

The Why and How of Advertising

By

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Forward

Advertising is a very important concept that must be utilized to the fullest extent for any person or business to make money. Without it, forget about it.

I have written this book with the sole purpose of introducing people to the world of advertising, what advertising is, the places to advertise, and how it is done.

As a copywriter, and an Internet marketing expert, I know what it takes to produce effective copy that will attract the masses and produce the best results. I continue to test and re-test, until I find the right words, put together that will lead to success.

I have examined every aspect of the advertising medium and understand what works and what doesn't. I will present that information in this book as a resource for you to follow.

Since the rates for advertising vary from place to place and media to media, it is impossible to relate the actual figures used. What I have done is include samples that are approximate to the actual amounts. In glossary D you will see an actual rate card from the Howard Stern show, compliments of Rich Kagan of the Howard Stern Show.

The best way to deal with each media outlet is to contact them and ask for their rate card. Then you will know that you're dealing with factual information.

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Chapter One – Importance of Advertising

You created a product that will revolutionize the American public. It will save countless lives, or help millions of people better themselves. It is a product that will hit it big.

You spent so much time on it and your friends and relatives praise you for such great work. They try it and love it. So, you sit back and wait for the profits to roll in. Right? Wrong. How are people going to know about it if you don't get it exposed to them? How is this accomplished? Advertising. You have to advertise your product.

You have to get your product exposed to the most people in the best and least costly way possible, on a frequent basis. Having an ad in a local paper for a one-time run will not work. How many people do you think will read your ad? In most cases, people will not see the ad the first time. Usually, it takes three or four exposures before the ad gets any kind of reception.

No matter how you do it, you must provide exposure in the most cost-effective way possible or you will be losing money.

Advertising is the art of enclosing a sales proposition in an attention-getting way, and positioning the product uniquely in the consumer's mind. Creating advertisement has to be done in a way to stimulate the attention of the general public. The advertisement must have:

1. An objective: The problem to be solved. How is the product going to solve a problem? What do you want the consumer to think or do with it or about it?
2. Target audience: Who are your most important prospects, and what should you know about that person to satisfy him/her?
3. The benefit: Why should the consumer buy your product or idea?
4. The reason or purpose: What makes your product different from others?
5. Perceptibility: How will your product be perceived.

In order for your product to be successful, you need to have both concepts (the advertising blueprint and cost factor) in place. That is why it is so important to study the market, the product, and the competition. Understand the consumer and what needs your product can satisfy. Think about the information you have gathered, then organize it. Come up with critical answers.

At this stage of the game, you should have decided on your objective. How do you want the consumer to respond to your advertisement? If the process is done right, you will take the consumer from point A by getting their attention to Point B by making their decision to purchase your product.

How will you deliver your message? Are you dealing with tangible benefits, their emotions, or just feelings? What is your promise? For example, you saw an ad for an air-conditioned car. Will you rely on the benefits of what air-conditioning can do for the driver (keeping him/her comfortable on hot days), or that it is part of the purchase price of the car. Remember your customer only cares about what it will do for them. Show them how your product is a solution to their problem. Try to place yourself in the position of the buyer and understand what he or she wants, and then show how to fulfill that need. You are selling a solution to a problem remember that.

Here are a few points to keep in mind when you develop your advertising plan:

- Make sure everything fits together. Don't let the product, price, or package go off in one direction while the advertising goes off in another.
- Keep your ad focused and reasonable. Don't be overly ambitious. Don't try to be all things to all people or sell a product for all occasions.
- Use the KISS method (Keep It Simple Stupid). It should be short, sharp, and to the point, one page or less.
- Where is your business coming from? Unless your product is so different it will bring in new customers, your business will generally come from an existing segment of the population.
- Keep your promises. When you promise your product will accomplish this or that, make sure it does. Dr. Samuel Jackson said it best, "Promise, large promise, is the soul of an advertisement."
- You need to understand what your product is all about.
- Make your promise convincing. Billions of dollars have been spent behind each of six words: *new*, *white*, *cool*, *power*, *refreshing*, and *relief*. Why should the consumer believe you?
- If it is a new product, you must give people a frame of reference. Tell people what it replaces and why it's better. For example:

Country Time was introduced as a convenient way to get "the taste of good old-fashioned lemonade."

- Keep the message of your ad up to date. Consumers change their minds based on changing market conditions. You must be aware of this.

The Dove beauty bar was introduced as a treatment for softer skin because it contained "one quarter cleansing cream." When sales of cleansing cream declined, the slogan was changed to "one quarter moisturizing cream" and sales skyrocketed.

Advertising works best if it is selling a product or service that is better than the competition. Once the product is in the market, it is always improved upon to keep consumer's interest in it high.

Another good way to look at a successful advertising plan, is the way it is distributed. In order for an ad campaign to be successful, it requires the use of two avenues: *reach* and *frequency*.

Reach is defined as the total number of people who see your message. Frequency is defined as the number of times, on average, people hear or see your message.

The trick is to buy enough reach, frequently enough to get the job done. Be careful. Don't overdue it. If you buy too much exposure, your audience will start complaining about it and then will build up resentment toward you and your product. On the other hand, buying too little will not get your message across at all. So how much is enough?

As we stated before, your product as a market. You can probably define your market in terms of age and sex. Your ad should be designed to reach as many of these people enough times to make them aware of your interesting and arousing message.

Six major studies concluded that it takes a minimum of three exposures to make people aware of your message. People exposed to less than three are not affected by the message.

You can achieve good results by using one type of medium. If you combine them, good things start to happen. When two or more media are used, they support each other. If you do use more than one medium, make sure your message is consistent.

Here are ways to reach as many people as possible, as frequently as possible, cost-effectively.

1. Determine cost-effectiveness.

Always begin by determining which media/stations/ad size will deliver the most audience for your advertising dollar. Why pay \$50 for a radio commercial to reach 1,000 listeners on Station WAAA, when a \$60 commercial on Station WBBB reaches 2,000 listeners? Why buy a 4 column by 13-inch ad and pay \$520 when a \$400, 4 column by 10-inch ad reaches the same number of people?

2. Establish an effective frequency objective.

Remember that three times is the minimum. However, always consider your specific needs and circumstances. Sometimes a three frequency just isn't enough. Also consider that, in some cases, the effective frequency level must be reached quickly, while in others, a more extended period of time may be appropriate.

Through trial and error you'll discover what level(s) works best for you. However, making that discovery requires that you regularly analyze and measure your advertising to determine what your actual frequency level is.

3. Calculate the net reach of your ad.

Know also, how many people you'll be reaching with your message. Track your responses, keep records, develop charts and other methods to measure your advertising effectiveness.

