

GRANDE PRAIRIE REGIONAL COLLEGE
BUSINESS ADMINISTRATION
COURSE OUTLINE

1986-87

BA 109 - INTRODUCTION TO MARKETING (T. Grainger)

TEXT: Basic Marketing, McCarthy, Shapiro and
Petréault Jr., (Richard D. Irwin, Inc.,
Homewood, Illinois) Fourth Canadian Edition, 1986

PREREQUISITE: Nil.

COURSE DESCRIPTION: The development of a strategic model and its implementation is the prime focus for this introductory course. Using the principles of product price, promotion and place, plus the crucial importance of the consumer, students will develop analytical skills. The case method is the primary learning vehicle.

COURSE OBJECTIVES:

- i) To acquaint students with terminology and fundamental concepts of marketing.
- ii) To outline the role of marketing in society and the individual firm.
- iii) To acquaint students with techniques used in defining and selecting target markets.
- iv) To scope elements of buyer behavior.
- v) To survey the components of the marketing mix to outline how the marketing mix relates to target markets.
- vi) To apply learning via case method.
- vii) To expose students to group work.

GRADING:

Case #1 (individual)	10%
Case #2 (group)	10%
Product Quiz (individual)	10%
Case #3 (individual)	20% (equiv to mid-term
Case #4 (group)	20% exam)
Final	25%
Class Contribution	<u>5%</u>
	100

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NOTES:

- i) Class Contribution
 - responses to questions
 - questions raised
 - interaction with other students
 - demonstrated initiative.
- ii) Cases

A separate handout outlines my expectations for formal, hand-in cases. It is imperative that it be closely adhered to. Case analysis is, for virtually all students, a novel learning experience and accordingly extra time will be spent debriefing it in class. Its worth in an introductory course in marketing is, in my judgement, unquestioned.
- iii) Group Work

Students should note the heavy emphasis on group work. Clearly, the quality of each student's work will be a function of his/her choice of group members. Students are encouraged to choose with whom they work with extreme care.
- iv) Final
 - Option 1: sit down individual case during exam week
 - Option 2: group oral presentation during the last week of classes plus case hand-in.

I have a decided preference for option 2 but will abide by the wishes of the class. A vote will be held during the term.

- v) Stanine System

Conversion from percentages to stanines as follows:

90 - 100%	9
80 - 89%	8
72 - 79%	7
65 - 71%	6
57 - 64%	5
50 - 56%	4
45 - 49%	3
26 - 44%	2
0 - 25%	1

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TESTS: Only those students who contact me before a test will be permitted to write a supplemental.

ASSIGNMENTS:

1. Barring legitimately exceptional circumstances assignments are due by 3:00 p.m. on the due date (or in class for evening course). Late assignments will be docked 10% per school day late. Please note that assignments are late as of 3:05 p.m.
2. Preferably assignments will be typed. However, so long as they are legible they will be accepted in handwritten form. Illegible papers will be returned unmarked.
3. At the College level, you are expected to submit assignments which are properly edited, free of spelling and grammatical errors. Assignments with excessive errors may be returned unmarked.
4. Students are encouraged to discuss cases among themselves. However, unless the case is specifically designed as a group paper, writeups are to be done independently. Plagiarism will be treated in the harshest possible terms

PUNCTUALITY/ ATTENDANCE:

Classes will start on time and reviews of material already covered will not be provided for late students. While students are expected to attend class regularly, attendance will not be taken. Failure to attend regularly will impact the class contribution portion of the final grade and will influence my willingness to provide remedial assistance. In other words, don't ask me for help if I haven't seen you in class for six weeks (barring legitimate reasons, of course).

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FINALLY: The onus is on the student to seek help if required. I shall presume satisfactory progress and comprehension unless I hear to the contrary. There is no shame whatsoever in seeking assistance and I shall happily provide it, but YOU must initiate the process. Please do so early as it is rather difficult to help in a significant way the day before the exam.

