

Advertising: the basics

Introduction

Most businesses can benefit from advertising.

Consider whether it would help your business to advertise locally, nationally or internationally. Would it be best to advertise in the trade and technical press? You could advertise in a national or international directory. Remember that advertising isn't just about print publications, consider whether using a website could achieve your advertising aims.

Advertising is an important component of the promotion element of your **marketing mix**, along with direct marketing, PR, exhibitions or a website. The aim of each of these is to promote your business and communicate the information you want to send to your intended audience.

This guide discusses how advertising could help you and gives advice on where and how to advertise. It also shows you how to manage the process and ensure you get value for money.

How advertising can help your business

Advertising can:

- provide basic facts about your business' address and contact details
- increase sales by telling potential customers about your product or service
- tell customers about changes to your service, new product launches and improvements
- back a sales campaign with a specific one-off message - informing people of a special offer or a particular benefit of your product
- prompt specific action - getting customers to visit your premises or use a £2-off voucher by the end of the month
- increase general awareness of your business, making it easier to sell in the long-term
- remind existing customers about your business
- change people's attitudes and perceptions of your business
- create or develop a distinctive brand for your business to help you stand out from your competitors

Remember that advertising isn't solely about sales and marketing. You can also use it to:

- **recruit staff** - a recruitment advertisement can also say something about your business
- **recruit suppliers** and contractors - this also helps to market you as active and expanding

Target your customers

Decide whether your **target audience** is local or regional, national or international, or a mixture. Remember that a local business might benefit from national trade press advertising even if it's just selling to other businesses in its area.

You can advertise in a **wide range** of different media. The use of different media can help to reinforce the message or information you are trying to communicate. Advertising can be anything from your shop sign or a postcard in the post office to an advertisement in a trade magazine or a 30-second radio slot.

Remember you have a duty to ensure that your advertisements are legal, decent, honest and truthful. You can [get information on advertising standards at the Advertising Standards Authority \(ASA\) website](#).

Local advertising

Even the smallest business should consider the benefits of local advertising. For example:

- at neighbourhood level, eg a supermarket board, a postcard in a shop window or leaflets distributed through people's doors
- advertising space rented out at railway stations, leisure centres or doctors' surgeries
- publications such as residents' association newsletters, fete programmes and parish magazines

It can all start right outside **your own premises** with your sign, advertising board, or nameplate, provided you conform to planning regulations. Check with your local authority about planning regulations related to advertising. [Contact your local authority through our Contacts Directory](#).

Local and regional newspapers

Weekly, evening and morning, paid-for and free local papers provide a variety of ways to advertise:

- Classified advertising.
- Display and semi-display - display advertisements are bigger and more sophisticated. They usually appear on editorial pages and can use pictures and design devices.
- Display ads and listings in special supplements - for instance, about local shops, health clubs or restaurants.
- Advertisement features - laid out like editorial pages but just featuring you and your business (perhaps your new premises). You pay for them, and you may also be given advertisement space. Your suppliers might advertise as well and offset the cost.
- Loose inserts supplied by yourself that are placed inside the newspaper, ie buying the paper's circulation for your flyer.

You can [get details of newspapers in your area and how to advertise in them on The Newspaper Society website](#).

Ask the advertisement department at the newspaper for a media pack with readership breakdown and rates for different types of advertisement. The quoted rate is only a starting point - always negotiate to try to pay less. Ideally, [check circulation figures verified by the Audit Bureau of Circulations on the ABC website](#).

Local magazines

Many areas have a county or lifestyle magazine - useful for certain types of upmarket consumer advertising.

Advertising in directories and on the Internet

Directories provide local and national coverage, and often also have online versions. They can be a cost-effective way of getting your name, product and service in front of both private and business customers.

Popular directories include:

- Classified phone directories such as Yellow Pages or the Thomson Local Directory, which offer free basic entries and paid-for display advertisements.
- Local business directories produced by Chambers of Commerce and other organisations.
- National directories for business, industry and specialised sectors. Many of them have an online version.
- The Data Publishers Association (DPA) provides information on its member firms.

