods of securing more dealer tie-ins are, in my opinion practical, inexpensive and easy to do. Further, you will find agencies appreciate such effort on your part, to the extent that you will probably secure more general linage for having given this co-operation.

One more point regarding tie-ins: it is one thing to secure tie-ins, but if no one knows about it, your time has been wasted. Perhaps you might be interested in this simple method of reporting them. We save (each week) a tear sheet of every product for which we have secured a tie-in. At the end of each month these are all forwarded to the interested party by first-class mail. Accompanying the tear sheets are copies of each Advertising Preview which appeared that month. The purpose is mostly promotional. We like folks to know what advertising schedules we are carrying. Sometimes these things give district managers and media men ideas—may cause them to say, "Me too."

The next general classification of merchandising co-operation is that big bad wolf, "publicity." It seems to me we have been just a little smug about this. We publish a lot of trash material under the guise of news, but if a new product enters our market, and like Tide or Delrich's new package, which the thousands of our subscribers may soon be using or eating, we frown on publishing it. Or, if one of the "local boys" makes good by becoming a district manager, we sometimes hesitate in mentioning the fact in our news columns. As a journalism student I have every regard for what makes news, and I would be among the first to defend the stories that our editors publish as news. On the other hand, I think commercial publicity has a legitimate place in the daily newspaper. When you think about it, there are a great many people who are interested in things commercial. Who isn't? We consider the New York *Times* an outstanding newspaper. Every stop to consider how much space they devote to commercial publicity? Isn't it interesting reading? Certainly, and that is why they publish it. Yes, our newspaper prints considerable publicity. We label much of it as such under the caption, "How's Business?" It is written in the advertising department and submitted to the city editor and, it nearly always "makes the paper." If you are not publishing publicity of this type, I would strongly urge you to do so. Incidentally, we seldom overlook the opportunity to forward tear sheets showing such publicity to interested manufacturers, agencies, district managers, etc.

The third major classification of merchandising co-operation which I would like to consider is the bulletin. These are often requested, and I regret are often not attended to. A cleverly designed trade bulletin is a valuable sales tool. The first step to consider in this type of promotion is to secure good mailing lists. We have a mailing list, for example, of 509 leading grocers in our market. We obtained them from a couple of our friends, the Pillsbury representative and the Procter & Gamble salesman. Trade bulletins bridge the gap between the manufacturer and the dealer, and the newspaper is in a position to do the job intelligently. Bulletins can announce, illustrate the package, mention the distributor,

indicate the extent of the advertising schedule, feature the principal selling points of the product. Bulletins are a vital part of merchandising co-operation.

You are often requested to make personal interviews on distributors, dealers and others. I realize that the time element may often prevent you from making as many of these as you perhaps would like to; however, these interviews are important. The important consideration, aside from the value to the manufacturer, who is remote from the scene, is the remarkable opportunity it gives you to sell the newspaper. It is important that you have close contact with distributors and dealers, know their plans, their problems, and keep them sold on your newspaper.

A final type of merchandising co-operation service which you can provide with profit not only to the manufacturer, but to your newspaper as well, is a spot check of distribution. This can be handled either by personal interviews by your retail staff men, or by telephone. It is a quick method of ascertaining distribution.

The final factor in merchandising—co-operation is the report that you make. There are many methods of doing this, but you may be interested in the one we employ. About 30 days after the schedule starts, we assemble all the material which represents evidence of co-operation we have afforded. This is arranged into a booklet form. A copy is sent to every interested party. These include the top man at the home office of the manufacturer and the agency, the district manager, the broker, the distributor, and the local sales representative. It is concise, accurate and we believe the necessary "follow through."

We are happy to say that we have had fine reactions from the merchandising co-operation we have afforded our general advertising customers. We have found it to be worth while, and we plan to go into it much more extensively.

INFORMATION THE ADVERTISER AND AGENCY NEED ABOUT YOUR MARKET AND YOUR NEWSPAPER

By H. O. WHITESIDE, *Vice-President, Gardner Advertising Company, St. Louis, Mo.*

To be specific, and attempting to look at the topic from your point of view, the advertiser and agency need to know and realize that you have a few other jobs to do besides looking after his particular account, which may be, and probably is, only a very small fraction of your total business. Certainly, the advertiser needs to know that no matter how good your market, a one-hundred or even a five hundred line ad, run once or four times a year, is not going to capture that market. The advertiser, particularly the national advertiser, and his agency need to realize that rarely is more than a third of your advertising revenue derived from national accounts. If he realizes this, he then should be able to understand why you don't get too excited when he waves a very modest schedule before you.

He needs to have it brought home to him that the profit to you on a modest campaign is not sufficient to justify, in many cases, your employing a salesman in his behalf, usually under the euphemistic title of Merchandising Man. These, I think, are, from your point of view, certainly some of the things that the advertiser and agency need to know about your market and your newspaper.

If they are aware of these things, their requests of you are likely to be more realistic and, whether you know it or not, your efforts to assist the advertiser and give him a break when you can are likely to be a bit more sincere, just because you like to help a guy who has some knowledge of and interest in your problems.

I turn now to the more ostensible facet of my topic, presumably the suggesting to or telling you what you can do to be of assistance to the advertiser and his agency. I don't want you to presuppose that, as a general proposition, either the advertiser or his agency necessarily knows all of the things that he needs to know about your market or your paper. Many of you have certainly come up against advertisers and agencies that were unaware of the existence and value of very pertinent information about either your market or your newspaper. I will dwell on this point only long enough to say that in such instances you have both a responsibility and an opportunity to be of service beyond that normally expected of you. The manner and extent to which you capitalize on such opportunities may frequently determine whether or not you make a sale. Most of us, when it is at all possible, respond sympathetically to assistance over and above that asked for. When you have these opportunities, take them and run with them.

Now, it is my understanding that those of you here today have come from communities of many sizes and are representing newspapers both large and small. In order to cover the needs of the advertiser for information about the large market, it will be necessary for me to touch on many things that are not particularly practical, or even desirable for the smaller communities. I hope that in so doing, those of you who represent smaller communities will not feel that a razzle-dazzle show is being put on for you. If I give you anything of value, I expect each of you to weigh and determine those parts useful to you just as your editorial department handles the news stories in determining what is news and what is not news.

If I wanted to, I could close this discussion at this point with a fairly simple two-part answer. One: The advertiser and agency need to know whether or not

there is enough money potentially available to them in your market to justify any advertising expenditure in your market. Two: The advertiser and agency, need to know whether or not your newspaper is the most effective medium through which to reach that potential market with the advertising message. It's as simple as that in its fundamentals.

Let's start first with your market. What is your market? How large is it? How far do people come to trade in your shops and service stations and banks?

How many people come to trade in your shops and service establishments? Where do they come from? Is yours one of those nice, fat, circular markets that can be described by placing a school boy's calipers on an ordinary highway map and drawing a circle around the metropolis? Or is it, as is usually the case, a rather lopsided affair, bulging out on one side because the highways on that side naturally lead people to your market center? Or is it squeezed in on one side by competing market centers that have better facilities to attract the man and woman with money to spend? Does your own circulation pretty much follow, in geographic pattern, the outline of the market center?

Maps have a certain fascination for most of us and we like to look at them whether we know how to read them or not. If you can make a fairly accurate map of your market, you can be reasonably certain that it is one of your promotion pieces that the advertiser and agency representative will look at. Your chances of getting it looked at are far better than they are for most pieces of direct mail promotion. But, while you are preparing that map, let's keep in mind that it's only a foundation stone. Or, to use another figure, the outline of a jig saw puzzle into which many other pieces can be fitted to produce, when finally completed, a useful and attractive picture of your market.

There is the matter, for example, the very fundamental matter, of the number of people in that market and their relative concentration. Are they scattered fairly evenly over the market, or is the central marketing area the place where ninety percent of them live, with the other ten percent scattered around over the area?

Even more important than just numbers of people is some information about these people: How they make their living; how they have their fun; how they feel about the money they earn. That last remark may need a little amplification, but I have in mind, mainly, their attitude on the subject of thrift and economy. We have, in St. Louis, for example, some areas where a large part of the population in the city has developed to a very high degree the capacity both to earn and to hold on to a nickel, once earned. Is your market primarily dependent upon agriculture? If so, what type of agriculture? Is it "one crop" or diversified? If diversified, what is the nature of the diversification?

More and more, the large advertisers and agencies are learning how to use basic economic information and from that to evaluate the chances of markets growing or declining. This may not seem like much of a problem at the present time when it appears to many of us that the prices of agricultural products will never stop climbing, but this situation will not persist indefinitely and even now, as some agricultural commodity prices continue to rise, men and women in laboratories across the country are working furiously to develop satisfactory and less expensive substitutes for some of these products. Some of them will succeed and, as they succeed, the future market for the agricultural product being attacked becomes more risky. And failure on the part of your market to take some recognition of these technological changes may well spell a declining market opportunity, both for the advertiser and for you.*

Or, possibly, your market depends upon one or two industrial concerns for the major part of its economic life blood.

What's the nature of these manufactories? How large a part of your community pay roll depends on them? Are they turning out the necessities, the conveniences or the luxuries of life? Those turning out the necessities are usually more stable and stand a better chance of riding out depressions, even though their rate of production be reduced. Again, the advertiser needs to know and use such factors, particularly if he looks upon himself as being in business to stay, for he generally recognizes that the development of a position in your market will not come overnight and that his initial expenditures are in the nature of an investment towards long-term future returns. There is really not much point in his investing in a market that appears to have little or no future.

If you believe that there is a future to your market, if you have evidence that your market is growing, that the earning power of the citizens you serve is expanding, you should point out these things as forcefully and as factually as you know how. If, on the other hand, you should discover as you begin to assess your market, that it is in a period of decline, what better medium than your own newspaper to start the ball rolling to check the decline and to revitalize your market? Certainly, if you attempt to sell a declining market, there is always an excellent chance that the buyer will be short-changed, and while he may not find it out immediately, believe me, in time he will find it out.

In giving these indications of the value of your particular market, you will have to fall back, as all of us do, on statistics, some of them old, some of them new.

You may even have to develop some of the statistics to bring up to date some of the older ones that are commonly employed as indexes for judging the market potential. You know them all, but I will just mention here a few beyond those already mentioned.

Is your market populated by people who own their own homes?

Does every family own an automobile, or does it just seem that way?

Is there a high percentage of the dwelling units that are wired for electricity?

What are the income tax returns, or, possibly, if you are from Missouri, what are the sales tax returns from your communities?

Does your market have an abnormally high percentage of its population that could be classed as transient, or only semi-permanent?

While the decision on whether to advertise in your market rests ultimately with the advertiser and his agency, such pertinent facts about a market are highly desirable if he is to advertise effectively.

For many advertisers, the physical characteristics of your market are important. Is it in mountainous or hilly country? Is the water supply hard or soft? Is it located on or near sizable bodies of water? What is the climatic description of your market, including such items as monthly or seasonal temperature ranges, rainfall and snowfall. Are there physical barriers that limit the effectiveness of other media, particularly radio, in reaching your market? For example, we have some very powerful radio stations in St. Louis whose signal can be heard even in Canada and Mexico but which are a complete wash-out so far as good listening is concerned in certain parts of the Missouri-Ozark Highlands that are practically at our door-step. These characteristics of your market are pertinent and quite helpful to many advertisers.