Its effectiveness and quality can determine a successful ad. But there are other factors to consider. These factors are listed below:

1. Make the ad enticing.
2. Use short words and short sentences if possible. People can't and won't read long complicated copy.
3. Make sure every sentence flows into another. Explain who you are, what your product is and what benefits will the buyer get out of using the product.
4. Get testimonials and publish them. This will create credibility for you and your business.
5. Write your ad like you are talking to somebody, not at them. Use informal language and keep it simple and easy to understand.
6. Make sure all your information is clear, concise, effective and error free. Remember the acronym AIDA (Attention, Interest, Desire, and Action). You must write your copy to grab his or her attention. Create interest in your product or service. Once you have sparked the person's interest then stir in him/her desire for your product. You can do this by using carefully selected words. Of course, after this you need to have him or her take action.
7. Use "FREE" in your ads, especially when offering information.
8. Describe your products using benefits rather than features. For example, don't say "this xxxx has a, b, c and d" instead say xxxx will save you time and money because it has a, b and c features.

Remember step 7 above; well let's expound on that a bit. Be careful with words that you use. For example, saying, "We are the best and we are cheaper than everyone else" is too strong, and poorly written. It makes you look like a cheap small business. However, using the phrase, "Serving you with quality and low prices" promises or conveys a benefit to the reader. Also it uses the word "you" and the promise is not overstated.

There are certain words that have the power to turn prospects on and motivate them to buy. Some examples are:

Free, love, safe, new, benefits, right, you, alternative, security, sale, now, value, fun, save, gain, money, happy, advice, how to, discover, introduce, easy, your, proven, penetrate, suddenly, proud, healthy, guarantee, natural, fast, precious, secret, solution, magic, and comfortable.

Words to avoid are:

Buy, difficult, death, obligation, wrong, failure, decision, fail, bad, deal, cost, sell, taxes, liability, worry, loss, hard, and contract.

Always transfer ownership in your ads to make them more personal by using "you" and "your."

For more information about advertising in general, visit this Web site:

<http://www.aaf.org/>

Now we will examine the different types of advertising media that are used by businesses large and small.

Chapter Two – The Media Game

In chapter one we covered the basics of advertising, the importance of it, and the way in which it should be planned and written. In this chapter, we will briefly cover the many types of media that are used by professionals. This will mainly be an introduction to the different media; chapters 3 – 8 will cover those areas more extensively.

You, along with many other professionals, wish to present your products to gain greatest exposure for the lowest price. You want the biggest bang for your buck. You have many areas you can turn to. There are:

Newspapers
Desktop Publishing
Banner ads
Television
Radio
The Internet

Each source provides advantages and disadvantages for using it. For example, can using television give more impact and exposure than radio? What about the Internet? Technology is changing so rapidly that what wasn't possible before on the Internet, is now possible.

What about banner ads? Are they just as effective as they were two to three years ago? Are people still relying on them as a source of exposure?

Of course, there is always desktop publishing. Why not make business cards for yourself. Or make flyers, or greeting cards. Take them to stores and restaurants. Put them on car windshields.

Newspapers

Newspapers cover more territory than any other medium except the Internet. Look in a typical daily newspaper and you will see many advertisements of one type or another.

DTP

What can be done with desktop publishing? How can that be used as a way to get your message exposed to the general public? Is it a reliable method?

Banner ads

The proverbial banner ad. Two to three years ago banner ads were very popular. Professionals were paying up to \$1000 per click-thru to get exposure. Was it a great way to advertise? Is it still good?

Television

What better way to get your message out than to use TV. Your ad can be seen around the world. With visual effects along with tight copy, TV can take your message very far.

Radio

Believe it or not radio can give more exposure than TV. It has a broader audience therefore a better reach.

The Internet

Of course, we can't forget the Internet. Why, just in the last two years alone, the Internet has been the main focal point of businesses around the world. It is only going to get better.

What about using a combination of all of them. Instead of settling for one media outlet for exposure, go for more. Make sure if you do, as was stated in the first chapter, you keep the message consistent across all media types. Otherwise, your message will lose its power and pulling ability.

In order for your product to gain the most in exposure, make sure you go for an outlet that will give you the biggest and most effective reach and frequency ratio for the lowest cost.

These are the main choices that are being used today. Let's see what each one does, can do, and cannot do for you.

Chapter Three – What’s the Deal with Newspapers

Newspapers like to speak in terms of total circulation. But don’t confuse circulation with people. Circulation is the number of copies sold or distributed by the publication, not the number of people reached by the paper.

But not every newspaper circulated is read, and, of those that are, not every reader of a newspaper looks at every page of every section. Nor does every reader see every ad. Whether or not an ad is read depends on factors such as size, color and position on the page.

For example: Let’s assume that you’re in the furniture business and wish to advertise on a weekday. Given the category, we will also assume that your target market is adults. To reach them efficiently, any size ad between 31% and 43% of the page is a logical choice.

Depending on the newspaper, ad rates can go from \$10 CPM (Cost-Per-Thousand) to \$20 or more. Some newspapers also charge per amount of space used on a page. Despite these charges, newspapers are cheaper to advertise in than TV or radio.

To give you a direct price for advertising in newspapers would be impossible, considering they change their rates constantly. The best way to determine your ad budget is to contact the newspaper you wish to work with and ask for a rate card.

Here are some of the strengths and weaknesses of advertising in newspapers:

Strengths.

- Short lead time
- Ad size and shape flexible
- Allows for more detailed information
- Localized audience
- Effective forum for price advertising

Weaknesses.

- Not intrusive
- High clutter
- Lack of demographic selectivity
- Short lifespan
- Expensive — very high cost-per-thousand (CPM)

If you are looking to place a large enough ad with detailed information for a localized audience in the fastest possible time, and have a large enough budget for it, than newspaper advertising may be for you. However, as shown above, the drawback is a short lifespan for the ad and the expense of buying an ad can be very expensive.

If you do decide to advertise with newspapers here are some pointers to follow:

1. **Keep the layout simple.** Avoid cluttered pages. Don't use multiple typefaces, and lots of pictures. Just keep it in a natural organized way.
2. **Use illustrations.** A very enticing picture or illustration, with a small caption, can attract the attention of the reader.
3. **Make sure the illustration tells a story.** Find something that makes the reader ask, "What's this all about?"
4. **When it comes to using illustrations or photographs, use photographs.** Research shows that people remember photography better than artwork. It's better to show photographs, especially when showing food. For example:

Pepperidge Farm was known for showing photographs of cookies, cakes, and bread in their ads to promise old-fashioned goodness.

Some companies use before-and-after photographs to drive their message home.

5. **Make sure the headline provides a benefit to the reader.** Reader's Digest uses three principals when creating headlines: present a benefit, make the benefit apparent, and make it easy to understand.