My office hours are only a guide to my availability. Please feel free to wander in as you see fit

COURSE
CONTENT:

Student progress and interest will dictate pace but, in general terms, content will be:

Week #	Topic	Text Chapters	Assignment Due
1	Introduction	1	
2	Introduction	2,3	
3	Strategic Model	4	Case #1
4	Consumer: Demographics	6	
5	Consumer: Behavioral	7	Case #2
6	Consumer: Behavioral	7	
7	Consumer: Segmentation	9	
8	Product: Classes	10	Quiz
9	Product: Branding, Life cycle	11	Case #3
10	Place	12	
11	Promotion: Introduction	15	
12	Promotion Advertising	17	Case #4
13	Promotion: Other		
14	Pricing	18,19	
15	Review or Final Presentations		Group Case Presentation

- A. DEMOGRAPHICS: The market in quantitative terms
 e.g. population, age, mobility, income, spending patterns, language, ethnic pattern.
 Purpose - to establish market size, composition
 - to identify trends.
- B. BEHAVIOURAL: The market in qualitative terms i.e. why
- * i) What human and economic needs are consumers attempting to satisfy? (p. 138). Do different segments seek to satisfy different needs.
 - ii) Is consumer predisposed to perceiving message? How is product perceived by consumers (i.e. product class)? How does consumer perceive his problems, information needs, choice criteria? Degree of brand familiarity?
 - iii) AIO-Life-style analysis p. 142.
 - * iv) Who is consumer, customer, decision-maker, decision influencer, agent? How do their needs differ?
 Is role of family member relevant?
 - v) Is consumption related to class, class values and attitudes? p. 147.
 - vi) Do reference groups impact purchase decision? Position on product life cycle and adoption curves?
 - vii) Cultural values and attitudes - do they impact consumption?
 - viii) Do consumers solve problems by
 -extensive (new task)
 -limited (modified rebuy)
 -routine means? (straight rebuy)
 Where are they in the adoption process? (p. 150)
- C. SEGMENTATION -possible?
 -desirable
 -what dimensions? p. 187
 -7 steps. p. 191

CURRENT MIX ANALYSIS

(BA 109)

- A. PRODUCT - *class p. 210
 - branding (degree of familiarity)
 - *life cycle position
 - *competitive situation and positioning
- B. PLACE - *direct/indirect
 - roles in channel/channel captain?
 - *intensive, selective, exclusive
 - degree of co-operation
- C. PROMOTION - *mix of personnel selling, mass selling,
 sales promotion and publicity
 - objectives
 - kind of advertising
- D. PRICE - objectives in relation to life cycle
 - 1 price/flexible
 - list, discounts, allowances
 - markups
- N.B. i) Appropriateness of mix relative consumer analysis is
 normally the key to problem identification and sound
 recommendations.
- ii) *Not all analyses can or must be performed. However,
 asterisk indicates those usually required for most
 cases.

This course used the case method as the primary learning testing vehicle. It is, therefore, crucial that students be conversant with my expectations.

A) FORMAT

The following major headings should be used:

PROBLEM: •concise
•in the form of a question
•open ended so as to not eliminate alternatives

EXECUTIVE SUMMARY short paragraph which summarizes recommendations provides a "sneak preview" of direction and bias

ALTERNATIVES numbered and stated concisely

ANALYSIS

- a) Consumer behaviour and needs
- b) Current Mix - Product
 - Price
 - Promotion
 - Place

N.B. appropriateness MUST be assessed

- c) Other - financial, preferences of management, anything else which helps in analysis of alternatives, etc.
- d) Alternatives - advantages disadvantages plus explanatory notes.
- e) Summary - not always required if one alternative is clearly superior.

RECOMMENDATIONS - numbered and action oriented
MUST "solve" problem

B) REQUIREMENTS

Written case analyses should:

- a) be typed and double-spaced on one side of unlined 8 1/2 x 11" paper, or be handwritten legibly. Illegible papers will be returned ungraded.
- b) show pages numbered consecutively
- c) have pages held together in a booklet or stapled together in the upper left hand corner
- d) be free of errors in grammar, spelling and punctuation.

REQUIREMENTS (continued)

(BA 109)

- e) be written clearly and succinctly. Brevity is strenuously encouraged but not at the expense of sound and complete analysis
- f) fully document in footnotes, all sources which are quoted or referred to
- g) employ accepted form for any footnotes, charts, tables or bibliography
- h) present lengthy calculations, in appendices rather than in the body of the report.
- i) have a title page
- j) be clearly and logically organized around headings, eg., PROBLEM, Market, i) Consumer
- k) have a table of contents
- l) be submitted on time. Only extremely exceptional circumstances will justify a late case.