Up to this point, I have talked mostly about the physical nature of your market and of individual consumers.

Moving back a bit closer, now, to the advertiser, both his sales and advertising force need to have a picture of the channels of distribution in your market. Since food is the most widely used item of commerce, and also the most widely advertised, the first distribution outlets that come to mind are the grocery and related stores. How many and what kind of grocery stores do you have in your market? Do you have one or two really progressive grocers and fifteen or twenty or one-hundred grocers who spend so much time crying about competition that they don't have enough time to be competition? There is usually a leader or two that stands out, and then there are almost always a number of smaller, less efficient units which exist sometimes because the owners know so little about keeping books that they don't realize how long they can go on losing money and still operate a store. I am sure every one of you knows the type I have in mind. In addition to the appraisal of the grocery outlets in your market, you might well include drug outlets, variety stores, shoe stores, department stores, general merchandise stores, farm equipment dealers, automobile dealers and the major types of service and repair shops that all participate in keeping your community ticking. Don't let me forget the taverns in this list. For even if you don't happen to carry liquor or tavern advertising, there are quite a number of manufacturers who know how to make use of such information even though they do not themselves sell beer or liquor.

In this census of major lines of retail trade, you have an additional opportunity to prepare a few very simple maps that can be quite helpful to the advertiser. They don't have to be works of art, but if your market has street maps, just a simple spotting of the location of major outlets is about all that is required.

In the case of the rural areas, I happen to know that really first class maps are available at very modest prices from the state highway departments. Surprisingly few people know of the existence of these highway maps, which carry on them considerable information beyond the outline of the highway pattern. If you can adapt some of these to your purposes, you can sometimes give the advertiser what to him is a very special service at a very low expenditure of your own time and money. These maps are not necessary and, probably, the decision to enter or not to enter a market won't hinge upon their presence or absence, but they do constitute a very definite plus in this jig saw puzzle of your market.

In addition to the retailers, information could well be supplied on all types of wholesale establishments located in your market. Keep in mind that the wholesale establishments serving your market, but located outside that market, will be reported by some other alert newspaper. If any of these operations are conducted by cooperatives, corporate chains, voluntary chains or independent operators, these facts should be noted, particularly where buying offices are maintained in your market. I am sure I can call on you to use your imagination in supplying the answer as to why this type of information interests the advertiser.

Then, too, a description of the transportation facilities serving your market should be included. You certainly want to let the advertiser know just how easy it is to get to your market, not only for his own inspection, but for the people living in the surrounding area who might be persuaded to do some of their spending in your market.

Up to this point, I have been talking almost exclusively about the market and have said very little about the newspaper. In closing the section on the market, I would suggest that every community has a peculiar characteristic. While they all have many points in common, they all have their individual values and, as your own community has such individual characteristics that appear to be

sufficiently noteworthy, you should point them out. For illustration, a community may be known as a union town or it may be known as a coop community or it may be known as a red-hot Democratic or Republican community. There may be a large foreign-born element that gives it a distinctive character. There are others and I shan't attempt to name them all. But if you will just keep in mind that you are asking the advertiser to propose to just one girl, rather than to all womankind, he should have his attention brought to the desirable features of the one girl over and beyond those that she has in common with all womankind.

There's really not a great deal I can tell you that you don't already know about what the advertiser and agency need to know about your newspaper. For most of you, the facts of your mechanical requirements have already been recorded and are available to the advertiser in standard references. Your national advertising rates are likewise readily available. Your local rates, however, are not, and this is a gap that should be filled. The national advertiser is interested in, and has a right to know, how much he is being charged in comparison with, possibly, purely local but, nonetheless, active competition. It also may affect his own cooperative advertising plans that he will be working out with his local outlets.

Another thing that the advertiser and agency need to know is whether your newspaper is sold in combination to the advertiser or subscriber, and if so, whether such combination is optional. In some markets newspapers are sold in combination, and on some of the forced combinations advertisers have to buy more space than they feel they actually need. This factor has to be taken into account in planning advertising schedules.

In these times when prices of so many things keep going up and up, it may seem inconsequential to ask, "How much does the newspaper cost the reader, both on subscription and at the news stand?" But in analyzing and comparing newspaper coverage, we feel that it is important to know what the subscription rates are. There has been occasions when a newspaper's popularity has been found to be based on the fact that it sells for a little less than its competitor. In such instances we try to take this into account in making comparisons.

Another factor is the percent of your circulation that is in news stand or street sale, as opposed to home delivery.

Yet another—and sometimes a very important one—is the analysis of your total advertising lineage for the previous year. This analysis is helpful if it is divided, not only as between national and local advertising, but also as to major classifications for both national and local advertising. The advertiser and his agency can quickly see the weight of advertising for his particular type of product which is being thrown at your readers.

Further, there are times when it is desirable to show this analysis for a longer period than one year so that it can be determined whether there are any trends to, or away from, your newspaper as an advertising medium for certain types of products. If, for example, your volumes of national food advertising has been showing a healthy growth, this is some indication that advertisers have been finding it a sufficiently worthwhile medium in which to continue making an investment. On the darker side, if your lineage of a particular class has been declining, the advertiser is going to look a little more closely and be a little more curious as to why this situation has developed.

When you receive an inquiry from an advertiser of a specific product (and there are times when the advertiser and agency are overly cautious and don't give you enough information about their interest to be of much help), it's worthwhile letting him know about your current advertisers of directly competitive

products and their advertising record with you over the past year. If you have any tear sheets available, these, too, might be sent along.

Now a comparatively few newspapers—and those the larger ones—have set up consumer panels and store inventory checks. But if you have one of these for your newspaper, don't be surprised if many advertisers act as though they don't know what they're about or how to use them. If you have spent the money developing such a tool, don't overlook the fact that you probably are going to have to spend more money and time teaching people how to use that tool. Mr. Gorham has already talked to you this morning on this subject, and I won't spend any more time on it.

If you have any merchandising services available to the advertisers, by all means let them know what services are available and under what terms. They don't all insist on free service, but quite naturally, they're not going to volunteer to pay for any they can get free.

Actually, your own imagination and sales consciousness will probably determine in the long run not only how much information you supply the advertiser and his agency, but how interestingly you supply it. As you know, probably the fundamental—if we must name *one*—of advertising and selling is that of stressing the benefit to the prospective buyer. Usually this "stressing the benefit" is surrounded with plenty of "reason why" copy. If you approach the advertiser in this spirit, applying your imagination, you should be able to do an excellent competitive job of constructive selling.

I would close on a slight variation of the theme—that is, cooperation with those agencies, both within your industry and without, which seek information from you to be compiled in standard and widely distributed reference reports. The 4-A's Market and Newspaper Statistics; the ABC statements; such organizations as Sales Management, Hearst Magazines, and Curtis Publishing Company, who work out trading area outlines; the Bureau of the Census; Media Records; and others; merit your careful consideration when they ask for help. Many times it is possible that the advertiser or his agency will include or eliminate your market from his plans as a result of reference to such standard reports as those prepared by these agencies. If you cooperate with them, you improve your chances of having serious consideration given both to your market and to your newspaper.

RATE STRUCTURES: CONTRACTS, SPACE AND FREQUENCY DISCOUNTS

By KNOWLTON PARKER, *Business Manager, News-Press and Gazette, St. Joseph, Mo.*

Rate structures *are* important to the profit side of a newspaper, although most any kind of a rate structure could make money these days. The honeymoon is about over, which brings to mind a saying I heard the other day.

When a car stalls on a country road and a man looks into his girl's eyes—he is single. If he looks at the gas gauge, he is married.

It isn't going to be many months before publishers are going to be looking a lot more earnestly at the gas gauge.

Rate structures are important, and they should be built for the advertiser, not the newspaper. Make it easy for the advertiser to do business with you . . . he will make money . . . so will you.

These are the types of local rate structures: the flat rate; monthly earned rates, no contract; bulk space, monthly and yearly; frequency of insertion, or times per week; contracts, running 13 weeks, 26 weeks, and 52 weeks.

Before I say more about rate structure, let's consider this premise that we will all agree on. Advertising to be profitable must be consistently used. Now it must be well planned, timely, and a lot of other things, but it also must be used regularly.

Is there a need in your particular city to encourage advertisers more regularly? . . . daily . . . three times a week . . . or for some advertisers the encouragement to advertise even once a week?

A study in one particular city of the frequency of advertisers showed the following story:

44 accounts from 250 in. to 700 in. a year. Twenty-two, or 50%, missed 12 weeks out of the year and only 9 out of the 44 ran a full 52 weeks.

44 accounts, 700 in. to 3,500 in. a year. Six missed 12 weeks out of the year, and only 20 accounts, less than half, were in the newspaper a full 52 weeks.

This particular newspaper only had 19 accounts that used more than 3,500 inches a year. Their frequency was not surveyed in this instance. On the same newspaper, less than one-third of the contract advertisers advertised twice a week or more.

Examples of advertisers:

A furniture company in a medium size city spent 90% in a budget in six weeks, and at the end of the year complained about results from advertising.

In another city, a men's and women's shop was a sporadic advertiser. When the record of his frequency was placed before the owner, he couldn't believe it. He thought he was a regular advertiser.

A druggist who knew he should be a regular advertiser, asked for a year's contract he couldn't cancel.

Selling the frequency contract:

Repeating myself, the frequency contract calls for the regular use of advertising once a week, twice a week, or up to its use everyday in the week. The proper rate structure under a frequency contract should accommodate the gamut of advertisers from the advertiser who runs one inch once a week up to the advertiser who uses a page daily or whatever your top advertiser should be encouraged to use.

The advertiser who uses small space daily should get a relatively better rate than an advertiser who uses large space once a week. For example: in our newspapers the advertiser who uses one inch daily gets the same rate as the advertiser who uses 3 inches three times a week, 5 inches twice a week, or 20 inches once a week.

Selling the frequency contract:

. . . you don't. You may talk budget to your account . . . getting him to raise his sights regarding the promotion of his store. Or you may use the last year's performance as a guide. Or in the case of advertisers you may prepare a series of ads, a campaign if you please, to suit his needs. In any event, you interest him in how he can make advertising work better for him. After you have done that it becomes a mechanical process to sign him on a year's contract because the year's frequency contract saves him money.

As an additional selling and protective feature to the advertiser, all of our contracts permit him to cancel at any time he elects to do so. If he cancels prior to the completion of a 13-week schedule, he pays the open rate for all the advertising he has run. If he cancels after the 13 weeks and before completing 26 weeks, he pays the 13-week contract rate. If he runs more than 26 weeks but does not complete the year's contract, he pays the difference between the 26-week rate and the 52-week rate.

This provision, in my opinion, is most important because the advertiser does not feel like he is signing his life away when he puts his signature on the dotted line.