The copywriter John Caples observed, "Headlines make ads work. The best headlines appeal to people's self-interest or gives news. Long headlines that say something out-pull short headlines that say nothing. Remember that every headline has one job; it must stop the reader with a believable promise."

6. **Just the facts.** Don't write empty phrases. People want facts. Just use plain English.
7. **Make it readable.** Study newspapers and magazines before creating your ad. Notice the type faces they use and how many are on a page. They use capitals and lower-case letters. They design copy that is easy to read.
8. **Every ad should sell your product.** Don't assume the consumer will see your ads because that won't happen. So make sure each ad you write sells your product. Make sure each ad carries the same message even if the images are different.
9. **Print has its advantages.** Print can do things that television cannot; it can deliver samples. It can deliver vastly more information in the form of booklets. Use it wisely.
10. **Make sure the ad fits the media you want to use.** Size does make a difference. Do not design an ad for Redbook and send the same ad to Reader's Digest. The formats are totally different. Make sure the ad you create fits the media you are sending it to. Make sure to consider editorial content as well.

When working with newspapers, or any medium for that matter, it is mandatory that you approve a production estimate in advance. Otherwise, you may pay more than you bargained for.

Below is a sample page from my local newspaper showing different advertisements. Some of the wording may be hard to read, but you can get the basic idea from the image and caption.



Reading is an active element. Reading takes energy, attentiveness, and absorption. Readers are highly selective about what advertisement(s) they will read. Make sure your ad is well presented to fit into this caliper of exposure.

For more information about newspaper advertising, including rates, check out this Web site:

<http://www.naa.org/>

Chapter Four – Get it Done with DTP

DTP (Desktop publishing) is a form of advertising that is sometimes overlooked. DTP goes back to the 12th century, when a love poem was made into a little booklet.

Not everyone has the money to afford media advertising, but every business can afford and produces promotional materials.

What are some types of promotional items that are created by businesses? It varies, but usually businesses create business cards, brochures, and flyers. Practically, every business creates one or all of them.

All brochures are created in one form or another. But the brochure that is created like a sales piece has its advantages over another form.

When creating a brochure, the message should be the same as if creating an advertisement for the media. The images, words, and personality of the brochure should strike a familiar tune to a reader as an advertisement would.

Study the competition. Find a company that is successful with their brochures and see where you have the edge.

To write better brochures, here are some pointers to keep in mind:

1. **Put your message on the cover.** The cover should tell the reader who you are, where you are, and what you do.
2. **Keep it simple.** Most brochures fail because they try to show everything and tell everything. If you had one photograph, where would you put it?
3. **Use a single illustration on the cover.** One large illustration is more effective than several small ones.
4. **Make sure to include caption with photographs.** Readers will see and read captions before they read the body of the ad.
5. **Don't use cliches.** They are old and no longer effective.
6. **Just the facts.** Make sure the brochure is loaded with facts. Use bullets to highlight information. Include the price and your hours, etc.
7. **Is it worth keeping?** Create the brochure so it endures a long life. Brochures that unfold into posters are one example.
8. **Make your brochure attractive looking.** Do not create a brochure that has too many colors. Keep it down to one color if possible.
9. **Entice the reader to action.** Write the brochure in such a way that you want your reader to take some type of action, whether it's with a call, check, etc.

Here is a sample brochure:



When creating business cards, the same principals apply. You want to create cards with little or no color. Use one image. Make sure the message is clear. Provide your contact information, including name, address, telephone, and fax. Also, provide a little slogan or quote about yourself or your business.

Here is a sample business card:



What about catalogs?

I did not mention catalogs in the above discussion, but we can't rule it out. Many businesses, especially ones that sell many products, produce catalogs. It is definitely another way to advertise.

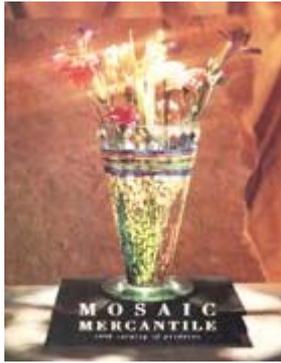
Make sure when creating your catalog that you emphasize the cover. If you place a picture of your product on the cover, it will sell three times better than if it were placed inside.

Other areas in a catalog where merchandise or products attract notice include the back cover, the page next to the order form, and page one.

Please, make it easy for your customers to order. Organize the catalog with descriptions next to the pictures the descriptions represent. Don't waste any space. Make every inch count. If you have a bound-in order form, that will help. Also a postage-paid envelope will add to the ease of ordering.

Mail to your list often. Send your catalogs to your customers four, five, or even six times a year. If you are running a special, send them one about it. Remember, the catalog represents you. Make it work for you not against you.

Here is a sample cover from a catalog:



Then there is the flyer.

How many times do you go to your car after shopping and find a flyer attached to the windshield. Many times right. Why? Because the business owner knows this is a sure way of getting your attention. He/she realizes that you will take that flyer off your car, just to throw it away.

What better strategy to use than to create an attention-grabbing flyer that will appeal to the masses. When the car owner finds the flyer on his/her windshield and takes it off, instead of tossing it, he/she will stop to read it. Bingo, instant exposure.

But the flyer doesn't have to be placed on windshields. Some business owners hire people to place their flyers in restaurants, laundry mats, department and grocery store bulletin boards, etc. Wherever people flock together, is where the flyers will be placed.

Here is a sample of a flyer:

why a CTL monitor?

- Surge VGA
- 28mm Fine Dot
- 1024x768 Non-Interlaced Resolution
- EPA (Energy Star Compliant)

consider the alternatives

CTL 4in

Somebody, somewhere will sell you a less expensive monitor, but will you get the features offered in the CTL 4in? We offer as our standard, features that are normally found in the larger screen monitors.

CTL 4in features anti-reflection, non glare screen, easy to access controls, allowing for easy on screen adjustments. The flicker free screen reduces eye strain so often affiliated with monitors. CTL 4in is EPA compliant, saving you, the cost of the highest quality for your money. This is an affordable high performance solution to your needs, whether at home or business.

Designed to meet and exceed your requirements, all CTL monitors are backed by our extensive two year warranty program.

CTL Computer Technology Link Corporation linking you with the future... today

Strengths.

- Generate quickly
- Less costly than other media outlets
- Allows for more detailed information
- Broader audience

Weaknesses.

- Need supplies such as paper, printer ink.
- Supplies can get costly such as printer ink.
- Takes up your time

If you have the time to give in promoting your pieces, DTP is the way to go. It is cheap, and can give you wider coverage of exposure if done the right way.

Chapter Five – Life of the Banner Ad

You may be surprised to know, the 468 x 60 banner remains by far the most popular advertising form on the Internet.