Advertising on the Internet can be cost-effective and gives national and international coverage you may otherwise be unable to afford. There are three main types of Internet advertising.

Your own website

- Ensure you design and position your website for maximum effect.
- Consider the Internet user at every stage. Make it easy for them to find their way around your website, and to order from or contact you.
- Find out how to exploit search engines.

Advertising on other people's websites

Use banner and pop-up advertising to promote your business and link through to your own website.

Getting into an online directory

- You can set up an online entry with directory companies such as Yell.com and ThomsonLocal.com, as well as setting up links from these online directories to your own website.
- There are more specialised directories and search engines available, such as Kellysearch for manufacturing.
- The DPA provides information on directories and member firms.

You can also [find information on Internet advertising on the Interactive Advertising Bureau \(IAB\) website](#).

Advertising in the trade and technical press

There are many trade, technical and professional magazines read by customers, suppliers and businesses in your sector.

If your business **sells to other businesses**, advertisements in these publications can be a powerful way of gaining sales, product enquiries, higher profile, trade partnerships and even potential investors.

Editorials are generally perceived by readers to be independent and impartial and are therefore seen as more trustworthy than advertisements. Editorial support or endorsement helps lend your business credibility with the reader. Good PR can increase the chances of gaining favourable editorial content.

The trade and technical press can also be used for recruitment and to source suppliers. Trade magazines provide a variety of ways to advertise:

- Classified advertising - particularly for recruitment and gaining suppliers.
- Display and semi-display - display advertisements are bigger and more sophisticated, often appear on editorial pages and can use pictures and other design devices.
- Display ads and listings in special supplements on particular sectors or activities - eg a building magazine putting the spotlight on fire safety.
- Advertisement features - they're laid out like editorial pages but just feature you and your business or product. You pay for them, and you may also be given advertisement space. Your suppliers might advertise as well and offset the cost.
- Loose inserts that you supply yourself to the magazine publisher for them to insert into the magazine.

Media guides such as BRAD list details of trade and technical journals and should be available in your local library. You can also use the library's Willings Press Guide.

You can [get information on many publishers and magazines on the Periodical Publishers Association \(PPA\) website](#).

Ask the advertisement department at your chosen publication for a media pack with a readership breakdown and rates for different types and sizes of advertisement. The quoted rate is only the starting point - always try to negotiate discounts or better positioning for your advertisement.

[Read circulation figures verified by the Audit Bureau of Circulations on the ABC website](#).

Radio, cinema, outdoor and national advertising

If advertising on **local radio**, you'll need to research the market, the type of audience and cost per listener - ask the local station for details. Do you also need non-radio back-up advertising to reinforce your message? The local press might be used to remind customers of the messages used in the radio campaign.

Your local station will often produce your commercial for you, although if you have an advertising agency, they may do it.

You can [find out how radio advertising might help you on the Radio Advertising Bureau \(RAB\) website \(registration required\)](#).

Local cinemas may be right for your niche. Ask the cinema for **audience profiles** and case studies of satisfied clients. You can possibly advertise in the foyer as well as on screen.

Outdoor advertising

- **Roadside** - from phone kiosks to large billboards and banners.
- **Transport** - railways, airports, inside and outside buses, taxis and lorries.

- **Retail** - sites at shopping centres and supermarkets, trolleys, posters.
- **Non-traditional and ambient** - shop signs, leisure centres, washrooms, tickets, petrol pumps, takeaway lids.

You can [find information on outdoor advertising at the Outdoor Advertising Association \(OAA\) website](#).

National papers, magazines, TV and radio

If you're considering advertising through these outlets it is recommended to get **professional help** from an advertising agency.

However, with some national **classified** advertising - eg holiday cottages - you may be able to arrange your own advertising. Your local library's Willings Press Guide gives details of national newspapers and consumer magazines that you may wish to use. You can also [find out about the Willings Press Guide on the Willings Press Guide website](#).