The need of a contract:

In the case of a new account you want him to be sure to give advertising a chance to function by running the complete campaign you have submitted to him. In addition to that, you want him to continue to advertise beyond the campaign you laid out for him. A contract helps do this. Frequency contracts make it easier for the salesman to properly service his accounts. In the place of having to sell an ad every day, or every week, he can devote his time to getting ideas which will make the advertising more effective. Frequency contracts make the merchant take on an obligation he should take on without a contract—that of advertising regularly. Frequency contracts encourage the spread of an appropriation to more days a week and helps you build better newspapers everyday and at the same time gives the advertising more chance to produce for the advertisers.

What are the steps to be taken, assuming you feel frequency contracts might do the job better in your city?

An account by analysis to determine the pattern of advertising of accounts. A study of the effect upon your average rate of this new structure. Don't worry too much about your average rate—worry about your profit. Anyone can have a high average rate but no one makes a profit unless he does business, and enough business to make a profit. Maintain a rate which assures a profit, but also one which will make it easy for the advertiser to make sales and HIS profit.

Now, with reference to classified advertising rates and frequency of insertion:

In 25 years of using frequency and graduated scale rates in display advertising, it never occurred to me that it would work with a slight change in classified contract advertising. Yes, we had used the 3-line a day, 7-line a day, 1-inch a day, and bulk space contracts among contract advertisers in classified, etc., and of course we had a one-day rate, 3-day rate, and 7-day rate for transient or non-contract advertisers, but we had never applied the frequency and graduated scale discount properly to the classified contract advertisers.

Again let's start with a premise we can all agree on. The more you tell in classified advertising, the easier it is to sell. If you have a room for rent or a used car to sell, you should keep the ad in the paper until the room is rented and the car is sold. In addition, from the publishers standpoint, let me say that there is little, if any, profit in the first insertion of a classified ad. It is handled by 8 people in our office from the time it is taken on the phone until it is proof read, put in the forms, finally billed and collected for. No! Profit comes from the repeated insertion.

The frequency doctrine applied to contract classified advertisers is simply this: If an ad is 3 lines, runs for one day, the advertiser can run it for less cost the second day, a lesser cost the third day and 4th day and 7th day. If he uses a 4-line ad he gets a better rate on his contract than he does for 3 lines. If he uses 5 to 13 lines in his ad, he earns a better rate than if he runs 4 lines and so on up to 56 lines. Again for example, the 3 line ad for one day costs 20c a line. 56-line ad costs 14c a line. This is encouragement for the advertiser to use enough space to tell the story. If the 56-line ad is left in the paper 7 days his rate drop from 14c a line to 9c a line. This is encouragement for him to leave an ad in until he gets results.

If he gets results on the first day, he doesn't object to paying the higher rate. A lower rate for the succeeding days for the contract advertiser encourages him to use more insertions, hence get better results.

Linage figures do not mean much these days. Everyone is beating all records, establishing new highs. The fact that in 1947 in classified advertising we carried 3 times the volume of 1942 doesn't of itself mean anything. But the fact that we carried 131,000 more classified ads in 1947 than we did in 1942 does mean something. On volume of space in 1947, classified was rationed to a maximum of 100 lines for any one advertiser any one day. In 1942 there was no rationing.

BUILDING DOLLAR VOLUME FROM WANT AD PAGES

By MEL W. STONECIPHER, *Advertising Manager, East St. Louis Journal, East St. Louis, Ill.*

Classified is the advertising of the people. Its prestige as a service medium is rooted in the hearts and minds and habits of practically every family in your community. It is the only advertising placed and checked by the masses. Newspapers do not "own" classified. It is created and maintained by the voluntary action of the people. It is not for the few but for the many. Classified touches the lives of millions at every critical period of personal development from birth to death.

Like all other commercial enterprises, newspapers prosper in accordance with their ability to produce profit. No matter what business a concern may be engaged in or the specific item manufactured or sold, profit is the main objective.

The more clearly profit is recognized as the "finished product" in the newspaper business, the more successfully can it be produced in satisfactory volume.

The old days, when a newspaper could exist and dominate its community by the sheer power of its editorial excellence, the brilliance of its feature writers, and the scope of its news gathering facilities, are gone. Profitable modern newspaper operation is contingent on profitable advertising volume.

The modern newspaper's success depends not alone on the editorial reading habit of its circulation, but on its advertising reading habit as well.

It is significant that the biggest money making newspapers in America with few exceptions are newspapers enjoying dominant classified acceptance in their communities.

Classified dominance is recognized as important, not alone for the substantial revenue it provides but because of its high by-product value of local prestige, general reader service, and community influence. How material these values are is evidenced by the almost impossible task which confronts an ambitious "second" newspaper when it seeks to displace one of these volume leaders.

Classified advertising is just what the name denotes—classified, catalogued information about goods and services, which the great mass of people depend on for shelter, employment, business opportunities, bargains in merchandise, transportation, real estate and numerous other services not otherwise obtainable in an economical manner.

While we in the industry think of classified as advertising, the woman in the home, the worker in the shop, the farmer in the field, the executive in the office think of classified not as "advertising" but as a composite mass of urgent, personal messages to anyone and everyone in the community to supply critical necessities which cannot conveniently be supplied in any other way.

A classified advertisement is a paid "letter to the Editor" an invitation entrusted with the publisher, to all readers to come and do business on a reliable, neighborly, profitable basis.

Ordering a classified ad in a newspaper represents more than the advertiser's confidence in the medium; it reflects his faith in all the people who read the newspaper. Classified is the service bond that holds millions of people to the newspapers of the land.

Every classified advertiser is a vital link in the newspaper's chain of good

will; each reader, seeking in the classified columns the object of his search, helps forge this functional chain of profit and prestige.

Publishers rate paid features in accordance with their ability to attract and hold readers. The price publishers are willing to pay for such features is determined solely on their reader attraction merits.

Newspapers spend millions promoting columns, comics, contests, insurance, puzzles, sports, public shows and personalities. All of these features, which individually rate low in publisher opinion in comparison with classified reader interest values, cost money to produce and maintain. Their revenue return values are wholly indirect, usually dependent on related or allied editorial support.

Classified advertising, praised universally by publishers as the greatest single newspaper feature of the industry, also supports circulation and display income indirectly, but it is a direct revenue producer—a top ranking profit factor—on its own power.

After the birth of the idea of classified, techniques were rapidly developed to make it more available, more interesting and more profitable to the public and the publisher. However, not all newspapers bothered with classified advertising, these papers would accept what ever came to them voluntarily making little effort to develop volume. Believe it or not, in this day of modern newspaper operation, and big profits in classified, there are still newspapers, daily newspapers if you please, which do not bother with classified advertising. Newspapers which today accept just what the public brings in. And, by the way, some of them enjoy a pretty fair volume. But what could they do with a little effort or a big effort? The bushes in their community are drooping with big dollars just waiting to be toppled into the publisher's cash register, if someone would only take the trouble to go after the business. What does it take for some publishers, who call themselves business men, to wake up? Building dollar volume from the classified pages? Go out and sell it! That will do the job. Go out and sell it! There is your answer.

Strangely enough, not all newspaper principals are fully aware of the financial value of keeping their classified departments staffed with top flight talent. On conspicuously few newspapers is the work and worth of classified personnel appraised on a parity with the rest of the organization. We still talk about classified men being "promoted" to display, editorial, circulation and other departments. How often is it said of a capable employee that he was "promoted" from these departments to classified?

If classified is the greatest reader feature, next to news, in American newspapers, this subordination of classified's values and importance, while other departments of the newspaper are more liberally and gainfully glamorized, must be deplored as inconsistent with the characteristic acumen and enterprise of the publishing fraternity.

If comics are valuable to a newspaper, sports and financial pages are departments of value; if columnists and cartoonists and contests are valuable, if all the features, even news itself, are important enough to expend huge sums to woo and win a fickle public, how much more worth-while is a successful classified department as a public relations asset?

Classified advertising experienced its greatest volume and revenue development following World War I and also has made tremendous gains following World War II. Classified advertising has grown up. No longer is it the department where the publisher can place someone until he can find a suitable niche for him. I know from whence I speak because a little better than 15 years ago, I applied

for a job as a cub reporter and was told I would be placed in the classified department for 30 or 60 days, until I could get my feet on the ground. But as usual, everything turned out for the best. I'm still here. No longer is the classified department some place to comfort the old boys just before they are turned out to pasture. The wide awake newspaper classified department of today is a hard-hitting, go-getting group of sales people—not order takers, but sales people who know their business and can sell. People who know that a strong Republican or Democratic newspaper may see its circulation influence regress in years of political adversity, people who know that a shift of a mere handful of big accounts may make a weak display advertising medium out of a strong one overnight, also know that the rarest event in journalism would be to see a paper lose its classified position and patronage and its related place in the hearts of the people.

To the public, rate cards are the price tags of advertising. To the publisher they constitute the foundation of his building program. Classified rates are determined by the publisher in accordance with his opinion of the cost and value of his service. The public evaluates the worth of newspapers for classified advertising on the basis of tradition and cumulative result experience. Habit—mass habit—creates a trend to a newspaper. Thus value is established and becomes generally recognized. Rates are set by the publisher, but value is established by the public. Any rate structure, unsupported by value, will fail to build patronage or profit.

A great American publisher once said, "If I were publishing a newspaper in Chicago or some other great city, and the newspapers agreed to divide up the field I would give up the entire franchise on display advertising for the privilege of carrying all the classified business in the city." It isn't as crazy as it sounds. I know of a mid-western paper with 50,000 circulation that netted \$300,000 for 1947!

IF I WERE A NEWSPAPER ADVERTISING MANAGER

By B. M. ASHELL, *President, Ashell's, Kirksville, Mo.*

It is always a pleasure to give talks such as this one, mainly I suppose, because it is so much easier to tell the other fellow how to run his business, especially when we're not cluttered up with the information, knowledge and experience that he has. It is with this little preface that I plunge into the subject, "IF I WERE A NEWSPAPER ADVERTISING MANAGER." Seriously, many of the remarks that I am about to make will undoubtedly be familiar to you, and in many instances, you have probably used them over a period of years. But because I am a retailer, and because I have used a fair amount of newspaper space over the past few years, the suggestions and criticisms that I have to make may be of some interest. I have tried to make them constructive.

I believe the smaller town merchants who are *good* merchants have greater opportunities than ever before to be successful, if they make use of their natural advantages. A well planned *personalized* advertising program is one of these advantages.

If I were an advertising manager, I believe my first consideration would be (and I am sure it is with many of you) to help my client prepare advertisements that would be to the best interests of the public he serves. These ultimately will be to our own best interests. In order to do this, I would have to know quite a lot about the science of advertising itself, as well as the particular details of the various businesses in which my clients are engaged. It sounds like a large undertaking. In fact, I would have to be practically a one-man advertising agency for my clients who could not afford the services of an advertising agency. To begin with, I would subscribe to a New York newspaper, as well as to newspapers and trade magazines from the metropolitan cities in our immediate area, also newspapers in towns similar to the one I was in. I would clip interesting advertisements from all of these papers, filing them in their own particular category, so that my client could go to the file holding his type of business ads for ideas and inspiration.