Many Web sites use multiple types of online ads, but the majority, use the standard 468 x 60 banner ads. According to AdKnowledge Online Advertising Report, a 125 x 125 button is the second most popular ad size on the Internet, far behind the 468 x 60 banner. The trend in online advertising seems to be leading toward the 468 x 60 banner as the facto standard.

A couple of years ago the Internet was a growing medium for advertising. Since then it slacked off the last two years. Many companies that sold advertising on the Internet found times tough. But, just when we started to count out online banner advertising, an upsurge occurred.

Now, as you can see from the information above, banner ads are becoming more popular than ever.

Here are samples of banner ads:



If you look closely at the banners you will notice many things in common:

- They present who they are
- How to get in touch with them
- What they have to offer
- Contact information

One thing the banner ads do is entice us to click it. The first banner is an animated type of banner. When it is viewed on a Web site, the image changes. The second banner is written more in HTML format to allow the links within the banner to be clickable.

When creating a banner ad just make sure to place an eye-grabbing type of image on it and choose your words carefully. You only have a little space to work with. Keep your words simple, direct, and to the point. Use powerful words that will make someone stop to look. Include your contact information, like a Web address and phone number so people will know who to call or where to go, in case the banner does not work.

There are software packages available to help create good banners. I use Paint Shop Pro to create my banners. But there are others. Just do a search on the Internet for banner creators.

Strengths.

- Easy to change on the fly
- The cost of click-thru's is inexpensive
- Can have a global reach

Weaknesses

- Small, can only fit so much in a small area
- Download time is slow if not using compressed format
- Need to know something of graphics design

No one knows how long banner ads will continue to be popular. As long as they are effective, they will continue to be used. Take advantage of it now before they do become obsolete.

Chapter Six – Television – Make it or Break it

It's tougher each year to get viewers to watch your commercial. Most advertising is ignored.

Many people claim that when they see a commercial on TV, they forget it the next day. Think about it. The average person is bombarded by over 700 advertising messages a day. With the remote control, they can just click to another channel, especially a commercially free channel.

With people's taste changing, a new way to wake up the audience is never ending. A sound strategy won't work. Neither a commercial that shouts. You must grab viewers with a strong creative idea.

It seems the best way to get viewers to watch your commercial is by getting them involved, so they will want to watch. How can this be done? There are several ways to do this:

1. Provide what the customer wants.

If the advertisement provides a stimulus that provides what they want, they will watch it. For example, look at the Nissan commercials. They emphasize their car is the "cure for the common car." That is strong language. They are saying to you that they have the solution to comfort. They have the answer to what a car should feel like. They know what you and I want in a car. They know what type of driving experience we seek. They know all this and they relay it in their ad.

2. Present a solution to the problem.

Just as I stated in the Nissan example above, Nissan knows what our problem is in regards to driving comfort and they supply the solution.

3. Present a situation with which they identify. For example:

A young couple is on a first date in a restaurant. She reaches for the check – taking out her American Express Card. He says, "Okay, I'll get it next time." She thinks, "Oh, great, there's a next time." Women identified with this campaign, which helped change the composition of the predominately male American Express franchise.

4. Providing appropriate entertainment. For example:

Michael Jackson doesn't just perform for Pepsi; he symbolizes "The Choice of a New Generation."

Great advertising provides some reward for watching. It is relevant to people's needs, their interests, values, and life-styles. The first five seconds of a commercial are crucial: they will either hold the audience or lose it. The viewer must find something immediately to want to keep watching. You'll have a more productive commercial if

you show people speaking on camera and show that your product does what you say it will do.

When people watch commercials, they may remember the commercial, but they may forget your product. If you register your product and create a name or way to make it easy to remember, you will have more success.

Brand names that start with M's and N's are easier to forget than those that start with T's or K's. That's why George Eastman invented the name Kodak for his cameras.

Which path should I go with my ad?

There are many paths your commercial or advertisement can take:

- The parable
- A testimonial
- A demonstration
- A presenter

TV advertising uses a number of these techniques.

If your product has an advantage that can be shown; show it. Seeing is believing. When you can't demonstrate a product advantage, consumers have to take your word for it. Testimonials say to the viewer, "This is the truth." There is an authenticity about using real people that is hard for an actor to simulate. Presenters can be actors, celebrities, or created personalities. The best presenter is one who goes beyond the message and builds a strong image for the brand.

Music is often used in commercials. Music evokes feelings – of drama, of joy, of serenity, of love, of fear.

The average TV commercial runs for 30 seconds. Depending on what type of TV network you use, the cost can be anywhere from \$15 to a million and a half. For example, a 30-second commercial on a cable network could cost just \$15, but a commercial during the Super Bowl could cost up to \$1,500,000.

TV networks and stations are in business to make money. They make that money via advertising income and the ratings of their programs. The higher a program's rating, the greater its audience; the greater the audience, the higher the charge for a commercial within that show. Low ratings mean low income.

Consider this. What's the difference between a commercial in the Midnight Movie selling for \$100, and one in the Early News selling for \$500? Beside the obvious \$400 difference in price, you can bet there's a significant ratings differential. Ratings represent audience and audience means advertising income. Plain and simple. TV stations sell commercial access to their audience. Unfortunately, too many advertisers have been buying commercials, or programs, or package deals, and not audience.

In TV, as in any advertising medium, your primary concern is to effectively reach as many people as you can, as cost effectively as you can.

In order to curb cost there is one guideline that should be heeded. Production should not exceed ten percent of your media budget.

Strengths.

- Offers the dynamics of sight, sound, motion and emotion
- Highest recall medium
- Most intrusive medium. Helps create interest, desire and action
- Provides high reach
- Fast at building an audience
- Relatively short lead time to buy
- Efficient, low cost-per-thousand viewers (CPM)

Weaknesses.

- Relatively high out-of-pocket cost
- Zapping via remote control
- Fast forward via VCRs
- Rising costs as network share erodes due to cable, syndication and VCR usage increases

To sum it up, television is a great media to advertise for, but if you do not have the budget for it, the particulars in place, and the creativity to make an advertisement stand out and speak to the viewer, within 5 seconds of viewing it, then you won't make it.

There are other avenues to choose from. Perhaps, TV can be used as a backup for other media. That is what many large corporations do, and they do it successfully. Don't give up on it. It's a great way to gain exposure to a wide area of people.

Chapter Seven- Radio – I Hear You

Media philosopher Marshall McLuhan observed:

“Radio affects people intimately, person to person, offering a world of unspoken communication between writer-speaker and the listener. A private experience.”

Radio is ubiquitous; it’s everywhere. It’s the first thing we hear in the morning. It’s with us in the car, and when we jog or walk in the park or down the street.

We usually listen to radio up to three hours a day. FM tends to reach the younger music listener while AM have become the forum for talk and informational radio.

Areas of radio advertising include:

- One-to-one talk

Create the ad like you are talking to one person. Appeal to his/her awareness of what you have to offer.