C) SUGGESTIONS

- a) absorb and think about the case over a period of time; avoid starting "cold" shortly before the due date
- b) remember that you are not required to agree with the opinions expressed by individuals in the case
- c) be sure that your case rests on a close analysis of the market
- d) bring to bear other material from the course where it is relevant and useful. Use of terms and analytical techniques are strongly encouraged
- e) feel free to discuss the case with others in the class
- f) consult other sources such as businessmen and trade literature if you wish, but it is not expected of you

- g) quantify wherever possible
- h) where it is necessary to make certain assumptions in order to proceed with your analysis, identify them as such and show why they are reasonable
- i) remember that since there is no single "right" answer to a case, you are merely expected to show what course of action, all things considered, would appear to be the best--and why
- j) remember that calling for more information is usually a ploy to postpone hard thought. Therefore before making such a recommendation verify that you have "squeezed" the information at hand, and be sure that the company can afford to wait for the time that it would take to obtain it; then specify in detail what information should be obtained
- k) design your report for a busy, perceptive, demanding and action-oriented company management
- l) assume that the reader of your report is fully familiar with the facts as they are presented in the case
- m) get briskly to the point by avoiding windy preliminaries
- n) write economically by eliminating verbiage, duplication, and baroque sentences
- o) be sure that you have dealt with all of the major reasonable alternatives to the course of action you recommend
- p) if you can't write correct English, enlist a knowledgeable and punctilious person to purge your report of errors in spelling, grammar and punctuation

D) MARKING SCHEME

First cases will be marked as follows

format	1
analysis	7
recommen-	
dations	<u>2</u>
	10

Subsequent cases:

format	0 (will subtract a mark for deviation from format)
analysis	8
recommen-	
dations	<u>2</u>
	10

Plagiarism is the taking of ideas and exact words of another and the offering of them as one's own. Plagiarism specifically consists of copying verbatim from a book, magazine, etc; using someone else's ideas (theory, interpretation, etc.); handing in a paper written by someone else.

Plagiarism is a deceitful practice which is unbecoming of any professional business person. And it is not to be tolerated.

The Department of Administrative Studies is concerned about plagiarism within our program. As instructors we encourage students to use resources whether primary or secondary to support or refute positions they may take. If resources are used, if ideas are borrowed, if someone's exact words are used, the students should document their sources.

If an instructor suspects a student of plagiarism, he or she may:

- 1) wish to discuss the situation with the student
- 2) try to find the original source

If an instructor accuses a student of plagiarism, he or she may assign:

- 1) a "0" for the assignment
- 2) a "0" for the course

If a student accused of plagiarism wishes to contest the charge he/she should

- 1) discuss the problem with the instructor
- 2) discuss the situation with the Chairman of the department
- 3) appeal to the Executive Committee of Academic Council

ANALYSIS

Definition: To Analyze: to take to pieces, to resolve into elements, to examine critically part by part

In other words, analysis sheds light on and makes meaningful raw data. Qualitative or quantitative raw data is mere description and as such, is worthless in terms of marks.

The following activities are a partial listing of analytical activities:

- compare and contrast (absolute and relative)
- comments, observations and insights
- judgements, conclusions and implications
- assessment of value, appropriateness
- cause/effect relations, separation of symptoms and problem
- patterns, trends, generalizations
- central tendencies
- use of theory or model to explain data
- etc.

Example a) Description:

<u>Person</u>	<u>Mark</u>
Fred	85
Joe	80
Susan	50
Max	45
Dagmar	40

b) Analysis

- central tendencies - mean, median, mode, standard, deviation, skew, graph
- # of fails, % fails
- # of excellents, % excellent
- males do better than females
- those with names with last letter before "f" do better
- even increments of 0/5
- etc.

Summary

Analysis is the massaging of data with the objective of making the data meaningful and useful. Computers generate data, managers analyze it (or, at least, instruct the computer to analyze it.) It is impossible to make good decisions based on description; analysis is mandatory.