I would furnish a key of symbols to the advertiser so that he in turn would know what to indicate when he wanted caps, italics, space, bold face, or any of the variations in type which are all familiar to the typesetter, but not to the average businessman who writes his own ads.

I would subscribe to the National Retail Dry Goods Association Sales Promotions Calendar as a source of information for promotional activities which apply to my clients, so that I would be in a better position to advise them on timely promotions.

I would prepare, with the help of my society editor, a social calendar of the activities in our town and its immediate area, far enough in advance, so that each of my clients could have a source of information on current social activities—events that might stimulate their businesses and help to make their advertisements more timely and so be of direct benefit.

I would work with my advertisers and help them develop a distinctive type of advertising which would immediately identify their advertisements to the public. This could be done by helping them adopt an unusual border, consistent layout, typography, themes, etc. It would take much work originally, but once a definite theme was adopted, the preparation of the ads would become much simpler.

I would urge my advertisers to adopt a regular schedule for their ads, perhaps three ads per week, always on the same page, with the same distinctive border and layout.

I would furnish an attractive frame for the use of my clients so that they could mount their ads on it and place it in a conspicuous place after the ad appeared. A deeper impression could be made on the minds of the consumer by seeing the ad the second time in such a manner.

My clients would be urged to tie in their window display, interior display, and direct mail or radio if they use them, with their newspaper ads.

I seriously doubt if I would *ever* sell a full page ad. In my client's best interests I would point out that one column and two or three inches of news would actually add interest to his ad. If the occasion warranted additional space, I would use a series of small teasers in the same issue or preceding issue to call attention to the larger spread.

My clients would never, or hardly ever, use a stereotyped ad. I spoke of the natural advantages of the small town merchant. The one BIG advantage is that we can be much more personal in our relationship with our customers. A good ad would reflect the personality of the merchant. It would be convincing. It would be slanted to his own community.

As an advertising manager, I would carefully study the successful techniques of the small town radio stations. They realize they can't possibly compete with the big networks, and have intelligently developed a series of programs that has a vast local appeal. A newspaper advertisement can have this local interest, but the preparation of such an advertisement takes more time and thought. All merchants give much time and thought to selecting suitable merchandise for their *own* trade. They do not buy for anyone *except* their customers. This same reasoning should guide them in preparing their ads, because abstract statements are difficult to accept.

I would try to point out the folly of indiscriminate advertising to my client. I would realize that poorly written and untimely advertising cannot be effective, and therefore reflects on all advertising. I would discourage the placing of such ads.

Advertising has come a long way in the past few decades. In fact, it has come to the point where some people actually believe what they read in the ads. Lest this sound like sarcasm, the older ad men among you will remember when "anything went." An advertiser could and often would make the most ridiculous claims. And you would accept his ad. As a result, all advertising, and newspaper advertising particularly, went through a period of years of skepticism and disbelief, with the consequent nullifying of benefits that could have been accomplished through the hundreds of thousands of dollars invested in advertising.

There has been a vast improvement in the general standard of advertising these past several years, thanks to the Pure Food and Drug Act, the Federal Trade Commission, and probably most important of all, the business men's own policing agency, the Better Business Bureau. Unfortunately, the small towns do not have the services of these organizations and many advertisements are published in small town newspapers that would not be accepted in a metropolitan newspaper because of false claims, inaccurate descriptions, or misleading statements. I wrote to Mr. Harper, the manager of the Better Business Bureau in Kansas City with regard to the problem of maintaining a high standard of advertising in smaller towns. He sent me their book—"A Guide to Retail Advertising and Selling," a book I think should be on the desk of every advertising manager. It sells for \$1

and is available from one of the Better Business Bureaus in either Kansas City, St. Louis or Springfield. Mr. Harper suggested that a committee of merchants be sponsored by the local Chamber of Commerce to work with the newspapers in the elimination of objectionable advertising. I think those of us who spend sizable sums in newspaper advertising have an important interest in the medium we use. I think we should do everything we can to create a standard of advertising that will promote confidence and so work to the best interests of the consumer and to business in general.

No matter how good our intentions, the final results of our ads depend on the degree of co-operation and the skill of the boys who set them. With this thought, I think that if I were an advertising manager, I would arrange for weekly meetings with them and hold informal discussions from time to time as to the layout and type used in the more attractive advertisements in the metropolitan newspapers. This would stimulate them to study the technique of interesting advertising, and the resultant confidence and respect for their opinions would, I think, develop a closer relationship between the advertiser, the advertising manager and the boys who actually sets the ads. As a member of an advertising managers' association, I would suggest that the association conduct a contest for the best ads (submitted by the ad managers)—the boys in the back room to share in both the prizes and the honors. I would suggest that my association institute a simple training course for the "type" men, so that they could be made aware of the advances in advertising techniques.

Because I must at all times work for the best interests of my client and the public he serves, I would take every opportunity possible to point out to retailers of fashion apparel that they are harboring a Trojan horse in their midst in the fashion magazines, which are in truth hardly more than glorified mail order catalogues. But I would be careful to differentiate between legitimate helpful fashion magazines (such as *Vogue* and *Harpers Bazaar*) which add a great deal of prestige to the retailer, help set fashion trends, furnish much useful and necessary fashion information, and are actually looked upon as fashion authorities. But there are other magazines which, posing as fashion magazines, are merely used by retailers and manufacturers to elicit mail orders from their readers. Retailers who use these magazines in their shops, in their ads, in their window displays, are actually glamorizing and publicizing a form of competition which is one of the greatest single threats to the small town retailer. They might just as well feature "As seen in Sears Roebuck catalogue" in their ads. I think this should be brought to the attention of every retailer with whom you come into contact. Retailing's Trojan horse must not be permitted to destroy small town retailers. My suggestion on how to combat this type of competition is very simple. It is merely bringing home to the retailers themselves the folly of encouraging and making possible mail order ads. We can refuse to have in our shops the magazines which are harmful to our interests. We can refuse to patronize manufacturers who permit stores to take business out of our trade area through the use of these magazines. Once retailers refuse to sponsor and glamorize these magazines, they will have no choice but to give up their "mail order ads" or die. The only problem is to make retailers aware of this threat.

The current mat services with which I am familiar are at least two or three decades behind the progress that has been made in advertising in general. The art work is poor, to say the least, compared with the art work that many manufacturers furnish for their products. The copy, the type and the borders, are the same that have been used for years and years. They are not on a par with the

advances that have been made in advertising technique, and we should face it. If I were a member of an advertising association, serving smaller stores such as ours, I think my number one objective would be to insist that the present mat services develop a service comparable to that which is being used by the more progressive stores throughout the country. If the present services cannot do this, I would explore every other possibility,—perhaps help finance a service which is willing to go forward. It can be done.

Speaking as a ready-to-wear retailer, our first need is for distinctive type and backgrounds to be used with illustrations prepared for us by the manufacturers, and yet we hesitate to use these prepared ads in their entirety, as our ads would lose both their continuity and our own distinctiveness, inasmuch as each manufacturer has a different layout, different type, and different art work. Another serious criticism of the mat services is fashion timing for the ready-to-wear industry. For example: Ballerina skirts were widely advertised in all metropolitan newspapers throughout the country for three months before our mat service showed a *one* column cut of a ballerina skirt.

I would make my publisher realize that advertising has made it possible for him to have the modern equipment, wire-photo, news services and his very newest news gathering facilities. Unless newspaper ads keep pace with modern progress, his paper is endangered. I would point out to him the very modern techniques used for radio commercials, mail order catalogs, the extremely attractive advertisements in magazines and the very interesting and well planned ads in the metropolitan newspapers. We small retailers must meet all of this competition with *our* ads for reader interest.

I wouldn't accept as an excuse that a small town paper can't afford it—a small town paper doesn't have to be *that good*. But if small town merchants are to compete with the metropolitan stores, the ads must be comparable. It sounds like a cliché to state that we are entering an era of intense competition, but the facts are that we are. If small business is to survive, we must compete on *every* level. I sincerely believe that, given a good solid merchandising program, *plus* a good, sound and intelligent advertising program, a business man, regardless of where he may be, has a very good opportunity for success. An advertising manager can be of invaluable assistance in helping to plan such a advertising program, but he must have the tools. A modern mat service is one of the most important of those tools. It should be made available to *our* use. It can be made available by our determined, collective effort.

Next month I am to talk to a group of retailers at a clinic sponsored by the Kansas City Apparel Association. They will all be "small retailers," I've been told, and interested in learning the "how" of fashion promotion and advertising. Because I, too, am a "small retailer," and because I have made extensive use of fashion promotions and advertising, I was invited to talk at this meeting. Some of the things I plan to say may be of interest to you. For example, we've found it helpful and profitable to stress our nationally advertised labels. We feature these names, build them up and glamorize them to our own trade at every opportunity. This is one of the more important ways, I think, in which we can compete with our metropolitan competitors. Linking our name with that of a nationally known maker naturally gives us greater prestige. I plan to tell this group of the many methods we have adopted to make shopping in our store an adventure. I plan to discuss ad techniques with them as I have with you.

I think, too, one of the ways you newspapermen can be of much help to your clients is by urging all the stores in your community to cooperate, and I think

you are the logical ones to do this. You meet them all on a close personal basis. They have confidence in you and it would be to your mutual advantage. For example, annual sales, announced simultaneously by all the stores in the community, would be much more effective than individual sales. Seasonal openings would make a much greater impression if all the stores cooperated and announced them for the same date. Fashion events, window displays, and other activities that lend themselves to cooperative action would be much more impressive by such cooperation. In fact, some of these events, in any case, could be done only through cooperation. I would suggest that you explore further the possibility of advising your clients along these lines. You will have to take the initiative in this "community-cooperation," but I certainly feel that it will be very worth-while, for it will serve not only as a stimulus to business, injecting new life and vigor into it, but will also bring about a feeling of friendly competition and helpfulness that most communities so sorely lack.

We speak of "the little business man" as being the "bulwark of democracy." We are proud of the "private enterprise" which has built our America. We pass laws, sometimes, to protect this "private enterprise" from the unfair competition of the giant monopolists. You advertising men have the greatest opportunity of all to make certain that our United States will continue to be a country in which *true* "private enterprise" can flourish, and with it the thousands of small towns throughout America. We have hundreds of thousands of small business men with the heart and will and energy to stay in business. They many times lack the "know how." You can give it to them if you will. As far as the advertising techniques, promotional efforts, good merchandising, etc. are concerned, you can't make a good merchant out of a bad one. But you can, many times you have, and I know you'll continue to help make a good merchant a better one, by sharing with him your knowledge, your experience, and your good-will.

RETAIL ADVERTISING LAYOUT, COPY, TYPOGRAPHY—EFFECTIVE USE OF YOUR MAT SERVICE

By THOMAS J. MURPHY, JR., *Copy Chief and Director of Promotion, Meyer Both Company, Chicago, Ill.*

In a sense, I feel my place on this program is as a representative of all of the leading mat services. I'd like it understood at the outset, however, that the viewpoints I may express are my own. I have chosen to regard my topic as consisting of two distinct divisions. I intend to deal with the first half—layout, copy and typography—first.