- The environment

Think about the way the commercial is provided. There are differences between music formats rock, popular or classical. Make sure you gear your commercial ad to the format of the radio station.

- Focus on one idea

With no pictures, listeners are easily distracted. Be direct, clear, and to the point. See to it you present your message as clearly and distinctly as possible.

- Involve the listener’s imagination.

The use of voices and sounds can create vivid pictures in the mind of the listener. It can take them wherever they want to go.

- Make it relevant

Radio commercials are relatively inexpensive and quick to produce. Take advantage of this by making your commercial ad relevant to the season, time of day, station format, and listeners. You wouldn’t want to offer car repair tips to a plumber. If it’s near April 15, offer tax advice.

Drivers remember a commercial message better than listeners at home. Take advantage of this.

- Again, register your product

They can’t see your product, so be sure they can hear about it.

- Use music

Just like TV, music stimulates feelings and emotions without pictures. Be sure people can hear and understand what is being sung. Keep the melody and lyrics simple.

- Use radio to advertise promotions

Radio is used all the time to promote products or services. Use it. It works.

Strengths.

- Efficient, low cost-per-thousand (CPM)
- Excellent frequency medium
- Intrusive
- Inspires use of imagination
- High demographic selectivity
- Portable medium
- Lower production costs
- Short lead time
- Use of local personalities

Weaknesses.

- Relatively high commercial clutter
- Some formats very passive
- Relatively small audiences
- Many stations
- High cost to attain significant reach
- High station turnover
- No visuals

When writing advertisements for radio, you must keep your target audience in mind.

The 25 most commonly used target audience group classifications are as follows:

Teens:

12-17

Persons (Adults):

12+, 12-24, 18-34, 18-49, 25-49, 25-54, 35-64, and 35+

Women:

12+, 12-24, 18-34, 18-49, 25-49, 25-54, 35-64, and 35+

Men:

12+, 12-24, 18-34, 18-49, 25-49, 25-54, 35-64, and 35+

Writing for a target audience is not the only aspect to keep in mind, you need to know exactly when your listeners will be tuned in to hear your message. Radio stations list

these times as dayparts. Below are 15 standard dayparts radio stations go by:

Monday-Friday:

6am-10am, 10am-3pm, 3pm-7pm, 7pm-midnight, 6-10am & 3-7pm, and 6am-7pm

Monday-Sunday:

6am-midnight

Saturday:

6am-10am, 10am-3pm, 3pm-7pm, and 7pm-midnight

Sunday:

10am-3pm, and 3pm-7pm

Weekends:

10am-7pm, and 6am-midnight

Since more people listen to radio during certain dayparts than others, the cost per spot during these dayparts may be higher. When determining the budget for your advertisement, you have to consider not only a station's dayparts, but also, which stations within your market are the best to use. Why run a schedule Monday-Sunday 6am-midnight and pay \$50 per commercial to reach an average of 1,000 listeners per spot when at \$70 per commercial the average spot running Monday-Friday 6am-7pm would reach an average 2,000 listeners?

See sample rate card in glossary D.

For more information about advertising on TV and/or radio, visit this Web site:

<http://www.nab.org/>

Chapter Eight – Don't Forget the Internet

When it comes to advertising over the Internet there are many ways to get your word across. Some of those ways are:

- Newsletters
- Newsgroups
- Classified ads
- Web site
- Email

I will cover each one below.

Newsletters

Newsletters are the best way to generate sales and will be for years to come. It is critical that you offer a FREE subscription to a newsletter on your web site and every person you meet. Your subscription information should be on your web site and in your signature file.

People that subscribe to your newsletter will become very loyal customers as long as you show them you are honest, credible, and that you know what you are talking about. They will not only buy from you now but they will buy from you in the future because you built a good rapport with them.

For example consider this situation:

A person, who is interested in accounting, finds your Web site and sees the offer of a free monthly newsletter on tax tips and accounting software shortcuts. They sign up, which retains the person's interest in your site a little longer and get them interacting with it. Even if they move on you have their email address so you can send them your newsletter and other offers each month.

Remember, as you get subscribers for your newsletter, they are potential clients whom you have built credibility with. By doing this you have established a base to which to offer your other products and services.

The information contained within your newsletter could be articles, tips, anything of interest about your field or occupation. Of course, no matter what you put in the newsletter make sure you put in a blurb about one of your products and/or services.

Creating the newsletter is one big hurdle, but now comes an even bigger hurdle - attracting subscribers. Make sure to create a web page devoted to your newsletter including subscription information and anything else that is needed. Then have a link from your main page to that page. Even have a link from all your other pages to your newsletter page. This way they will see your subscription offer everywhere.

Another way is to post an offer for a free subscription in related newsgroups.

Offer a free subscription in related email discussion lists, emails, classified ads, in forums and BBS postings, and in your signature file. Create press releases to get publicity for your newsletter.

As I said before, newsletters are very effective and powerful. Create one and use it to great advantage. You'll be glad you did.

Newsgroups

When you are promoting your Web site or product, you need to publicize it for all to see. Posting to newsgroups is a dynamite way to get this publicity. It allows you to accumulate sales instantaneously and to keep traffic coming to your site in the future.

Despite their popularity, there are certain rules you must follow before you can post to newsgroups. Make sure to monitor them for a while until you get the feel for what they are talking about then you can post to the discussion. When you do post make sure you keep the post relevant to the subject of the newsgroup. Also when posting, use short sentences and paragraphs.

There is a FAQ for all newsgroups at news.announce.newusers.

Here are some basic rules to follow to promote yourself to newsgroups:

- * Post regularly to a few newsgroups you monitor

By staying active in a few newsgroups and answering questions, you not only get a chance to advertise your product or service in your signature file, but you get recognized as an expert in the field as well. Remember, this method can generate many sales but it takes a lot of hard work to get it accomplished. So be patient.

- * Posting Informative Articles

Article posting is one of the fastest ways to get instant sales from newsgroups. This is when you write an informative article that has something to do with the product or service you are selling. The idea of an informative article is a simple process of educating your customers. This is extremely effective because most companies don't do it. Ensure that at the end of the article you provide either your Web site, offer sales info by autoresponder, provide your email address, or give them your phone number.

- * Site Update Posting

When you add something of interest to your Web site you can announce it in the newsgroups that would be interested. Just post a short note in the newsgroups related to your industry and invite them to visit your site.

- * Post Issues of Your Newsletter or Invitations to Join It

You can post a portion of your newsletter to a couple of related newsgroups, mentioning the info is from your newsletter and how to subscribe at the end. Your

subscriptions will skyrocket this way. Or you can just post an invitation to your newsletter.