WRITING STYLE: HINTS FOR STUDENTS

Students have, quite legitimately, complained that my expectations pertaining to written submissions have been vague and/or unrealistic. To address this, please note the following:

1. Colloquialisms - use is discouraged but if appropriate, should be in quotes eg. "max out"
2. Spelling - buy and use a dictionary. In particular, please take note of errors identified and learn from them.
3. Grammar - at the College level, it is presumed that errors of grammar should be rare. In particular, please watch noun/verb agreement.
4. Possessives - a small but telling difference in English quality, eg. the company's assets not companies assets.
5. Recurring Errors -

<u>Correct</u>	<u>Incorrect</u>
develop	develope
definite	definate
rationale	rational
a lot	alot

6. Singular/Plural - The following are often confused by business students.

<u>Singular</u>	<u>Plural</u>
datum	data
criterion	criteria
appendix	appendices

7. Structure

Structure is key for 2 reasons:

- i) organizes writer's thinking and analysis
- ii) eases reader's task

By structure, I mean a systematic and logical series of titles, subtitles and a numbering scheme.

for example:

A. INTRODUCTION

B. ANALYSIS

1) Current Situation

- i) Sales
- ii) Competition
 - a) Domestic

The importance of structure cannot be over emphasized. Failing to do so creates problems, it does not solve them and no manager I know of would accept a document of more than one page without a coherent structure.

FINALLY: purpose or objective statements are invaluable tools and deserve frequent use.

eg. "Our purpose in examining competitive pressures is to highlight their growing intensity...."

eg. "The objective of minimizing risk by....."

8. Data - Charts and lengthy calculations should be in appendices. A suggested format for dealing with charts is:

eg. TITLE: Question 10

	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>Total</u>
Raw #	6	4	5	2	4	21
%	28.6	19.0	23.8	9.5	19.0	99.9

Mean
(Weighted): 2.71

Conclusions: i) Wide spread suggests.....

Also, histograms (bar charts) are useful visual tools, but should not replace sound analysis.

9. Sundry

- Street language is never acceptable
eg. sort of, kinda, try and do something
- Point form is acceptable as long as it doesn't approach "punchiness"
eg. Advantage
 - cheap
- Bullet format (such as in sundry section) is another valuable structure tool.
- Unless warranted MUSH words (such as may, perhaps, could, might, etc.) are not acceptable.

HOPE THIS HELPS. (ALOT).