Get a **media pack** with readership analysis from the publication's advertisement department so you know the advertising is reaching the right audience.

You can [find information on magazine publishers and magazines at the Periodical Publishers Association \(PPA\) website](#).

Planning an advertising campaign

The best time to advertise is when your **target audience** is most likely to buy your product or service. Sometimes this can be seasonal - a toy retailer, for example, will focus its advertising efforts around the run-up to Christmas.

If you're selling to other businesses, it's worth identifying when your customers and potential customers will have the **budget** to spend. And remember that the summer holidays can often be a slow time for business-to-business sales.

The reasons behind a campaign

Many businesses launch advertising campaigns simply to **boost sales**.

The launch of a **new product** is often a good time to step up your advertising.

New businesses may want to consider some form of advertising just to let people know they exist. This might be as simple as taking out an advertisement in a local paper. You could combine it with an introductory offer to give people an incentive to visit or call.

Can you plan the campaign yourself?

You need to think carefully about what you want to achieve and the message you want the reader, viewer or listener to take away. Remember - advertising is only effective if you reach people with a message that makes them want to find out more.

You may be able to produce in-house a straightforward advertisement for printed media - see the page in this guide: [tips on writing a print advertisement](#).

If you plan on spending more than, say, £10,000, or your advertising needs are more demanding than an occasional, low-priced local advertisement, it may be worth outsourcing the campaign to an **advertising agency**. See our guide on how to [choose and manage an advertising agency](#).

Getting value for money from your advertising

Work out a **maximum budget**. Identify which options give the best possible return.

An expensive advertisement may be worthwhile if you get a good response, manage it and monitor the campaign.

If it's your first campaign, reduce your risks by trying an inexpensive advertisement first.

Get information about the media you're considering - particularly figures for the **audience** or **readership** and how close they are to your target market.

Estimate how many people are likely to respond then work out how much it costs to reach each one. If an advertisement costs £2,000 and you expect to reach 20,000 people - 50 per cent of whom are potential customers - it is costing 20 pence to get your message to every potential customer.

Don't be afraid to negotiate

Negotiating could get you a price reduction, a repeat that's free or discounted, or a better position in the publication. You should:

- Mention your budget, but appear undecided about who to spend it with.
- Mention rival media you're considering.
- Book last minute, as trade publications will often accept low prices to fill ad-space. However, you could get a poor position, which could cut responses.

If you're advertising to build your business, use advertisements several times. You can get a **discount** for booking multiple advertisements - but don't be persuaded to buy more than you need.

Ensure your advertisement is in the best possible position. Remember that:

- right-hand pages catch the reader's eye most
- an advertisement selling greenhouses, for example, should be on a page devoted to gardening
- the most effective page for a newspaper advertisement is page three - the nearer the front the better, unless you sell sports goods
- if your advertisement has a coupon - for readers to cut out and send in - place it at the edge of the page

Managing responses and monitoring the campaign

A good advertising campaign can pull in the orders - but make sure you can deal with the response.

Determine the **expected response level** and check you have enough resources to meet it.

It may not be a good idea to plan a campaign at popular **staff holiday times**. If this can't be avoided, consider temporary cover to deal with responses.

You may need a system to ensure leads aren't missed. For example, you could design a **standard enquiry form** to be used by people fielding calls. The main aim is to find out as much as possible about what the caller wants.

If they just want further details to be posted, the enquiry can be dealt with straight away. If the query is passed to a salesperson, give the customer an indication of when they can expect a response. If you get a lot of these types of queries it's a good idea to set up a system to track them. See our guide on how to [manage your customer care](#).

Monitoring a campaign

Each time you take an enquiry or make a sale, ask how the customer heard of you. This reveals whether any individual strand of your advertising or other marketing activities is particularly effective.

If you include vouchers in print advertisements, use a different code for each publication they appear in. This allows you to **pinpoint** where incoming vouchers have come from.

You might find some advertisements generate many enquiries but no actual sales. These cost most because they take up staff time without generating revenue.