One of the most important reasons for joining newsgroups is to get publicity. That is the essential factor here. Successful marketers use newsgroups to their advantage. They know how powerful newsgroups can be as an advertising medium. Just be careful. Don't post blatant advertisements, or else you will be prohibited from posting, and perhaps blacklisted.

If you use newsgroups wisely, you will get the exposure you so rightly deserve.

Classified ads

Classified ads are great resources to use when you need exposure. There are so many sites on the Internet that offer classified ads, from FREE to paying. Just type in classified ad in any search engine and see how many sites come up. You'll be spending at least a day or two submitting ads to every site you see, unless you buy classified ad blaster software. This software allows you to enter the ad you want to place, than click submit, and the software submits the ad to tons of sites simultaneously.

Some software packages are free while the best ones cost a pretty penny. If you don't have the time to do it yourself and you do have the money to invest, then the software is what you need.

Here is an example of a classified ad I wrote to promote my copywriting book:

Would You Like To Pull In More Sales And Increase Your Profits by 917%

Now you can increase your profits by 917% with a simple, proven formula for creating much more effective copy.

Do all your web promotions get the results you're really after? Are they as profitable as you'd like them to be?

Even if your web marketing pieces are doing all right - wouldn't you like to increase your results substantially, even by as much as 9 times?

One of my clients did just that. Using what I'm about to show you, she increased her profits by 917%. Many others increased their profits by 300% or more, as well....

The ad goes on for a page. But you get the idea.

Web site

Another way to get exposure for your message is by setting up a Web page and announcing your product on it.

There is one thing to keep foremost in your mind when creating your site - the visitor will ask "What's in it for me?" You have to provide that answer immediately or they will just say bye and leave.

This may be done in the first line or first few paragraphs, but you have to bring it to their attention. They have to know what you can do for them. This has to be done on every page or your site is a hopeless cause.

One of the best ways to get their attention is to create headlines. If they see your headline in bold lettering, they will stop to take notice. That goes for sub-headlines too. It's critically important that you know your audience and whom you are trying to attract. You have to understand what their needs and desires are and what they want. Believe me, by knowing this ahead of time, it will make quite a bit of difference in how you set up your site to sell your product.

When you build your web site you do so in order that a twelve-year-old can understand it. Don't use big words unless you absolutely have to. Make it simple to navigate. And don't assume anything. Don't get caught up in all the hype, fancy graphics, and cool, flashy things. When you are writing copy, you don't want your visitors to be thinking about what you are trying to say, you want them to be absorbing and understanding the concepts as they are reading it.

You need to develop credibility by giving some background on why you are so knowledgeable on the subject you are talking about.

You can give information in order to educate the consumer. By doing this you become a resource for them. You will come across as someone who is knowledgeable, and an expert in your field. By doing this visitors are going to believe you and buy from you.

Your site has to be easy to navigate. Have text links or icons on every sub page so people can click back and forth through your site without having to use the back and forward buttons on the browser. Also remember to use the Alt tag for your graphics. If the graphic option should be turned off in the browser, or the stop button is pressed before the page is fully loaded, the viewer will still be able to know what is going to be there in place of the graphic.

When you create your web site make sure to think about speed. Don't think everyone will be using a 56k modem. Some people still use slower speed modems. When they connect to your site they expect to see everything pop up quickly. If they have to wait for more than 30 seconds they will click away. So keep your graphics small and to a minimum when possible.

Many people use animated "gifs" and Java scripting that will give pizzazz to their web pages. At the same time this increases download time. You are using your web site to sell information not fanciness. People care more for content than for quality of your site. Be careful in this area. Make sure your content is easy to read. For quotes use the <blockquote></blockquote> tags in the HTML code to indent the whole section.

Your site has to be clear to your visitor as to what you are selling. You have to make it easy for them to order. As stated before, you have to build credibility with the visitor before they will buy. Have you created excitement and desire for them? You have to give them several ways to order your products either online or offline.

One thing you have to remember when designing your site is that the Internet is a 24-hour medium. It never closes. In order to sell your products you have to be automated. If you don't provide a convenient way for your customer to order you will lose the sale. Make sure to confirm every order by email. This makes the customer feel at ease.

You have to make it easy for customers to pay. You must be able to accept credit cards. If you can't, you will lose over 60% of your business. Customers want everything now. If they have to get off the net to phone you or to mail a form for payment, then you can kiss that order goodbye. Credit cards will also give you credibility as a professional company, not any fly-by-night basement operation.

There are three ways people should be able to order from you.

1. Directly Online
2. With an 800 number
3. Postal Mail or fax

If you can't use all three options on your site, use at least the first one so people can order from you or you will be losing orders. Also make sure, when setting up your web site to take orders, that the buyer be guided to a secure server. They don't want to give you their credit card unless they know their credit card information is protected.

Don't give the customer a lot of information about your company. Zero in on the benefits they will get from your product or service. Show how your product or service can specifically benefit the customer, not just its features. Make sure to provide the customer with a money-back guarantee.

Email

Of all the ways to get Web site traffic and make money online, nothing tops email marketing. Here is a list of methods that are available to be used. After I introduce these methods, I will point out those that work or don't work:

1. Unsolicited bulk email
2. Opt-in email list rental
3. Email newsletter classified advertising
4. Email newsletter network advertising

1. Unsolicited bulk email

Let's jump right into that dangerous endeavor referred to as UCE (Unsolicited Commercial Email). Sure, you can get some Web site traffic using bulk email. (The response rate is close to .01%.)

You can tackle the rigors of unsolicited bulk email marketing yourself (you'll need lots of ISP connections because they'll be canceled quickly!) or hire a company to do the dirty work for you.

But the fact is, since unsolicited bulk email angers a huge percentage of recipients, your risks can be rather high. Your domain will end up being blocked by many ISPs and you could even face some legal battles. In my humble opinion, unsolicited bulk email is not worth the trouble.

2. Opt-in email list rental

A much "cleaner" version of bulk email marketing is "opt-in email list rental." There are plenty of companies on the Web that will rent you email addresses that have opted in to receive commercial email. Actually, in most cases they are not really renting the addresses; that is, you never see the addresses. Instead, they charge you a per email address fee for mailing your message to a list under their management. But does it work...?

As long as the recipients are not being paid to read the messages and they are genuinely interested in the offers they signed up to receive, this strategy can be profitable. The problem is that in most cases you'll pay from ten to twenty cents per address and mailing to a list large enough to get great results can get quite expensive. But if your budget can handle it, you can generate some great targeted traffic.

3. Email newsletter classified advertising

This one still gives the best bang for the buck, especially for small businesses with modest advertising budgets.

The one fact about ezine advertising is it still is one of the most effective ways to get targeted traffic -- cheap.