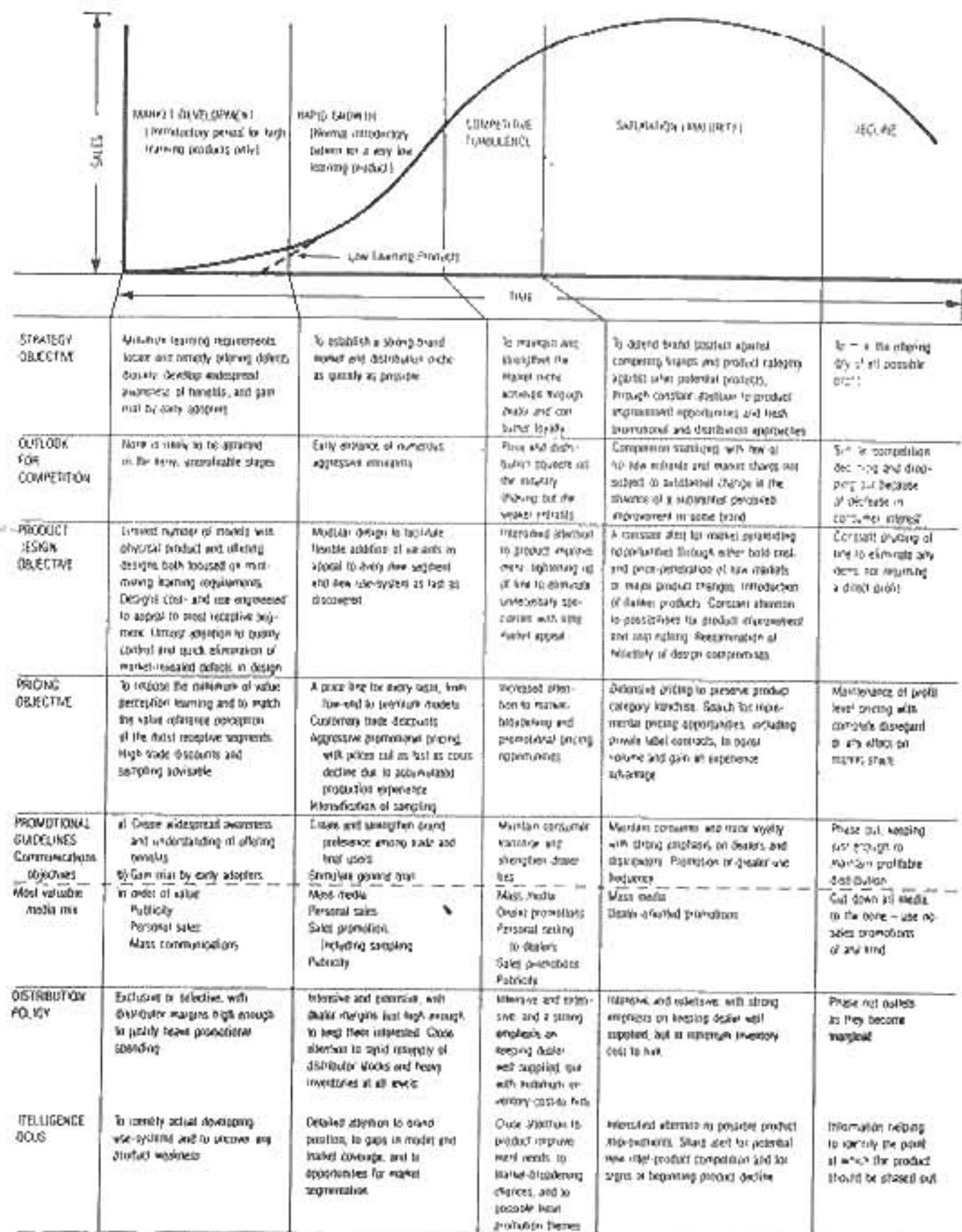
TABLE 11-3

CHARACTERISTICS OF VARIOUS STAGES IN THE FAMILY LIFE CYCLE

Age group name	Age group subname	Age	Behavioral characteristics	Products of interest	Major roles in the buying process	Amount and source of income	Major sources of information
Early Years	Early childhood	Birth-5	Total dependency on parents; development of bones and muscles and use of locomotion; soap, gum, and illness-proof; egg-centered; happy, accompanied, quality shopping	Baby foods, cribs, clothes, toys, pediatric services, room accessories, time-tested cereals, candy, books	Limited influence; consumer is user	None	Parents, television, friends
	Late childhood	6-12	Continuing dependency on parents; slower and more uniform growth; real development of thinking ability; over competitive; conscious of being evaluated by others; attends school	Food, toys, clothes, lessons, medical and dental care, movies, candy, uniforms, comic books	Influencer; limited decision maker; can refuse to use	Very small quantity allowance, gifts	Peers, friends, school, television, comic books
Young Consumers	Early adolescence	13-15	Onset of puberty; shifting of emotional focus from family to peers; concern with personal appearance begins; desire for more independence; transition to adulthood begins	Junk food, comic books and magazines, movies, records, clothing, footwear, grooming aids	Influencer; related to manner; decision maker; limited buyer; consumer or user	\$5 weekly average allowance; earnings	Family, peer group, school, television, radio, magazines
	Late adolescence	16-18	Transition to adulthood continues; obtains work; big sisters; obtains driver's license; concern with personal appearance increases; dating; active in sports; less reading for fun	Gasoline, auto parts, typewriters, cameras, jewelry and linens, cigarettes, books and magazines	Influencer; limited to manner; decision maker; buyer; consumer or user	\$17.50 weekly average allowance; earnings	Family, peer group, school, television, radio, magazines
Adults	Pre-married		Enter labor market on a full-time basis; color college; interest in personal appearance remains high; increased dating; varying degrees of independence; activity in sports decreases	Furs, clothing, dances, travel, vacations, quick and easy-to-prepare foods	Influencer; less limited financial; decision maker; buyer; consumer or user	\$500-\$10,000 per year earnings; parents' credit	Family, peer group, college, job, television, radio, newspaper, magazines
	Marrieds	19-24	First marriage; transition to pair-centered behavior; financially optimistic; interest in personal appearance still high; housewives; working wives and husbands	Hygiene, housing, furniture, major appliances; second auto; food; entertainment; social household items	Influencer; financial; decision maker; buyer; consumer or user	\$3000-\$15,000 per year earnings; credit	Spouse, close friends, job, television, radio, newspaper, magazines
Middle Years	Young parents	25-34	Transition to family-centered behavior; decline in social interests; companionship with spouse drops; leisure activities centered more at home	Houses, home repair goods, health and nutrition foods, family games, health-care services	Influencer; financial; decision maker; buyer; consumer or user	\$5000-\$25,000 per year earnings; credit; investments	Spouse, children, job, close friends, job, television, newspaper, magazines
	Middle adulthood	35-44	Family size at its peak; children in school; women are conscious home-makers; husband's career advances; picture pleasure drive	Overhead air replaced, insurance, books, sporting equipment, plant furniture, gifts	Influencer; financial; decision maker; buyer; consumer or user	\$5000 and over per year earnings; credit; investments	Spouse, children, job, extended family, television, newspaper, magazines
	Late adulthood	45-54	Children have left home; physical appearance changes; increased interest in appearance; community service; leisure activities become pair centered	Clothing, vacations, leisure time services, food, gifts, personal health-care services	Influencer; financial; decision maker; buyer; consumer or user	\$5000 and over per year earnings; credit; investments	Spouse, close friends, television, job, family, newspaper, radio, magazines
Older Consumers	Soon-to-be-retired	55-64	Physical appearance continues to decline; interest and activities continue to decline; pair-centered	Gifts, tending, maintaining, manicures and massages, luxuries	Influencer; financial; decision maker; buyer; consumer or user	\$500 and over per year earnings; transfer payments; credit; investments	Spouse, close friends, television, job, family, newspaper, radio, magazines
	Already retired	65 and older	Physical appearance continues to decline; mental abilities decline in sharp falls; homebody behavior; ego-centered behavior; visionless	Drugs, dietetic, gourmet foods, luxuries, nursing home care, other life products	Influencer; financial; decision maker; limited buyer; consumer or user	\$500-\$25,000 per year Retirement; transfer payments; investments	Extended family, friends, television, radio, children