Layout, copy, and typography each requires a "course"; it's impossible to treat them each adequately in a composite lecture. All that I can hope to do is "help" a little. That is what I intend to try to do.

How many of you have heard of the "New Look"? How many of you have seen it?

Back in 1933, the Independence, Missouri, *Examiner* ran an ad that said, "Ann Is Going To Get Married!" I reproduced that ad in the February, 1934, edition of Plans and Pointers, the very first of thousands of newspaper ads it was my pleasure and privilege to publicize during the succeeding ten years.

In that ad, the picture of Ann showed that her dress came down to her ankles. Her teen-age daughter wants a dress just like it, today, but she calls it "the New Look."

It could be Ann's daughter we see in this ad for a Cleveland radio station, from a recent issue of Printer's Ink, announcing, "Here's the New Look at Northeastern Ohio."

The "New Look" may not seem so new to Ann's elders, but it has new implications.

Ann's daughter not only *has* a new look . . . she *TAKES* a new look!

She looks for deep freezers, television, no-gear-shift cars, four-hour Constellation flights to Miami, wire recorders, electric blankets and electric dishwashers.

Is this "New Look" concept an important factor in layout, copy, and typography?

How pervasive is it? How *persuasive* is it? Before we can proceed, we must concede that the "New Look" exists in a broader sense than fashion or mere "skirt length."

On November 29, 1937, Marshall Field & Company ran this cosmetics gift ad in the Chicago Tribune, representative of the highest level of display advertising technique of that time; on May 7, 1947, the same store ran this cosmetics promotion for Mother's Day gifts in the same paper; note the modern effect in the 1947 ad, the completely new and different approach from a graphic standpoint . . . note the "New Look."

We are all familiar with the highly standardized typographic display technique developed by the A & P in its ads for super-markets: fewer items by far, a fresh, new, gay art technique dominating the ad and infinitely fewer item listings. Unquestionably a "New Look."

In the mat services, too, you will find that the "approach" is geared to 1948. This typical fashion page from the January, 1939, issue of Stanton-Superservice looks much the same as many such ads we still see in some newspapers, but a glance at this current fashion page from one of the eight sections of the complete

Meyer Both General Newspaper Advertising book will reveal that it's as radically different from its 1939 counterpart as were the "New Look" Marshall Field and A & P ads.

In these other exhibits, it not only becomes apparent that the "New Look" is to found in packages devoted to special campaigns; it's also possible to see that a new look has been taken at the problems of successful merchandising and selling.

It *is* almost all-pervasive. It *is* persuasive. It *is* an important factor in layout, copy and typography.

But what *is* it—in its more-than-fashion application?

The "New Look" is the congealed and applied expression of what we talked about for years; it's the phrase, "Post-War World," translated into *Advertising English!*

Once we start looking for it, we see it everywhere,—in ranch-type homes, modern kitchens, new streamliners, washing machines and pinless diapers.

Meyer Both Reports is a consumer response report resulting from a three-times-daily check of ads which appear in Chicago, New York and Los Angeles papers. Thousands of department stores and specialty shops rely on these reports for items that are clicking, resources, and other useful information.

I have here a Meyer Both Report on the consumer response to a Mandel Brothers ad originally shopped August 4, 1947. This is a glassware item. Before we examine it, let's look at what the manufacturer did in his national advertising. Notice that there is nothing smart or new about the technique of the national magazine ad. Now let's look at an ad from the Chicago *Herald & American*, run by one of the big Chicago department stores, in which the technique is very similar to the old-fashion sort of display we saw in the national ad. When our reporters shopped this *Herald & American* ad, the response was reported "Too poor to justify issuing a report."

Now let's go back to the Mandel Brothers ad on which a report was issued. The space was roughly two columns on ten inches and the item was incorporated into an omnibus ad. But note the utterly different art treatment and the relatively modern typographic treatment. This Mandel Brothers ad, only half as big as the "no response" ad, was reported as a three-star item, the next best thing to a sellout. When we checked the manufacturer, he told us that within 48 hours after this add appeared, 4,000 sets had been sold at \$3, \$12,000 worth of consumer response to a new approach.

Five weeks later, in September, Mandel's repeated the ad, but they changed the art treatment and the heading, which now read "another carload!"

Two months later, in November, Mandel's advertised the same item again, treating it as a gift idea this time, and proving it was a runner item.

Good retail advertising is wonderful. It pays to do it right. Do justice to the pulling power of your medium. The Power of the Press we talk so much about is there . . . but only if you *use* it!

The Chicago *Tribune* believes that it pays to do the job right and does full justice to its medium. My second example of why it pays to "take a New Look" derives from a recent effort on the part of that paper. The "Trib" was the underdog on food linage in Chicago. The staff, I am told, worked for a full year to develop a new approach which could be sold to a leading food advertiser and give the "Trib" a chance to demonstrate that it, too, could do an effective job in the food field. The "Trib" *took* a new look, *developed* a "New Look," *sold* a "New Look." The result was a contract with the Jewel Tea stores of Chicago with 52

full-page ads. The initial ad appeared January 8, 1948, and in this tearsheet we can see instantly two dominant elements which are part and parcel of that "New Look": Color . . . and the radical introduction of a cartoon-strip topper entitled "Betty The Bride."

In these two examples (the glassware story out of Meyer Both Reports and the Tribune's Jewel Tea campaign) we have the clue to the *brief* form of the answer to "How to get the New Look into layout, copy and typography." The brief answer is: These three elements or tools of advertising (layout, copy and typography) are *means*—not *ends*.

Since reasoning and copy are practically synonymous in advertising, let's take a new look at copy. Let's take drycleaning, for one example.

What can you do with drycleaning to give it a "New Look"? Take it out of the rut!

First, we must define "the rut." You can tell you're in what I call "the rut" when you start to do a drycleaning ad by looking for a drycleaning heading. You're *really* in it when you pick up a picture of a routeman, or a woman holding a bag-covered garment, or a picture of a blanket, or a rug, or a window with curtains on it.

Almost *anything* you do from this point on will dig you in deeper and the net result will be something even a child would realize was intended to be a drycleaning ad. That's wasteful. Why?

Because the great waste in this kind of advertising stems from two facts: (1) When it's obviously a drycleaning ad, the chances of its appealing to anybody *who hasn't already thought about having some drycleaning done* are practically nil; (2) because everybody else advertises exactly the same way, its chances of having individuality and an edge over competition are less than nil.

So let's get out of the rut. Let's reach out and influence the *potential* market—all of it—not just a fragment of the *automatic* market.

If you start from the premise that what the drycleaner has to sell is restoration, it naturally follows that what he is selling is a chance to experience again the same satisfactions that were experienced when the garment was new.

If a manufacturer can sell men's hats on the strength of the way they are blocked, why can't the drycleaner?

This doesn't mean he should say "Blocked To Look Like New" . . . it means he should say "Hand Blocked in the 1948 Manner!"—or some other style-selling statement.

So: Divide your market by motives.

The two basic drycleaning motives are *cleaning* and *restoration*. Each of these is the starting point for a separate ad.

Remember it's the *potential* market, not just a fragment of the *automatic* market, that you must reach and influence if the advertising is to be profitable to the advertiser.

Speaking of markets, let's not forget that *most ads slap most markets in the face most of the time*.

Ads which automatically interest mothers of growing children are of no practical interest to bachelors, or to mothers of *grown* children; ads of interest to housewives are of no interest to growing girls and working girls.

Remember that each different category looks at your ads through a different pair of glasses.

Remember that every time you seek to "cover the waterfront" in one ad,

you dilute that ad and reduce its pulling power in direct ratio to the effect it could have had on one particular segment of the market.

The good reporter's old standbys, What, Where, When, Why, Who and How, whether asked of yourself and answered out of your own experience or asked of people rendering the services or selling the goods and the people they sell or hope to sell, will help tremendously in organizing to do a thorough, mutually profitable job.

Trained skill is necessary in the application of layout, copy and typography as means to an end. But the objectives must be born of a spirit of aggressive, enthusiastic, optimistic desire to demonstrate the pulling power of advertising.

Frankly, the discussions I've heard here, the personal conversations, and the general attitude expressed toward advertising puzzle me. Until now, I was firm in my conviction that newspaper advertising was the highly specialized art of influencing people and moving goods at retail. To my way of thinking, the poorest month in the year would be the very time when local display advertising ought to go to work and do the very best job of the year. How else can we hope to level off the peaks and valleys? I'd prove that advertising leads the public and disprove the theory that advertising expenditure must bow to the consumer-habit-established buying pattern. Let's try to remember that measurement is not research, that it's but one of the many components of research. There is nothing so cold as a day-old statistic and nothing so hot as a new idea. Figures are important but only as an aid to sound analysis.

Knowledge, effort, and spirit—these are the essential elements. For most of us, it might be said that we either know the technical aspects of layout, copy and typography or we're too old to learn; but none of us has an excuse for lack of knowledge, effort or spirit.

The second section of this train of thought is called "Effective Use Of Your Mat Service."

There are many good reasons why you should seek to make "effective" use of your mat service, but the really important reason is: Because you *need* to.

Back room costs are going up and up . . . you've the problem of creating a desire for non-demand items in a rising price market . . . whether retailers admit it or not, there's a strong trend toward non-profit in department stores and specialty shops (the dollar volume is there, but the profit isn't in the way it used to be), markets are shrinking, whether we like to admit it or not (people like Scruggs, Vandervoort and Stix, Baer & Fuller are doing more mail order business all the time) . . . television is just marking time until the coaxial cables enable it to show John Jones in your town the actual bottle of beer as it's emptied into a tempting, frosty, foaming glass . . . even the farmer is getting to be the "flying farmer" and he's buying in the "big leagues."

These are but a few of the reasons why you need to make effective use of your mat services, and the mat syndicates, ours and the others, to, are doing everything possible to help you. And we'll do more, if you'll cooperate to help us do it.

This leads us to "how" you can make more effective use of your mat services.

First, recognize at the outset that syndicated productions depend upon your ingenuity if the sound, modern advertising techniques with which they provide you are to be effectively adapted to your local advertising problems. There are many moderately-sized daily towns in which even all three of the leading mat services would, if combined, still prove inadequate for a particular classification. All three together cannot take care of the needs of a town in which there are a

dozen different automotive advertisers, five or six of whom are on contract to run two ads a week apiece, for fifty-two weeks of the year.

The ad manager who makes most effective use of his mat services is, in such a case, the one who recognizes that he can frequently prepare an even better ad if he'll look through beauty shop or florists or ready-to-wear classifications and find a picture of the kind of woman the ad is seeking to influence and use that picture in the ad that's intended to influence the public by convincing people that this particular service station prides itself on clean rest rooms. This is simply an example of adaptability and flexibility, two attributes which make mat services doubly valuable when properly used.