Ezine advertising works best when you locate ezines that are in your target market. Just visit an ezine directory and search for ezines in your niche market. Subscribe to a bunch of free ezines and read them as they arrive. Look for larger circulation ezines that have a good following.

Place a classified ad and if your site and offer is good, you'll make a profit nearly every time. If you can swing a top sponsorship ad, that works about five times better than a regular classified ad!

4. Email newsletter network advertising

In a nutshell, you pay email newsletter management sites to run top sponsorship ads across their network of newsletters. The traffic can be targeted to just about any niche and it's faster than finding each of the ezines yourself.

Although this requires a larger initial investment than running ads in individual ezines, in the long run it is usually cheaper and it requires much less effort. The best advertising resource I've ever found on the web is an email newsletter network.

Glossary A

Newspaper Terms

Agate Line (Usually simplified to *Line*): A unit of space by which newspaper and other print advertising space is sold.

Cash Discount: The deduction allowed by print media (usually 2% of the net) for prompt payment (e.g., within 10 to 20 days), generally passed along by the agency to the advertiser to encourage collections.

Center Spread: An advertisement appearing on the two facing center pages of a publication, including the gutter.

Circulation: The total number of copies distributed per issue by a newspaper, magazine, trade journal or periodical sold or distributed over a period of time.

Column: The standard, vertical unit of editorial or advertising space on the page of a publication. Six columns make up the typical newspaper page.

Column Inch: A unit of publication space, one column wide and one inch deep, equal to 14 agate lines. Display advertising is based on the column inch measurement.

Cost-Efficiency: The effectiveness of media as measured by a comparison of audience, either potential or actual, with cost and expressed as a cost per thousand units of audience.

Cost-Per-Thousand (CPM): A figure used in comparing and evaluating the cost-efficiency of publications. CPMs are determined by dividing the cost of an advertisement by the net reach of the publication – divided by 1000.

Cumulative Audience: The net unduplicated number of persons reached by a given publication over a specified period of time (also known as the accumulated audience or cume; sometimes called net unduplicated audience, net reach or unduplicated audience).

Double Truck: One advertisement occupying two facing pages, including gutter. In magazines, two facing pages are called spreads.

Duplication: The number of homes, viewers, listeners or readers exposed to the same message, through various media or in the same medium, two or more times.

Line: Agate line, the basic unit of publication space for measuring depth of space. In physical dimensions, a line is one column wide and 1/4 inch deep. A newspaper ad that is 1500 lines in size would be, for example, 6 columns wide by 250 lines deep. Newspaper space is usually bought in terms of lines.

Local Rate: An advertising rate charged to a local advertiser, usually a retailer.

Open Rate: In print, the highest rate charged to an advertiser on which all discounts are placed. Also called base rate. Often higher than the local rate marked up.

Pica: A unit of linear measurement in printing, equal to 12 points or one-sixth of an inch.

Point: The unit of measurement of the height or width of a line of type, with 72 points to the inch.

Preferred Position: A position in a magazine or newspaper, which is regarded as excellent in terms of its ability to generate a large readership. Preferred position is usually located next to editorial material, which has a high interest rate among the readers.

Rate Card: A listing put out by a medium containing advertising costs, mechanical requirements, issue dates, closing dates, cancellation dates and circulation data.

Reach: The number of different persons or homes exposed to a specific medium or schedule at least once. Usually measured over a specific period of time, e.g., four weeks. (Also known as cume, cumulative, unduplicated or net audience.)

Readership: The number of readers that it's estimated read each copy of a newspaper. Currently, the consensus estimate is 2.28 readers per daily copy.

ROP (Run-Of-Paper): A newspaper advertisement for which a definite position is not specified is inserted as run-of-paper, meaning it can appear anywhere.

Screen: The number of dots to the inch in a picture reproduced in print. Most newspapers will accept a 65-line screen.

Short Rate: The additional charge incurred when an advertiser fails to use enough media space or time to earn a contract discount envisioned at the time of the original order.

Standard Advertising Units (SAUs): SAU refers to the system that standardized the newspaper column width at 2- 1/16", so that space units would have consistent dimensions for all conforming SAU papers. Under the SAU system, there are 56 broadsheet and 33 tabloid space units of fixed width and depth. SAU was instituted by most daily newspapers in July 1984.

Sunday Newspaper Supplements: Any printed matter, which is inserted in a Sunday edition of a newspaper on a continuing basis and is not part of the newspaper itself. Two main publications fitting into this category are magazine supplements and comic sections.

Tabloid: A newspaper smaller than the standard size - generally 5 columns by 14 inches or 70 inches versus 6 columns by 21.5 inches or 129 inches.

Tear Sheets: Actual pages of advertising as they appeared in an issue of any publication. Tear sheets are used to serve as proofs of insertion.

Volume Discount: A discount based on total number of inches the advertiser commits to run, generally within a 52-week period.

Glossary B

Television Terms

As in previous chapters, here are terms you should know about the TV advertising media.

Affidavit: Proof of performance; an invoice from television station(s), which shows the title and length of each commercial, and the precise time (by hour and minute) each commercial aired.

Area Of Dominant Influence (ADI): See DMA. **Availability (Avail):** A specific period of commercial time offered for sale by a station or network.

Cost-Per-Thousand (CPM): The cost to reach 1,000 persons watching television. It is determined by dividing the cost of a schedule by the number of thousands of people that the schedule will reach. Used to compare stations/programs in terms of cost efficiency.

Cumulative Audience: The total number of different persons reached by a given broadcast over a specified period of time.

Daypart: The principal telecasting time divisions (Eastern Standard Time). There are nine standard television dayparts. They are:

Morning: 6-9am

Daytime: 9am-4pm

Early Fringe: 4-6pm

Early News: 6-7pm

Prime Access: 7-8pm

Prime Time: 8-11pm

Late News: 11-11:30pm

Late Fringe: 11:30pm-1am

Overnight: 1-6am

Designated Market Area (DMA): A DMA is a geographic survey area (sampling unit) based on measurable patterns of television viewing. Each county or geographically split county in the continental U.S. is assigned exclusively to one DMA. DMAs are defined and updated annually by the A. C. Nielson Company.

Format: The general concept, form, makeup or style of a TV program, commercial or station.

Frequency: The average number of times an audience has been exposed to or has the opportunity for exposure to an advertising message.

Fringe Times (Early & Late): The time periods adjacent to prime time in TV broadcasting. Early fringe precedes prime time, late fringe comes after.

Gross Ratings Points (GRPs): The sum of all rating points achieved for a schedule. A schedule's average frequency times its net reach equals GRPs.

HUTs: The percentage of all Households Using Television during a particular time period.

Impressions: The total audience, including duplications, for all commercials in an advertiser's schedule (also known as commercial impressions).

Makegood: In broadcast, a commercial given in lieu of the announcement missed due to the fault of the station or network. Makegoods are also given when contracted/promised GRP levels are not delivered.