Adapted from Fred D. Arnold and William D. Harris, *Consumer Behavior*, 1980, pp. 10-11.

FIGURE 1
Dynamic Competitive Strategy and the Market Life Cycle



9048
70.1.10

Product type	Definition	Distribution	Promotion
IMPULSE CONVENIENCE GOODS	Response to strongly felt need -- ice cream cone while shopping	* Intensive with high visibility	Need to pre-sell for self-service -- some possibility of product differentiation
STAPLE CONVENIENCE GOODS	Regularly used, bought frequently and routinely -- sugary flour - food, paint, drugs	Intensive	Need to pre-sell for self-service -- little or no opportunity to differentiate product
EMERGENCY CONVENIENCE GOODS	Purchased only when need is urgent -- auto parts on highway - dentists	* Intensive near point of use	No explicit promotional needs although brand may also be promoted on a non-emergency basis
HOMOGENEOUS SHOPPING GOODS	Products viewed as the same but worthwhile to shop for best price -- appliance, automobile	Enough to facilitate price comparisons	Promote price -- often local ads placed by dealers
HETEROGENEOUS SHOPPING GOODS	Products differentiated -- worthwhile to shop for best features and style -- furniture, clothing	Major shopping districts near similar goods -- less coverage than home. Shopping goods	Promote unique product features -- more adv. than homogeneous shopping good
SPECIALTY GOODS	Any branded item with a strong consumer franchise	Often exclusive but distribution may be broad for branded many consumer products	If exclusive distribution promote where to find. In all cases promote uniqueness of production brand.
UNSUGHT GOODS	Goods consumers do not search for -- encyclopedias, life insurance Different consumers may classify the same product in different ways	Typically door-to-door or direct mail	Heavy to locate prospects and direct them toward distribution outlet

for, with-
but flexible

sensitive
elastic
demand
P → D → M
→ T-R-down
not sensitive
inelastic
demand
P → D → M
→ T-R-up

Competitive

Relatively
inelastic
demand

Inelastic
demand

Variable but
could be
relatively
inelastic
demand for
major items

COMMUNICATION IN MARKETING

The Audience

Proposition 1:

People tend to see and hear communications that are favorable or unfavorable to their predispositions. They are more likely to see and hear congenial communications than neutral or hostile ones. And the more interested they are in the subject, the more likely is such selective attention.

Proposition 2:

Communications that are thought to represent some particular interest or characteristic of the audience are more influential on opinion than general, undifferentiated sources. Thus, communications directed to particular audiences are more effective than those directed to 'the public at large'.

Proposition 3:

Persons with high intelligence will tend--mainly because of their ability to draw valid inferences--to be more influenced than those with low intellectual ability when exposed to persuasive communications which rely primarily on impressive logical arguments, ... and they will tend--mainly because of their superior critical ability--to be less influenced than those with low intelligence when exposed to persuasive communications which rely primarily on unsupported generalities or false, illogical, irrelevant argumentation.