Second, recognize that it's an advertising service and treat it accordingly. When the package arrives, have it delivered directly to your desk, immediately. Open the package, yourself. Go through it to see what opportunities it contains for you to do a better promotional job in your community. After thoroughly acquainting yourself with it, call a staff meeting—and let it be an advertising meeting, as opposed to a sales meeting. Talk a little “blue sky.” Disregard the habits and fixed opinions of your merchants. Discuss what would be good for them and how to induce them to try it. Go through the book and earmark the things that are “naturals” for certain advertisers. Assign specific material to certain people with the understanding that a report is due back and that the opportunity to get first crack at a “natural” will go to someone else if the man who gets it this time muffs his assignment. Go through the book again for its utilitarian value, earmarking a host of illustrations, mortises, headings, and so forth, which are particularly needed by your advertisers, and perhaps even have some of them cast up in advance; this procedure, incidentally, enables you to pull a skelton layout proof to use on those last-minute grocery, drug and omnibus-style ads. And when you're through, take the relatively few minutes necessary to compile your own localized index, remembering that the service you are using is now your property and must be fitted to the peculiar needs of your own community.

The way to make most effective use of your mat service is to *plan* to make most effective use . . . and in order to plan, it's obviously necessary to study.

So open the package when it arrives—take a *good* look, an unprejudiced look, use it right, keep us informed of your experiences, and, together, we will go along with the “New Look” to bigger and better things!

THE FOUR CYCLES OF ADVERTISING SALESMANSHIP

By JOHN GIESEN, *Director, Retail Division, Bureau of Advertising,
American Newspaper Publishers Association, New York.*

If I were to open this talk with the expression "we live in a changing world," you would probably look at each other and say, "What, again?" You hear that on all sides. You read about it every day. And yet I can't help feeling that the selling of newspaper advertising has gone through more changes than other fields. Many of you here assembled have already been through three cycles of change and are now in the fourth. Some of you have worked with men who represented each of these three cycles.

You recollect, without doubt, the first phase. The salesman of that period I shall call Mr. Supplicant. He solicited business in the literal meaning of that term. In fact, his approach to his prospect was so much in accord with Webster's definition of the word solicit that henceforth he and his successors were known as solicitors. You must remember him. He flourished in the era which ended about 1912. He did not sell advertising values because he did not know much about what made advertising click.

Supplicant's approach was on a "me, too" basis. He alternated with an appeal that his newspaper should be supported because of its editorial stand upon various issues, principally of a political nature.

In the later days of this era in our history this might have been a typical conversation between a solicitor and a retailer:

"Good morning, Mr. Field. I'm Brown of the *Globe*. You had an ad in the *Bugle* yesterday. I know you will want to run it in the *Globe*, too. You know my publisher is on the right side and that my paper is read by the right-thinking people in this town. All you have to do is say okay and we will run the ad just as it appeared in the *Bugle*."

Just then Mr. Field interrupted our ancestor:

"Well, look Mr. Brown, I don't know whether I want to run that ad or not. I don't know much about advertising and I would like to have your advice. I would like to know how much I should spend on advertising—and do you think my ad of yesterday is the kind I should run to get the best results?"

And what do you think "Great Grandpa" told Mr. Field?

"Well, now, Mr. Field, my job is to sell white space—I'm a salesman. If you want that kind of help, you'd better hire an advertising manager."

That was the great grandfather of today's newspaper advertising salesman.

Now for his son: let's name him Mr. Statistician.

You know this man, too. He came into the picture about the time that newspaper advertising began to be recognized as an essential force. Personalities and personal considerations had begun to dwindle in importance. Something cold had crept into the buying of white space. There was a demand for facts—authenticated facts.

Mr. Statistician's approach was almost always on a competitive basis. Let me remind you how his sales story opened.

"Mr. Field, I'm Jones of the *Evening Globe*. I have noticed that you are doing some advertising and I think that in a few minutes I can convince you that you should also be using my paper. Look at these maps of our circulation in the best neighborhoods in town, compared to the circulation of the paper you

are using—we give the better coverage right where your best customers are concentrated. I want you to look at this table of the cost per line per thousand readers in our paper, as compared to the one where you are sinking all your appropriation.

“You don’t have to take *my* word for it that *my* paper is the best buy in town. Look at these lineage figures showing how the other retailers in your line of business use more space with us than in the paper you are using.”

Now there were at least two things wrong with Mr. Statistician’s approach to this merchant:

No. 1—It did nothing at all to boost the *economic value of advertising in newspapers*.

No. 2—It did nothing specific to *help advertisers with their problems*.

In fact, Mr. Statistician confused the issue, although under his regime there were a number of advances made in the use of newspaper white space. The unfortunate thing about it was that most of these advances were initiated and developed by advertisers themselves, instead of by the newspaper salesman.

Now we are coming down closer to our own generation. But first let us consider the grandson. Let’s call him Mr. Service.

Mr. Service went a *long way* forward. He began to accept the responsibilities so deftly side-stepped by Mr. Supplicant and so rudely ignored by Mr. Statistician. Mr. Service concerned himself with the outward and visible aspects of advertising. He became absorbed in what can be done with copy and layout. He rigged up speculative ads, conceived special sections, thought up all kinds of cooperative spreads and specials.

He baited these fish hook ideas with florid copy, fancy borders and elaborate illustrations and sold a world of them with his eloquence and promises. He wrote copy for his regular advertisers and found himself without too much enthusiasm accepting *responsibility for results*. Mr. Service was helpful to our industry in a number of ways. But Service was a harried man because every time he wrote an ad he was actually on pins and needles until the results were in. If the results were good, fine and dandy. If they were disappointing, Service had to scramble like the devil to find an acceptable alibi.

He was strictly on the defensive for the simple reason that, noble as his intentions were, he still did not know what makes retail newspaper advertising pay.

There has been a break in the genealogy of the newspaper advertising man of today. The war caused this with its consequent crippling of the newsprint industry. A certain illegitimacy crept into the family.

To illustrate what I mean, I want to repeat a conversation I actually heard in 1946 while visiting the advertising department of a newspaper. I heard only one side of it because it was a telephone conversation. I know it *does not* characterize our selling techniques of today and yet it does picture a state of mind from which, we only began to emerge in 1947.

This one-sided conversation went like this:

“Hello, Mr. Smith, this is Gaines Hunter of the *Press*. Say, Mr. Smith, I can’t run your 60-inch ad tomorrow.

“Sure, I know you still have unused space this month. But we have more ads than we can handle—and you have already had an ad in this week.

“Yes, I know you want to move those dresses, but they’ll sell next week. You see, Mr. Smith, we haven’t got the paper to go up in pages.

"But good Lord, Mr. Smith, I've told you before—the mills can't make enough newsprint, so you're out of luck this time."

Now, gentlemen, that is no exaggeration, and obviously this paper had no rationing program. I had listened to one side of a conversation by a *salesman*. What a silly, downright ridiculous sales conversation! What an example of how to win friends and influence people! You'd really call that *good public relations*, wouldn't you?

Imagine a salesman:

1. Telling an account, one ad a week is enough.
2. That his dresses would sell next week just as well as this week.

Gentlemen, such a state of mind has existed in our industry for over six years—and the end isn't yet in sight. So it is absolutely essential that this selling approach be eradicated if we newspapers are to reflect a good measure of the progress so obvious in the selling techniques of other industries.

Such was the interlude of illegitimacy. Now for the great grandson in these four generations of newspaper advertising salesmanship:

Let's call this gentleman Mr. Science. Science knows a lot of answers—sound answers. Answers to such questions as:

1. How much should a retailer spend for advertising?
2. Is this ad the kind I should run to get best results?
3. Why didn't your paper sell those close-out coats for me?
4. Your paper may do a good job on Furniture—but I sell Men's Clothes.

Mr. Science can push competition aside. He sits down with Mr. Advertiser *on the same side of the desk!* He has both the mental attitude—and the tools to work *with* retailers. And brother!—do the retailers *need* this kind of counsel! If you think not—listen to this statement:

Last June the executives of the Allied Stores Corporation, the country's largest department store chain, reported on an analysis of six million dollars' worth of retail advertising. Russell A. Brown, vice president of the Allied Purchasing Corporation, stated, and I quote:

"They waste practically *half* of their newspaper advertising."

Several deficiencies caused the waste, Brown declared. He mentioned:

"Choice of the *wrong* items, *wrong* price lines, *poor* timing, *inefficient* handling of copy appeals, and the lack of adequate information on the seasonability of merchandise." Familiar terms to you who regularly read and use Retail Division material.

Consider another reflection of the same problem—a recent *Editor and Publisher* article on newspaper costs and revenues. According to E & P operating costs of newspapers in the 100,000 or more circulation group increased 28% during the first six months of 1947. During that time the combined advertising and circulation revenues of these newspapers rose only 21.9% over the preceding year. In 1948 these newspapers face an additional increase in production costs that is now estimated to be in the neighborhood of 10 to 15%.

Unless steps are taken to materially improve their revenues in the coming year, these newspapers are certain to find their P & L's seriously flirting with red ink.

What are we going to do about it? Well, gentlemen, there is a way to improve newspaper revenues. We must make the advertiser's dollar investment in newspapers do a better job so the merchant can spend *more for promotion—without taking it out of profits!*

Gentlemen, this present—very present—problem *requires* selling approaches

that will inevitably prevail in the future. Management, which sometimes hesitates to gear itself to these selling techniques, must face today a few undeniable facts:

Fact No. 1—Newspaper advertising is rapidly becoming a scientific branch of merchandising.

Fact No. 2—The problem of the space salesman and the retailer—their motivations and their psychologies—can no longer be *remote*, nor can their solution depend on the needs of one in complete disregard of the needs of the other.

Fact No. 3—We must *prove* to ourselves, *prove* to our staffs and *prove* to our accounts that the newspaper advertising salesman of today has at his command the *knowledge* and the specifics which will project him indispensably into the operation of *any* retail store in *any* community.

We have at our command the materials and the approaches with which to develop such a program of modern selling. It is by the use of these materials that we can solve the problem of increased productivity of the retail promotion dollar. And this increased productivity in turn will serve to defend us from the impending problems created by growing production costs in newspapering.

Let's analyze one of the most fundamental of these tools:

"The Retail Advertising Budget":

Here is a study on how much a retailer should spend for advertising. This book points out:

1. That it is unwise to spend money for advertising without a plan—and why.
2. What will be gained by working with a budget.
3. That the right merchandise at the right time at the right price, strategically presented with skillful copy and illustration in sufficient space at frequent intervals are five factors strongly affecting the results from an advertising expenditure.

"The Retail Advertising Budget" also contains:

1. A definition of newspaper advertising as a force which, when intelligently planned, has never failed to produce customers in measure with a store's ability to satisfy customers.
2. A tabulation of 115 different classifications of retail business, showing the advertising percent-to-sales for each classification.
3. Twelve specific case histories of successful stores, and the percent of sales these stores spend for advertising in newspapers.

Other analytical, scientific tools in this classic of our industry are:

1. Total advertising percent of sales for department stores and specialty shops for the years 1938, '39 and '40—compiled and released by the National Retail Dry Goods Association.
2. An analysis of total store publicity. Here's a breakdown of the budget for media, payroll and other items.
3. How the publicity dollar was spent for the years of 1943, '44 and '45 as reported by the N.R.D.G.A.