It's also worth looking at the kind of sales each advertisement generates and whether they have a good profit margin.

Bear in mind that some advertisements may have **delayed results**. One person may order the next day, another might wait a few weeks.

Tips on writing a print advertisement

A good advertisement should have:

- an interesting headline
- clear design
- well-written copy

Headline

- A good headline should catch the reader's attention and make them want to read on. It might ask a question or inspire curiosity. For example, a bed manufacturer might ask if readers want to know the secret of a good night's sleep.
- Don't overplay the actual message - people will feel let down if they read on and their expectations are not fulfilled.
- A headline will encourage people to read on if it offers a clear benefit - such as "buy one, get one free".

Clear design

- The way an advertisement looks plays a big part in attracting and retaining the reader's interest.
- Avoid small or complicated typefaces that are difficult to read. And don't mix too many typefaces in one advertisement.
- Don't clutter the layout - keep plenty of white space in the advertisement - avoid the temptation to say too much.

Well-written copy

- The amount of text you include depends on the purpose and size of the advertisement. Businesses that want to advertise a sale might have a very limited amount of text accompanied by a headline and a picture of some of the items on offer.
- If you're writing a lot of text, it should follow on logically from the headline, build a convincing case and prompt a response from the reader. Back up any claims with facts.
- Good copy draws attention to the benefits of the product or service rather than focusing solely on the features.
- All the reader wants to know is "what's in it for me?"

Remember that businesses have a duty to ensure their advertisements are legal, decent, honest and truthful. You can [find information on advertising standards on the Advertising Standards Authority website](#).

Case Study

Here's how I increased my sales through advertising

Michael Welch started his business, Black Circles, in November 2001. The company, based in Scotland, links more than 700 independent tyre fitters across the UK. When contacted through its call centre or website, it locates the customer's nearest and cheapest tyre fitter. Here, Michael explains why advertising is so important to his business.

What I did

Find the right media

"We needed to start advertising from day one to attract customers. I started by looking for places to advertise which I thought would reach our target market, such as car magazines like Revs and Max Power. The readers of these types of magazines are a captive market - as fast-car enthusiasts and owners, they need to buy tyres regularly.

"I got the circulation figures and the demographics of the people that were reading these magazines. This included information such as their salary, age and the type of car they drove. I then broke our potential customers down into similar categories and decided which magazines would target them best. With advertising, your approach should always be targeted, never random."

Make the most of the budget

"At the moment we spend around £25,000 to £30,000 a month on advertising and our turnover is £3 million. We manage to convert about 70 per cent of our advertising spend into sales.

"After a few months of a particular campaign we analyse how it is working and then either pull it or continue to do more. Our sales team always ask each new customer how they heard of us so we can tell which advertisements work.

"When they start out, many businesses don't think they can compete with larger firms when it comes to advertising, but they can. As long as you're clear about the message you want to get across and know which media is right to reach your target market, a small business' advertising can be as successful as anyone else's."

Write a good advertisement

"We use an advertising agency but I oversee all of the work they do. In the early days I thought that they were the professionals and they would know best but ultimately you need to have control of the advertising messages and your brand image. In the beginning our unique selling point (USP) was that we were cheap but we wouldn't sell at those prices now. Our USPs now are excellent customer service and value and all our marketing is designed to reflect this.

"Our strapline is "Think tyres, think Black Circles" and all of our advertisements are black and white. We try to keep it simple because in general the industry is synonymous with being a bit of a rip-off. We did have some campaigns that weren't as successful in the beginning because we didn't have much experience. Now we have the luxury of having the time, money and knowledge to be able to experiment and find out what works. The key is not to bet too much on one campaign but to build up slowly. I would definitely like to do some radio and TV advertising in the future because it will expose us to a much bigger market."

What I'd do differently

"Perhaps I would have extended the magazine advertising sooner and thought about brand development earlier. However, the cost of advertising means that what you would do in an ideal world isn't always possible in the beginning."