Proposition 4:

The individual's personality traits affect his susceptibility to persuasion.

Proposition 5:

Persons who are most strongly motivated to retain their membership in a group will be most resistant to communications contrary to the standards of the group.

The Message

Proposition 1:

When the audience is generally friendly, or when your position is the only one that will be presented, or when you want immediate though temporary opinion change, present one side of the argument. When the audience starts out disagreeing with you or when it is probably that the audience will hear the other side from someone else, present both sides of the argument.

Proposition 2:

Strong appeals to fear, by arousing too much tension in the audience, are less effective in persuasion than minimal appeals.

Proposition 3:

In persuasive communications which present a complicated series of arguments on impersonal topics, it is generally more effective to state the conclusion explicitly than to allow the audience to draw its own conclusions.

Proposition 4:

No final conclusion can be drawn about whether the opening or the closing parts of the communication should contain the more important material.

Proposition 5:

Studies tend to show moderately high retention of opinion change over a period of time even in the case of rather brief communications. But in some studies little effect appears to be retained, while in several investigations there is an apparent increase in the extent of the change with the passage of time.

The Communicator

Proposition 1:

The more trustworthy, credible, or prestigious the communicator is perceived to be, the less manipulative his intent is considered to be and the greater the immediate tendency to accept his conclusions.

Proposition 2:

A communicator's effectiveness is increased if he expresses some views that are also held by his audience.

Proposition 3:

What the audience thinks of a persuader may be directly influenced by what they think of his message.

The Media

Proposition 1:

Since audience attention is self-selective, exposure to communications in different media tends to be supplementary, not complementary; that is, those who read about a topic also tend to listen, and those who pay attention at one time also tend to pay attention at another.

Proposition 2:

There is no one medium (or type of medium) best for everything--all media have their place, dependent upon circumstances.

1. How should you position your product? The effect of your advertising on your sales depends more on this decision than on any other. Should you position CANADA DRY GINGER ALE as a soft drink- or as a mixer? Should you position SHAKIN' BAKF as a new kind of food or a better way to prepare a familiar kind? Should you position DIVE as a product for dry skin or as a product which gets hands really clean? The results of your campaign depend less on how your advertising is created than on how your product is positioned. Positioning should be decided on before the advertising is created. Marketing research will help. Look before you leap. Sell to your prospects. Do not waste time and money on others.
2. Promise a Benefit. Customers buy only to get BENEFITS. Advertising appeals or sales appeals are the BENEFITS to be had by a purchaser from a product or proposition. It is important to promise a benefit which is unique and competitive. And the product must deliver the benefit you promise.
3. Brand image. Every advertisement and every commercial should contribute to the symbol which is the brand image. Ninety-five percent of all advertising is created ad hoc. Most products lack any consistent image from one to another. The company that dedicates their advertising to building the most sharply defined personality for their brand, will get the largest share of the market.
4. A first-class ticket. It pays to give most products an image of quality- a first-class ticket. If your advertising looks ugly, consumers will conclude that your product or store is shoddy, and they will be less likely to buy.
5. Don't be a bore. Nobody was ever bored into buying a product. Yet most advertising is impersonal, detached, cold-and dull. The public isn't in the market any day for what you offer, just a small segment of the public, your prospects. It pays to involve the customer. Talk to her like a human being. Charm her. Make her hungry. Get her to participate.
6. Innovate. Start trends-instead of following them. Advertising which follows is a fashionable fad, or is imitative, is seldom successful. It pays to blaze new trails. But innovation is risky unless you pretest your innovation through marketing research. Look before you leap.
7. Be suspicious of awards. The pursuit of creative awards seduces creative people from the pursuit of sales. We have been unable to establish any correlation whatever between awards and sales. The only award for the campaign which is important is that which contributes most to sales. Successful advertising sells the product without drawing attention to itself. It rivets the consumer's attention on the product, or store.
8. Psychological segmentation. Any good agency knows how to position products for demographic segments of the market-for men, for young children, for young or working women, etc. It often pays to position products for psychological segments of the market.

