Part Three: Effective Advertising Media

• Part 3 focuses on the creation as well as the delivery of an advertising message

Chapter Outline

I. Chapter Key Points
II. The Media Industry
III. Basic Media Concepts
IV. Print Media
V. Newspapers
VI. Magazines
VII. Packaging
VIII. Out-of-Home Advertising
IX. Directory Advertising
X. Using Print Advertising
Key Points

- Explain the key concepts of media planning and buying
- Identify the strengths and weaknesses of newspapers
- Describe the key factors that advertisers should know to make effective decisions about advertising in magazines
- Analyze why packaging is such an important advertising opportunity
- Discuss factors that advertisers should consider in making out-of-home media decisions
- Outline the factors that advertisers use to make decisions about using directory advertising

Apple Tops The Charts with Digital Music

The Media Industry

- Advertising media is a huge industry with almost $195 billion in spending
### Basic Media Concepts

- **Media mix**
  - The way various types of media are strategically combined in an advertising plan

- **Media vehicle**
  - A specific TV program, newspaper, magazine, or radio station or program

### Ad Spending by Medium (Table 8.1)

<table>
<thead>
<tr>
<th>Media</th>
<th>2002 (in million $)</th>
<th>2003 (in million $)</th>
<th>% Change</th>
<th>% of Media</th>
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<tbody>
<tr>
<td>Newspapers</td>
<td>365,641</td>
<td>366,295</td>
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<td>23.8</td>
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<td>Local newspaper</td>
<td>20,594</td>
<td>21,341</td>
<td>3.7</td>
<td>1.3</td>
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<td>National newspapers</td>
<td>7,212</td>
<td>7,589</td>
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<td>4.7</td>
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<td>Free-standing inserts</td>
<td>1,238</td>
<td>1,217</td>
<td>-1.7</td>
<td>0.8</td>
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<td>Classifieds</td>
<td>12,688</td>
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<td>8.2</td>
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<td>Magazines</td>
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<td>27,280</td>
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<td>16.0</td>
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<td>Consumer magazines</td>
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<td>18,637</td>
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<td>Brief magazines</td>
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<td>Society magazines</td>
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<tr>
<td>Local magazines</td>
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<td>325</td>
<td>4.8</td>
<td>0.3</td>
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<td>Directories</td>
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<td>13,370</td>
<td>0.7</td>
<td>8.3</td>
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<td>Television</td>
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<td>54,882</td>
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<td>34.1</td>
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<td>Network TV</td>
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<td>13.2</td>
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<td>Spot TV</td>
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<td>16,249</td>
<td>-5.0</td>
<td>10.7</td>
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<td>Cable TV</td>
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<td>12,281</td>
<td>12.1</td>
<td>7.4</td>
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<td>2,996</td>
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<tr>
<td>Spanish-language network TV</td>
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<td>2,106</td>
<td>8.9</td>
<td>1.2</td>
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<td>Radio</td>
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<td>10,349</td>
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<td>Local radio</td>
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<td>8,712</td>
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<td>2,873</td>
<td>7.5</td>
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<td>Internet</td>
<td>5,813</td>
<td>6,406</td>
<td>10.0</td>
<td>6.4</td>
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<td>Other</td>
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<td>22,320</td>
<td>8.2</td>
<td>13.7</td>
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<td>Total</td>
<td>356,144</td>
<td>375,588</td>
<td>5.3</td>
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### Basic Media Concepts

- Media planning
- Media buying
- Reach and frequency
- Impressions
- Media key players
Print Media

- Advertisements in newspapers, magazines, brochures, posters, and outdoor boards

Newspapers

- Used by advertisers trying to reach a local market
- Primary function is to carry news
- Market selectivity allows newspapers to target specific consumer groups
Structure of the Industry