The original distribution of "The Retail Advertising Budget" was made to Bureau members in June, 1947. Over 200 members have requisitioned extra copies at the cost price of ten cents. We have distributed over 8,000 copies. Extra copies are still available to Bureau members. Trade paper stories on the budget book have been responsible for hundreds of inquiries from stores, agencies and manufacturers.

How can we use this scientific tool? What specific value does it have for us?

Does it provide *both* ourselves and our accounts with the kind of authoritative information we need to plan an *annual* advertising expenditure—and to plan *beyond* that the distribution of this expenditure from month to month? The means for doing *that* is most important of all to us as newspaper advertising salesmen.

Well, to get our answer, let's call on a retailer.

We have been getting a few gripes from Jim Benton, who runs a shoe store. Jim claims our paper isn't producing for him. He used to have more customers than shoes and now has more shoes than customers.

So we go into the store, catch Jim busy with a customer. We sit down out of the way and wait a few minutes. Jim doesn't make the sale—so he's in a bad humor and inclined to blame us for poor business.

So we pull the budget book on Jim. We read this on page one to him:

"Unplanned spending of money for advertising is wasteful and more often than not, highly unproductive. Advertising expenses should be carefully planned in advance so that every dollar has the opportunity for the greatest possible return in sales."

Now we turn to page 16 and our conversation goes something like this:

"Jim, what we just read is sound, I'm sure you'll agree. Now look at this breakdown of advertising percent-to-sales for different kinds of shoes."

"All right, let's see that," says Jim. So he takes the book in his hand and finds these figures:

Shoes Stores (specialty)	2.9%
Shoes—Children's Dept.	1.5%
Shoes—Men's and Boys' Dept.	1.8%
Shoes—Women's Dept.	1.7%

So Jim says, "Well, I sell shoes to men, women and children. . . ."

"Right," we say, and "Jim, do you work on a budget?" "Well, sort of a budget, yes." "Okay," you say, "I checked your advertising before leaving the office and found you invested \$3,000 last year. When we apply 2% advertising cost to sales—and that's low as you have seen—your volume is indicated at \$150,000. Is that in line with what you actually do?"

"Hell no," says Jim. "Why we do well over \$200,000 in this store."

"Well, Jim, you should be investing \$4,000 a year in asking customers to come in and buy from your store."

Simple. But do you see what we're accomplishing, gentlemen? We're using the principles of modern selling to help our accounts to commit themselves to an advertising budget *which bears the most productive relationship to their total annual sales. And more important than that:* we are providing ourselves with a *workable estimate of a client's future space requirements.*

So we get a partial agreement that this is sound and wise procedure. But we don't get a commitment.

Back at the plant later that day we discuss our call. Lying on our desk is a copy of the

"Time Table of Retail Opportunities"

We look it over. On page 10 we find the shoe sales in September 1946 for all departments accounted for 9.3% of the year's business. Children's shoes show 10.9% for September. Women's shoes for the month were 8.9%. And turning to page 16 we find men's and boys' shoe sales in September were 8.1% of the year.

Then we go to the files and measure what Benton's ran last September and we find three ads—and believe it or not—all on children's shoes. So we make a notation on the planning form in the Time Table showing when these ads ran, the merchandise, and note that no prices were used.

Then we go and get Benton's lineage by months for 1946. But we don't want to show that to Jim till we get some idea of how his sales distribute themselves over a 12-month period. So we make a separate chart of his advertising pattern.

A couple of days later we make another call. We have our pictures or charts and the Time Table with his last year's linage. This time we get in Jim's office. We lay our chart in front of Jim on his desk, and here's our story.

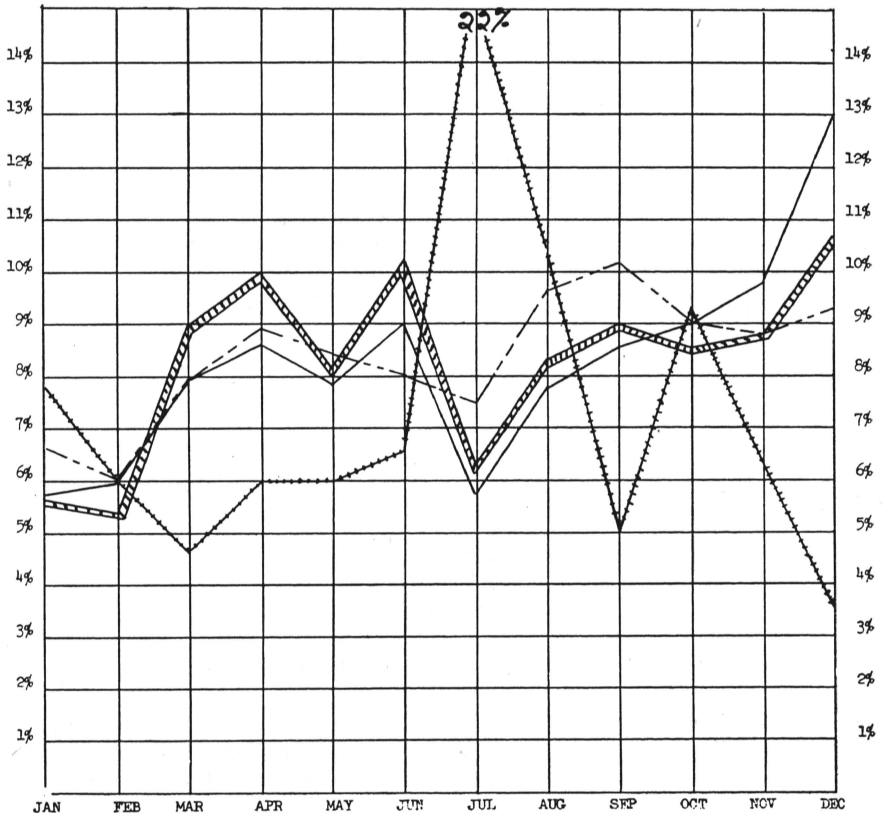
"Jim, this solid line represents the way consumers buy shoes. This broken line represents the way stores advertise for those shoe sales.

"Now the way a market has bought indicates the way a market will buy. What we would like to know from you, Jim, is how did your monthly sales for 1946 compare with these factors?"

So Jim says, "Well, that's not too easy." But he reaches in his desk, pulls out last year's sales report, does some figuring and finally says: "Last year I did

5.6% in January	8.2% in May	9.0% in September
5.4% in February	10.2% in June	8.8% in October
9.0% in March	6.2% in July	8.8% in November
10.0% in April	8.2% in August	10.6% in December

— Department Store Shoe Sales 1946
 - - - Department Store Shoe Linage 1946
 ▨ Benton's Store Sales 1946
 ▩ Benton's Store Linage 1946



While Jim was talking we put those figures in on our chart. Looking them over we find Jim's sales very closely parallel total department store shoe sales. Jim is impressed. He says, "Well, looks like you boys have something there."

And, yes, we *do* have something there. Immediately we leave far behind the old traditions of space selling. As advertising salesmen we are now Mr. Science, the modern salesman, the *creator of good will* who can do so much to influence the more *efficient* planning of advertising by our retail stores.

Again we point out the advertising (broken line) as shown by Media Records lineage for the shoe classification. And now we come to our "punch line."

"Now, look, Jim, this is the way you advertised last year." We pull the overlay down showing that Benton's had *underplayed opportunity during seven of the 12 months in the year*, and had hit it right in only *three months*.

Jim looks this over with a frown on his face, then comes up with a smile and says, "Was I really that stupid?"

"Jim, there are plenty of retailers who have not been applying these scientific approaches because they haven't had to worry about such planning or analysis the last six years."

Then we show Jim our planning form, point out there were 25 selling days in September last year, he asked for business on only three occasions, and point out further that he advertised only children's shoes.

"Well," says Jim, "we'll certainly correct that situation. Let's see, according to sales I should spend about 9% of my year's budget in September. I'll need to advertise men's, women's and children's. So let's figure on 2 Men's ads, 4 or 5 Women's ads and 3 Children's ads."

So we walk out of the store a couple of heroes. Not only a couple of heroes, but prototypes of tomorrow's *pattern-conscious* Jim Benton and today's scientific newspaper advertising salesmen.

We didn't mention rates or circulation, or even the name of our paper. But we were talking about *his business*—the shoe business—and about *customers*—his customers.

We were simply using the newspaper advertising selling technique required by today's conditions.

Now, gentlemen, there is *no* shoe store by the name of Benton's.

But there *is* a shoe store by the name of Wenton's. It's on Bergen Avenue, in Jersey City, New Jersey.

The call we have illustrated on a retailer is a true story. This contact was made through the cooperation of R. E. Lent, business manager, and Robert Meyers, of the staff of the *Jersey Journal*. The account is now using this scientific approach to his promotion plans. And this approach has had most interesting results.

Here's what happened on this account:

In September of 1946, the Wenton Shoe Store ran 3 ads totalling 400 lines. In September of 1947, as a result of an adjustment of its promotion pressure to the selling opportunities inherent in the month of September, this account ran 11 ads, totalling 2,764 lines. The net result of this adjustment in lineage for the store—a September *sales* gain of 15.9%.

During October 1947 Wenton's ran 13 ads totalling 3,789 lines, compared to 5 ads totalling 753 lines in October of the year before. Gentlemen, the lineage Wenton's used in 3 months of 1947 was greater than the entire promotional investment of the store during the year 1946.

For the whole year 19468,100 lines
 For September, October, November, 19478,570 lines

These tools of today's newspaper salesmen: "The Retail Advertising Budget" and "The Time Table of Retail Opportunities" enable us to use the same analytical technique in all of the cities of this country.

It is in the removal of extreme fluctuations of promotional effort, gentlemen, that we may discover our opportunities for increased productivity of the retail promotion dollar. Your advertisers may today deviate widely from the pattern of sales opportunity in their use of newspapers—and still be successful operators. I said *Today*.

You then have no immediate quarrel with their course.

BUT—*watch out for three things:*

Be prepared to act swiftly—without fumbling—when, as and if, *Tomorrow:*

1. The squeeze of changing economics alters their profit picture for the worse.
2. They discover their advertising cost percentage is climbing fast.
3. They tell you that your newspaper is not pulling.

Our future, our prosperity and our very *security* hinge upon *planning* promotions *with our advertisers* so that the newspaper cost in percent to sales is held under control. Our advertisers must continue to make *Good Profits*.

The tools are available to do this job! I name them again: "The Retail Advertising Budget" and "The Time Table of Retail Opportunities."

The years ahead call for our combined effort and latent skills in using these tools. Through such combined effort we'll get more lineage, we'll get *our* share of the advertising dollar, as individuals and collectively for this dynamic industry of ours—The Newspapers of America.

PACKAGE SELLING FOR MORE LINAGE

By WILLIS BROWN, *Retail Advertising Manager, Star and Tribune, Minneapolis, Minn.*

Herman Radolf says "The retailer's business is to sell, not to hoard goods."

Wade McCargo, president of Baldwin's in Richmond, Va., says the small merchant must be promotional-minded for his own salvation and *regular* advertising is necessary.