9. Don't bury news. It is easier to interest the consumer in a product when it is new than at any other point in its life. Many copywriters have a fatal instinct for burying news. Most advertising for new products or stores exploit the opportunity that genuine news provides.
10. Go the whole hog. Most advertising campaigns are too complicated. They reflect a list of marketing objectives. They embrace the divergent views of too many executives. By attempting too much, they achieve nothing. It pays to boil down your strategy to one simple promise-and go the whole hog in delivering it.
11. Testimonials: Avoid irrelevant celebrities. Testimonials commercials are almost always successful-if you make them credible. Either celebrities or real people can be effective. But avoid irrelevant celebrities whose fame has no natural connection with your product or your customers. Irrelevant celebrities steal attention from your product.
12. Problem-solution (don't cheat!) You set up a problem that the consumer recognize. Then you show how your product can solve that problem. And you prove the solution. This technique has always been above average in sales results. But don't use it unless you can do so without cheating; the consumer isn't a moron, she is your wife, your sister.
13. Visual demonstrations. If they are honest, visual demonstrations are generally effective in the market place. It pays you to visualize your benefit. It saves time. It drives the benefit home. It is memorable.
14. Slice of life. Inere playets are corny, and most copywriters detest them. But they have sold a lot of merchandise, and are still selling.
15. Musical backgrounds. Most commercials use musical backgrounds. However, on the average, musical backgrounds reduce recall of your commercial. Very few creative people accept this finding. I never heard of an agency using musical background under a new business presentation.
16. Factual vs. emotional. Factual commercials tend to be more effective than emotional commercials.
17. Grabbers. Commercials or advertisements with an exciting opening hold their audience at a higher level than commercials or advertisements which begin quietly.

The average person is faced with millions of words; plus hundreds of thousands of words from radio and television broadcasts. The best and most determined reader, listener or viewer can absorb only a fraction of all that.
Your advertisement, your commercial, has to flash an idea that's appealing and pertinent to a need or desire.
18. Stand-ups. The stand-up pitch can be effective, if it is delivered with straightforward honesty.
19. Animation and cartoons. Less than five percent of television commercials use cartoons or animation. They are less persuasive than live commercials. The consumer cannot identify herself with the character

in the cartoon. And cartoons do not invite belief.
Animation can be helpful when you are talking to children.

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20. Salvage commercials. Many commercials which test poorly can be salvaged. The fault revealed by the test can be corrected. You can double the effectiveness of a commercial simply by re-editing it.
21. Headlines. On the average, five times as many people read the headline as read the body copy.
It follows that, if you don't sell the product in your headline, you have wasted 80 percent of your money. Headlines should include the brand name and the promise.
22. Benefit in headlines. Headlines that promise a benefit sell more than those that don't.
23. News in headlines. Time after time, it has been found that it pays to inject genuine news into headlines.
The consumer is always on the lookout for new products, or new improvements in an old product, or new ways to use an old product.
24. Simple headlines. Your headline should telegraph what you want to say in simple language. Readers do not stop to decipher the meaning of obscure headlines.
25. How many words in a headline? In headline tests conducted with the cooperation of a big department store, it was found that headlines of ten words or longer sold more goods than short headlines.
In terms of recall, headlines between eight and ten words are most effective.
In mail-order advertising, headlines between six and twelve words get the most coupon returns.
On the average, long headlines sell more merchandise than short ones.
26. Localize headlines. In local advertising it pays to include the name of the city in your headline.
27. Select your prospects. When you advertise a product which is consumed only by a special group, it pays to "flag" that group in your headline-mothers, bed-wetters, going to Europe?
28. Long copy? Prospects will read, listen to, look at any amount of copy if it is interesting, helpful, service rendering copy. When a prospect is about to make an important purchase, she (or he) becomes vitally interested in the merchandise...begins to watch and look at, listen to, advertisements relating to the merchandise. They want advice. They will read, listen to, and look at every word of any ad that carries intelligently prepared, interesting, service rendering copy.
29. Story appeal in picture. Many advertisements have gotten notable results with photographs which suggest a story. The reader asks himself: "What goes on there?" Then he reads the copy to find out.
The more of it you inject into your picture, the more people look at your advertisement.
30. Photographs vs. artwork. Photographs work better than drawings-almost invariably.
They attract more readers, generate more appetite appeal, are more believable, are better remembered, pull more coupons, and almost always sell more merchandise.
31. Repeat your winners. Scores of great advertisement or commercials have been discarded before they have begun to really pay off.
Effectiveness can actually increase with repetition.