

MERCHANDISING



Dividing your dollars for ad dividends



No business has more trade publications per capita than the beef cattle business. At least none that I am familiar with.

Over the years the number of cattle newspapers and magazines that depend upon seed stock producer advertising to provide a sizable amount of their income has increased. This despite the fact that the number of breeders and registrations have declined. During the past year alone two new publications were started and none of any size dropped out of the race.

For you, the seed stock merchandiser, this wealth of advertising media is both good and bad.

It's good in that you have a wide choice of publications to select from. The stiff competition has helped keep ad rates from rising as fast as they might have otherwise. And in some instances these publications are forced to offer more "free" services than do publications in other industries.

On the negative side the tough competition has forced many publications to cut back on editorial quality, circulation or frequency in order to stay alive. The sheer number of advertising vehicles forces you to spend more time evaluating their quality and effectiveness. You also get pressure to advertise in more publications than your budget can justify. And if you don't favor them all you risk making someone unhappy if not down-

right mad. Let me assure you, from some 20 years of buying advertising, that if you do your job right, and advertise in only the most effective publications, someone will be upset with you. That's the price you pay for doing a good job, so don't let it worry you.

To do the best job of purchasing advertising space you need to keep in mind what you are and aren't buying. You aren't buying friendship, or providing charity for an ailing publication, or paying for past good service. You are not even buying a certain number of column inches of space to carry your advertising to potential customers.

What you are buying is a vehicle to carry your sales message to as high a percentage of your potential customers as possible for the lowest possible cost. To help determine which publications should do the best job, measure them against the following three factors.

First, remember that nothing else counts unless a publication is read. No matter how cheap the ad rate or how many people receive it, it's useless if it goes directly from the mailbox to the waste basket. So select well-written publications with features and news that address the interests of your potential customers. A publication should be timely, fresh and interesting, not full of the stuff you've already read or heard over the radio. It's not

too much to ask that the publication feature good photographs and interesting layouts that attract readership.

Second, a high percentage of a publication's readers should be people who represent a market for your cattle and could logically be expected to buy. The fundamental rule of advertising is to blanket your primary coverage area first, whether that is the nation, a region, a single state or 10 counties within a state. After this, advertise to the fringes of your primary market area, and, if you still have budget left, reach out farther for customers. Remember, it is difficult to determine if a publication reaches a high percentage of your potential customers unless you have charted on a map your primary and secondary market areas.

Third, decide which of the publications that meet the first two criteria are the most cost effective. Those would be the top quality publications that reach a high percentage of your customers and do it at the lowest cost per reader. The lower the page cost (everything else being equal) the more pages you can purchase. Advertising frequency (the number of times your advertisement appears) is as important as the number of potential customers a publication delivers. For example, I was recently castigated by a publisher for not placing enough American Angus Assn. advertising in his newspaper. It so happened that the cost per 1,000 readers in his publication was \$115 compared to a very similar publication that cost just \$32 per 1,000 readers. And these are the kind of costs you need to evaluate too.

So always use facts to select the publications you will advertise in. First, you will feel much more confident about your program. Second, you will be able to explain your actions logically to yourself and others. Third, and most important, you will get a better return from your investment.



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