

Perspectives on Management

By Ian Hodge

Common Mistakes in Advertising

In the life of a business, advertising is an area that can make or break many. Nothing eats up money like advertising costs, so it is vital that the business gets an equitable return from its advertising dollars. In spite of this fact, many businesses still make the same old mistakes in advertising, thereby failing to get maximum value from their expenditure. Here's a list of some of the more common mistakes in advertising.

1. Failure to Identify Customer Needs

Given that our goods and services are purchased to satisfy some need, it is surprising to see just how much advertising fails to meet the test of telling customers how this particular product or service will meet a perceived need.

The needs of customers are not that many, so it is difficult to understand why so much advertising fails to tell prospective buyers how a product or service can meet the needs of quality, performance, safety, convenience, or savings. If you want your advertising to work more powerfully for you, make sure it tells the reader how it satisfies some need in their lives and why it does it better than the competition.

2. Direct-Response Advertising

There are many kinds of ads we see in print or on screen. Some are informative. They tell us what's available in the marketplace and where we can get it. And that's where they stop. It makes no attempt to get the immediate buyer to do anything else than remember where to get a particular item or service.

Another kind of ad, however, does the same thing but goes one step further. It asks the reader or listener to pick up the phone or a pen, and respond immediately to the ad. This is direct-response advertising, and it has two important advantages over other kinds of advertising: immediate results and measurable results. It doesn't take much to generate immediate sales, perhaps some time-limited special offer if people "act now". And if the offer is genuine and of real value, then people can be expected to respond immediately to an ad.

Direct response advertising also allows for measuring the responses from the ad. This is important if we are trying to determine if an ad is producing sufficient business. By measuring response, we can also try other ads to see which produces the best results, thereby getting maximum value from our advertising dollars.

When cash flow is tight and sales are needed immediately, direct response advertising holds out an opportunity to bring immediate sales and therefore immediate cash to the company. Big companies can afford to waste money on

advertising that does not require an immediate response. Smaller businesses don't have that luxury. Every advertising dollar must be made to work more powerfully, and direct-response advertising is the way to ensure this result.

3. Testing Advertising

Advertising needs to be tested, and there are many elements that can be tested to see where improvements can be made. A good headline is worth everything, because if it does not capture the attention of the reader or listener he won't read or listen to what follows. A good headline, therefore, can significantly increase the response. Headline testing is an ongoing battle to capture the minds of readers and listeners.

The copy of an ad should also be tested. Get a good headline and stick with it, but experiment with changes to the copy. Find improved ways to offer your product. Capture the imagination of the prospect so that he sees how your particular product will meet his needs better than any other products in the marketplace.

In newspapers or magazines it's important to test the position of the ad. Many publishers will charge a premium to have an ad placed on the top portion of the right-hand page. They can do this because ads in this position tend to get read more often. Whatever you do, test the position- left-hand (verso) or right-hand (recto) page, top or bottom.

In radio or TV commercials, the way to test position is by time and the placement of other ads around yours. Insist your ad appears before or after different ads. Try a different time of day and night. Find out which works best for you.

It goes without saying that an ad should be tested in small quantities before you undertake the full rollout. One of my friends in marketing once insisted that twenty people was enough to provide a reliable sample, a point he had proven to many of his clients. So it is not necessary to test large numbers, but it is necessary to test. Then, when the full rollout occurs, the advertising will produce the best possible result at the time.

4. Closing the Sale

All advertising sells. Some ask for an immediate response. But in the end, all advertising sells.

As a result, it is important in advertising to use genuine proven sales techniques. Many people have a misconception about selling, an idea fostered by bad salesmen in the automobile, computer, or other industries. For many, sales means pressure to buy. For the professional salesmen, however, sales means providing people with the best information so they can make an informed decision.

Having informed the prospective buyer, however, it is then necessary to ask the customer to buy. This is called closing the sale, and there are many ways that this can

be done in a conversation.

In written or spoken advertising, it is just as important to close the sale. You must ask the customer to buy, and ask him to buy now. That this needs to be done sensitively, without pressuring the buyer, goes without saying. But an awful lot of advertising fails the test at this point.

It is surprising to see just how much advertising fails to close the sale. The advertising copy can be brilliant, explain all the benefits, have a catchy headline to get people to read the whole ad, then fail to ask them to buy.

Make sure your advertising has a close. Ensure that it asks the prospect to make a decision now to buy the product or service. There is perhaps no better way to waste advertising dollars than failing to ask the prospective customer to "buy now".

These four simple areas of emphasis can make all the difference in your advertising. Follow them diligently and they will give you a huge advantage when people read your advertising. And if your product or service is as good as you think it is, then those prospects who become customers will thank you for the extra effort you made to help them in their buying decisions.

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