



Advertising & Promotion

Every business needs strategies for winning new clients. Through creative advertising and promotion activities, your business can attract new customers and generate revenue to help your business grow. It is especially important as a small business that you spend your money on effective advertising and promotion – that is, only advertise to your potential customers, your target customers.

The first thing you should understand is that different businesses require different types of advertising and promotion. A well-established business may not require as much advertising as a newly-established business. A plumbing business may not benefit from a website as much as a web designer.

One question you should ask yourself is, “Will this type of advertising expose my business to my target customers and will I generate sales from my advertising?”

It is also important that your advertising and promotion are integrated within your business marketing plan.

Advertising

Advertising covers everything from radio, television, newspapers, magazines, billboards and direct mail to the Internet. Generally, the more people the advertising reaches, the higher the costs.

It is important that you are not advertising to people that are not potential customers. Make sure you select the appropriate media for advertising that will best reach your target customers.

Radio is often not cost effective unless you have a strong geographic or demographic target. Small businesses that choose this method need to ensure frequency of advertising to effectively publicise their business. Radio can also be used effectively for press releases and community service announcements.

Be sure you identify the right station and prime listening time for your target market - it's best you ask for the station's audience profiles.

Television advertising is very expensive as it reaches a mass market. Small businesses that choose this method need to ensure that they are not advertising to people that are not target customers. Choose the channel and timing most appropriate for your potential

customers. Most TV stations have facilities to make your ad and can advise of the appropriate time to broadcast your ad.

To save on costs, you may consider joint advertising with similar businesses in your local area or submit your products to lifestyle programs or shopping channels.

Newspaper advertising can be more effective if run in conjunction with a sales promotion or editorial.

There are three main categories of newspapers: daily, weekly and local or community papers. The daily papers generally have a much wider circulation and higher advertising costs. When placing ads in newspapers, match your target customers with the newspaper readership and be certain that your ad is placed in the appropriate section of the paper.

Magazines best serve businesses with well-defined target customers, such as restaurants, entertainment and specialty shops. There is a wide variety of magazines and, as with newspapers, it is best to assess which will best suit your target market.

Internet: A well-structured website may reach a large number of your potential customers. To be effective, your website must be maintained and provide a benefit to your customers. For instance, you can arrange to receive orders through your website via an email facility. Alternatively, your website may simply convey information about your products and service

Other

- Placing an ad in the Yellow Pages telephone directory is a very effective method of advertising.
- Another important method is to display outstanding street signs or posters that will attract local traffic. Check with your local Council regarding approvals before erecting any external signage.
- You may also send brochures or letters to potential customers through direct mail

using a database that is in line with your target market. Visit your local Business Advisory Service to use Dun & Bradstreet's Business Who's Who. Alternatively, brochures or letters may be mailed to potential customers through letterbox drops.

Advertising Checklist

- Is Your Message Simple and Clear? Is your message easily understood? Crowded ads, or ads with too much information, will not be effective.
- Is There a Big Headline? A good headline is very important to the success of an advertisement. In print advertising, 80% of people read no further than the headline.
- Is It Relevant? Does your advertisement describe your product, service or store?
- Is It Different From Your Competition? Is the advertising fresh and original or is it merely a pale carbon copy of your competitors' advertising?
- Does It Demonstrate Customer Benefits? Nothing sells better than an ad which shows customer benefit.
- Can You Be Found? Does the ad prominently mention your business name, address, phone and/or fax number, email address and website?

The objectives of the advertising are to:

- Get the customer's attention and influence behaviour;
- Interest the customer in your store, product or service;
- Create a desire to buy;
- Get the customer to make repeat purchases of your goods or services.

In order for a business to keep its share of the market, advertising expenditures may need to be similar to what competitors are spending. Aggressive competition usually requires aggressive advertising and promotion.

Marketing Communication Mix

Public Relations (Publicity)

- Publicity is generally thought of as more credible than advertising campaigns.
- Gaining publicity is an inexpensive procedure but can be time intensive.

- Publicity can include announcement of a new product or service to media in the form of press releases or media information kits.
- Publicity is powerful when gained through community involvement such as sponsorship of events or charity support.

Sales Promotion

- Sales promotion techniques are mostly directed to consumers of packaged goods.
- Techniques include all types of specials, giveaways (caps, pens, T-shirts, etc), free samples, coupons, contests and rebates.

Personal Selling

- Face-to-face communication with customers by you or your sales representatives in the store, over the phone, or at customers' homes or businesses.
- Important in building relationships with your customers or potential customers.
- Vital in developing customers' loyalty.

For More Information:

Contact your local Business Advisory Service on 1300 650 058 to talk over business management issues or visit the Department of State and Regional Development's Small Business Website at www.smallbiz.nsw.gov.au.