Alan Wells, publicity director of Kaufman's in Pittsburgh says, "Sell! Sell! Sell!"

Olin Stansbury, publicity director of Stix, Baer, & Fuller in St. Louis says to promote more in 1948. There should be no place in the advertising schedule for advertisements that have no story to tell or just keep the department before the public. They must sell!

B. Lewis Posen, chairman of the National Retail Dry Goods Association public relations committee, says all costs are up in 1948 and space must do a better job.

Waldon Hobbs, vice-president of Consolidated Dry Goods of Springfield, Massachusetts, says "Expenses of advertising among others are affected by store policies and the amount is up to the administrative management of the company. The controller's duty is to ascertain that cost.

Melvin Arnold, controller of DeWees in Philadelphia, says it will be wise for the controller to study advertising costs to determine if such expenses are beamed at the proper departments, proper stocks, proper price lines.

To get maximum productive efficiency from advertising, John Giesen ties it up with three resolutions to aid the retailer:

(1) I will apply every bit of information on public buying habits to my business operation so that my chances for timely, pertinent, and productive advertising are at their greatest.

(2) I will establish advertising budgets as a definite, predetermined per cent of *estimated* total sales which shall be used for the purpose of producing the desired sales goal.

(3) I will make every effort to determine what merchandise customers want to buy, when they want to buy it, and the prices they want to pay for it.

I give you these quotes because we can, we must know more about the retail business, the retail store. We must sell, as you see, the controller or treasurer as well as the advertising manager. Let *our* newspaper advertising salesman be the welcome guest in the retail store rather than a number of another medium.

Clyde Bedell says, "Succes in retail advertising is in winning the most number of people to your store in the least amount of money spent."

There is no shortcut to professional stature in advertising.

Studebaker's Paul Hoffman says, "There's no need to expect any business smash-up in the latter half of 1948. There are so many things we can do to prevent it, but we could talk ourselves into it. There are plenty of things we should do. So let's do them! We can talk ourselves into depression. Let's not do that."

Now hop to Sales Management's recently announced "Future Sales Ratings" to see which of the 97 industries are to be tapped in 1948 for the best business increases. Alphabetically, the first on the list is the one that interest us—advertising. Then how many of the other 96 will provide retail or local advertising pros-

pects. The answer is 46 classifications directly, and indirectly 33 others. Advertising is predicted to show a 15 percent to 20 percent increase the first quarter of 1948. For the entire year of 1948 advertising is rated with a very good relative outlook over the 5% to 10% increase. It's up to the newspapers and what they put in their selling package as to what part of that \$2 to \$4 billion will come out our way.

Those naturals, those industries with the best relative outlook for the whole year are air conditioning, residential building, hardware, furniture and floor coverings, miscellaneous household products, agricultural machinery, oil burners, paint, refrigerators. These are natural classifications to get substantial increases. They are the five-starred industries in the ratings.

Now jump down to the one-star industries. They are the ones which have the least impressive relative outlook. And with that unimpressive, outlook advertising can step in with a plan, with a package, (can light the torch and lead the way) for those stores and put them in the 2, 3, 4, or even 5-star class despite the darkness. Take a look at the 20 one-star fellows. Auto tires, banks, beer and liquor (if you take it, we don't), men's, women's, and children's clothing, anthracite coal, department stores, education, furs, groceries, insurance, jewelry, laundries, luggage, meats, motion pictures, radio, restaurants, and bars, shoes and gas utilities. Here are enough classifications for our salesmen to build selling packages to show the way in 1948.

Sales Management's high spot cities of the nation show that for January, Springfield in retail sales and services will show a probable increase of 265% over January, 1939, and St. Joseph will show a probable increase of 220% over 1939. Both cities according to the ratings are cities-of-the-month which means their sales level compared with 1939 exceeds the national change. While no other cities other than Kansas City and St. Louis are shown, your city and your city and your city undoubtedly are in the same shining star along with these four.

All of us have one great head start in selling our package in 1948 and that, asking the pardon of the Philadelphia *Bulletin* is: In the United States, yes, in Missouri, nearly everybody reads a newspaper.

Package advertising has changed from the promotional, showmanship, one-quick-shot type of thing designed to do a job for today or for tomorrow to the 1948 type when a package can be built only on a scientific foundation and for not less than 12 months, a full year.

Not so many years ago we built a package for our Minneapolis auto dealers to promote sales during National Used Car Week. In a single envelope we presented the dealer with this plan, Candid Camera Specials, showing a photographer spotlighting a used car buy:

1. Proofs of our own promotion ads to run in the paper on specific days promoting specific cars such as on Monday, Ford, Dodge, Hudson, and Cadillac would be featured for Tuesday selling. Readers were directed to the want ads.

2. A set of bright colored pennants for the front of the used car lot were provided as attention compellers.

3. Posters for the front windows or billboard spots.

4. Stickers carrying out the Candid Camera Special of the day right to the point-of-sale, with ample space for the dealer to write in the selling price.

5. Even a large grease crayon to use in putting on the price.

6. Suggested headings and copy for want ads.

7. Order blanks for each day in the week to make it easy for the dealer to advertise each day in the week.

Successful? It was terrific! We set an all-time high record for the week in used car lineage. We gloated over it. We were very self-satisfied with the job we had done. We were even a little hard to get along with for awhile. We found our thumbs in our vests and our chest protruding like a proud father of a first born child.

Now looking back at that job we can stick pins in our smug balloon. We were just darned fools. And why were we just darned fools? I'll tell you why.

We spent a lot of time, quite a tiddy sum of money, a whale of a lot of thought and energy to make this promotion successful. But the weeks previous had lacked in selling to the advertisers. At the end of the month our increase was small, much too small. That week's business wasn't all PLUS business! That promotion should have been a planned part of a year's program and in the dealer's budget, just like Valentine's Day and Thrift Week promotions.

Had we put in as much time, thought, energy—yes, and money—on a 52-week plan for each advertiser, wouldn't we have been farther ahead?

And as has been proved by papers throughout the country, this type of 52-week package selling pays. And how it pays!

For several years we worked from the Harvard Business School volume on expense control, the fine little book on expenses of various types of business published by the National Cash Register Company, the NRDGA publicity dollar book, hit and miss Federal Reserve figures, incomplete figures from the Department of Commerce, and very old ones too. Now, with the Retail Division of the Bureau we are building a basic library to use in planned package selling:

The Time Table of Retail Opportunities (from the Bureau)

The Retail Advertising Budget (also from the Bureau)

Our own Retail Planning Calendar (prompted by the Bureau)

Minneapolis Department Stores figures from the Federal Reserve

Minnesota bank debits from the Federal Reserve

Media Records

Our own dollar volume figures for each store's advertising.

Give it to a good salesman with a pencil and paper, then a stenographer to put it in finished form and that's all that's needed. For those who don't use this material I recommend it highly. For those who do, I needn't say a word.

Minneapolis is a city of a half-million people. Our big stores (a reported volume of almost \$50,000,000.) are elaborately equipped to handle their merchandising and advertising, undoubtedly better than stores in cities like Sedalia, Jefferson City or Columbia. So newspapers in smaller cities actually have a better opportunity to do a job for the retail stores than those in metropolitan cities.

Still, we send out 183 of our planning calendars to stores who request them monthly. Minneapolis is the home of Gamble-Skogmo, Gamble Stores. Each month 26 of our planning calendars go to Gamble Store's home office—and are used!

Here's one extremely important point that comes from selling a planned 52-week budget package: Your salesman, and your newspaper control the advertising budget, the publicity dollar, of many retail stores!

When a calendar salesman, a gadget salesman, a handbill printer, or a shopping paper solicitor calls on the retailer it is easy for him to say: "Sorry, my budget is set up for the year and there's just no place I can fit your offer in to it."

That, gentlemen, will happen more times than you think when this type of package is sold. And what a favor you're doing the merchant. His dollars won't be flying the sky. They'll be working for him.

Harold Abrahams, manager of the Sales Promotion Division of National Retail Dry Goods Association, said recently that sales promotion includes a five-point program consisting of: planning, advertising, follow-through, selling, servicing.

Our own retail advertising selling can follow a similar pattern in sound package selling. I suggest this five-point program: planning, presentation, follow-through, selling, service.

First, let's prepare a package and see how we come out on the above points.

Our problem is a general dry goods store with a volume of \$500,000 a year. The store definitely is the number two store of two stores in the town. It has been in business for sixty years and policies and appearances have not changed. The third generation is coming in to learn the business, to take over the business. Here is an opportunity to prove the value of the retail advertising department of the newspaper to the retail store. This is the time for the account man, our salesman, to go to work. It's our opportunity. It's the salesman's opportunity.

Planning. In planning, the account salesman must 1. Know his product—his newspaper; 2. Know the market, newspaper's and store's; 3. Know the store.

Number 1 and 2 are easy. We give our salesman all that information. Number 3 is his job. He should, he must, know his accounts, their background, their problems, their aims. With the knowledge of the store's problems and goals, our salesman can spend some desk time charting their past records of lineage from Media Records, or his own records, department store sales or retail sales figures, lineage of department stores or retail stores for the nation as provided by the Retail Division of the Bureau of Advertising, and its Retail Advertising Budget. All of our offices have at least a single copy of "The Retail Advertising Budget" and "The Time Table of Retail Opportunities." They're easy to use. They're practical. They're effective.

Our salesman, yours and mine, knows the stores volume. He knows that 2% on newspaper advertising will mean \$10,000 a year for the newspaper, \$10,000 a year invested by the store in the Newspaper's reader families.

Presentation—Now, we're ready for the presentation.

Our salesman should have tested all these points, through merchandise people, auditors, buyers, managers, people whose word means something, in the store. They can sell for him from the "other end"—and *they* must be sold too.

This is the promotion, the advertising that is done before the selling of the store head is made.

Selling—Our salesman in doing the selling can take us, the manager, with him. He can give us a job to do at the psychological moment in the selling. He should try to sell us in advance. When the "bugs" are out our salesman has more confidence, more poise, and will do a better job. And we'll take pride in seeing him do a better job.

The sale should be preceded by a build-up, an appointment so that this new, young store manager knows the importance of it in the newspaper's mind. The presentation, by all means written and prepared in a formal manner, should be so full of meat that it cannot be digested at one sitting. Suggest others in the store be queried on it. Take time with it. Discuss it thoroughly. Then call the newspaper for further discussion.

Follow Through—When the sale is made be certain that the follow through is handled properly. It means regular checking of the same figures to show the advertiser he has made a wise decision. Keep other store executives informed too. You know *your* boss asks *your* opinions because he has faith and confidence in *you*. It's the same in this store or any store you sell.

Service—That's the last point. Service today has a far greater part of selling than at any time in the past.

Again look at Mr. Abraham's National Retail Dry Goods Association plan. Service is the string around his package. Service must be the tie that holds ours together. With competition of all kinds growing about us we can only hope to keep the selling job sold by full and complete service.

And what a head start on other media we were given by the National Retail Dry Goods Association. They say "newspaper advertising continues to be regarded as the most valuable publicity medium."