• Frequency of publication
• Format and size
• Circulation

Figure 8.1 - The Expanded Standard Advertising Unit System

Types of Newspaper Advertising

• Classified
• Display
• Supplements

Advantages of Newspaper

• Range of market coverage
• Comparison shopping
• Positive consumer attitudes

<table>
<thead>
<tr>
<th></th>
<th>USA</th>
<th>Wall Street Journal</th>
<th>New York Times</th>
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<tbody>
<tr>
<td>Circulation</td>
<td>2,100,664</td>
<td>1,300,800</td>
<td>1,130,740</td>
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<tr>
<td>Home Delivery</td>
<td>14%</td>
<td>75%</td>
<td>80%</td>
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<tr>
<td>Single Copies</td>
<td>40%</td>
<td>8%</td>
<td>29%</td>
</tr>
<tr>
<td>Hotel/guest copies</td>
<td>23%</td>
<td>4%</td>
<td>-</td>
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<tr>
<td>Third Party</td>
<td>20%</td>
<td>9%</td>
<td>1%</td>
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</tbody>
</table>

Table 8.2
Disadvantages of Newspapers

- Short life span
- Clutter
- Limited coverage of certain groups
- Poor reproduction

figure 8.2 - Selective Readership Patterns (for Baby Boomers)

Newspaper Readership

Magazines

- Most magazines today are special interest publications aimed at narrower target markets
  - Specialty magazines
  - Upscale magazines
Types of Magazines

- Consumer magazines
- Business magazines
- Farm magazines
- Geography
- Demographics
- Editorial content
- Physical characteristics
- Ownership

Magazine Formats

- Double-page spread
- Gutter
- Bleed page
- Gatefold
- Photo essay ad

Readership Measurement

- Magazine rates
- Magazine circulation
- MediaMark
- Simmons Market Research Bureau
Magazine Advertising Advantages

- Target audience
- Audience receptivity
- Long life span
- Format
- Visual quality
- Sales promotions

Magazine Advertising Disadvantages

- Limited flexibility
- Lack of immediacy
- High cost
- Distribution
Packaging

- Both a container and a communication vehicle
- The last ad a customer sees
- Constant brand reminder once on the shelf

Aspen Packaging and Media: Designing the Right Package

Out-of-Home Advertising

- Size and format
  - Printed posters
  - Painted bulletin
- Buying Outdoor
  - Showings
  - Traffic count

Figure 8.3 - Total Outdoor Ad Revenue (in billions)
Out-of-Home Advertising

Advantages

• High impact medium
• Larger-than-life visuals
• Hard to ignore structure
• Least expensive

Disadvantages

• Message could fail to be seen or have impact
• Passive medium
• Extensive regulation

• On-Premise Signs
• Posters
• Kiosks
• Transit Advertising
Directory Advertising

- Books that list names, phone numbers, and addresses of people or companies
- Tell people where to go to get the product or service they want
- Reach an audience already in need of something

Directory Advertising Advantages

- Consumers initiate the search process
- Inexpensive (1:15 ROI)
- Flexibility
- Long life
Directory Advertising

Disadvantages

• Competitive clutter
• Consumers who cannot easily use directories

The Yellow Pages:
Let Your Fingers Do The Walking

Discussion Questions
Discussion Question 1

• You are the media planner for an agency handling a small chain of upscale furniture outlets that concentrates most of its advertising in the Sunday supplement of the newspaper.
• The client also schedules display ads in the daily editions for special sales.
• Six months ago, a new, high-style metropolitan magazine approached you about advertising.

Discussion Question 1 (continued)

• You deferred a decision by saying you’d see what reader acceptance would be.
• Now the magazine has shown some steady increases (its circulation is now about one-quarter of the newspaper’s).
• If you were to include the magazine on the ad schedule, you’d have to reduce the newspaper use somewhat.
  – What would be your recommendation to the furniture store owner?

Discussion Question 2

• Petra Wilcox, a display ad salesperson for the Daily Globe, thought she had heard all the possible excuses for not buying newspaper space until she called on the manager of a CD store that sold new and used CD’s.
  – “I heard about newspaper reader studies that prove how wrong the audience is for me. Readership is too adult—mostly above 35 years of age,” he said. “And besides, readers of newspapers are families with higher incomes—the wrong market for our used disc business,” he continued.
• If the Globe is a typical metropolitan daily, could the store manager be correct?
• In any event, how should Wilcox try to counter the manager’s views?
Discussion Question 3

- Since his freshman year in college, Phil Dawson, an advertising major, has waited tables at Alfredo’s, a small family-operated restaurant.
- A Yellow Pages representative approaches the owner to run a display ad.
- The owner asks Phil for advice on whether such an ad would help, and if so, what the ad should look like.
  - What should Phil recommend?