Metro Area Rating: The percent of TV homes or demographic audience within a given metropolitan area viewing an individual station during a particular period of time.

Penetration: The percentage of total homes in a specified area owning at least one TV set.

Prime Time: Time periods of greatest TV viewing and highest rating. Usually defined as 8-11pm.

PVTs: The percentage of all Persons Viewing Television during a particular time period.

Rating: The size of a TV program's audience as expressed as a percentage of all homes or demographic audience.

Reach: The number of persons or homes exposed to a specific message at least once. Usually measured over a specific period of time, e.g. four weeks (also known as cumulative, unduplicated or net audience).

Share or Share-Of-Audience: The audience of a program as a percent of all households or demographic audience using the medium at the time of the program's broadcast.

Time Slot (Or Time Period): A specifically identified TV time period being considered or available for a program or commercial.

TV Home: A household containing one or more television sets. Approximately 97% of U.S. households now qualify as TV homes.

Glossary C

Radio Terms

Area of Dominant Influence (ADI): See DMA.

Audience Estimates (00): The estimated number of persons listening, usually Average Quarter Hour or Cume Persons. Usually displayed in hundreds (00). Also known as Persons Estimates.

Average Quarter-Hour Persons (AQH Pers): The average number of persons listening to a particular station during a given daypart for at least five minutes during a fifteen-minute period.

Average Quarter-Hour Rating: This is the AQH Persons estimate expressed as a percentage of the population being measured.

Cost-Efficiency: The effectiveness of media as measured by a comparison of audience (either potential or actual) with cost and expressed in cost per-thousand units of audience (people).

Cost-Per-Thousand (CPM): The cost to reach 1,000 persons, usually AQH or Net Reach Persons. It is determined by dividing the cost of a schedule by the number of thousands of people (AQH or net reach) that the schedule will reach. Used to compare stations/schedules in terms of cost efficiency.

Cume Persons (Cume Pers): The estimated number of different people who listen to a station for a minimum of five minutes in a quarter-hour within a reported daypart. No matter how long the listening occurred, each person is counted only once. Also referred to as unduplicated audience, reach or circulation.

Cume Rating: The number of Cume Persons expressed as a percentage of all persons estimated to be in the specified demographic group.

Daypart: The 15 time periods, which a broadcast day or week are divided into for analytical and scheduling purposes.

Demo or Demographic Group: This term statistically identifies population groups and target audiences according to age, sex, etc. Example: Adults 25-54.

Demo Population: Also Target Audience Population. This is the estimated total population for a particular demographic group within a survey area.

Designated Market Area (DMA): A DMA is a geographic survey area (sampling unit) based on measurable patterns of television viewing. Each county or geographically split county in the continental U.S. is assigned exclusively to one DMA. DMAs are defined and updated annually by the A. C. Nielson Company.

Drive Time: The commuting hours when radio listening is usually at its highest. Specifically, 6-10am (AM Drive) and 3-7pm (PM Drive) on weekdays.

Dubs: Duplicate taped copies of a commercial.

Flighting: The scheduling of an advertising effort for a certain period of time, followed by a hiatus, then coming back with another schedule, e.g., three weeks on, one or two weeks off, followed by three weeks on again. Generally, the hiatus should begin at a point when the net reach of a schedule has reached its maximum. In radio, this frequently occurs at or about the third week of a schedule.

Frequency: The number of times an audience has been exposed to (hears) or has the opportunity for exposure to an advertising message within a measured period.

Gross Impressions: The sum of the AQH Persons audience times the number of spots bought. For example, 100 people hearing a message 1 time equals 100 Gross Impressions, as does 50 people hearing a message 2 times.

Gross Ratings Points (GRPs): The sum of all rating points achieved for a schedule. A station's average frequency times its net reach equals GRPs.

Metro Survey Area (MSA or Metro): A geographic survey area that always includes at least one city, or a city in combination with a county or counties, which meets certain population requirements. The Metro also includes contiguous or additional counties when the economic and social relationships between the central and additional counties meet specified criteria. Metros generally correspond to the Standard Metropolitan Statistical Areas (SMSAs) defined by the U.S. Government's Office of Management and Budget. The smallest survey area relative to DMAs and TSAs.

Net Reach (RCH): The number of different persons exposed to a specific schedule at least once during a specific period of time, e.g. one week. Usually displayed as persons in hundreds (00) or as a rating (%). Also known as unduplicated or net audience.

Persons Estimates (00): The estimated number of persons listening, usually Average Quarter Hour or Cume Persons. Usually displayed in hundreds (00). Also known as Audience Estimates.

Radio Market Reports: Reports published periodically by research companies such as Arbitron and Birch. Each report represents the findings of radio listening habits research gathered during a given survey period and contain numerous Audience Estimates, each for a particular survey area (or geography), a demographic (sex and age) and a time period (daypart).

Ratings: The audience expressed as a percentage of the total population. If an area's population is 1000 and station WAAA has 100 listeners, their rating is 10.

Share: The percent of the estimated listening audience. If an area's population is 1000 and 400 are listening to radio and station WAAA has 100 of those listeners, their share is 25%.

Survey Areas: Survey Areas regularly published by ratings services include (from

smallest to largest) County, Metro, DMA and TSA.

Target Audience: The demographic audience(s) which an advertiser identifies as those which he wishes to reach with his advertising message, e.g. Women 18-49, Adults 25-54. Many advertisers identify both Primary and Secondary Target Audiences.

Target Audience Population: The estimated total population for a particular demographic group within a market/survey area.

Time Spent Listening (TSL): An estimate of the number of quarter-hours the average person spends listening to radio during a specified time period.

Total Survey Area (TSA): A geographic area encompassing the Metro Survey Area and certain counties located outside of the Metro from which research samples are taken to estimate radio listening habits.

Turnover (T/O) Ratio: The sum of a stations Cume Persons audience divided by their Average Quarter Hour Persons audience. A low turnover ratio indicates people listening to the station for long periods of time. High turnover indicates the opposite. Turnover ratios are used in determining how many spots should be bought on various stations.

Glossary D

Example rate card from The Howard Stern Show

THE HOWARD STERN SHOW

PLANNING RATES BY MARKET

MARKET	RANK	AVE	ADULTS 18+	TOTAL	HOWARD- VOICED	CLIENT PRODUCED	LIVE	REC
CPM		QTR	HR	LISTENERS	RATE	RATE	CPM	
NEW YORK	1		321,000	1,162,200				
LOS ANGELES	2		122,300	419,500				
CHICAGO	3		71,700	275,600				
SAN FRANCISCO	4		56,500	248,300				
PHILADELPHIA	5		121,800	445,200				
DETROIT	7		24,500	131,000				
WASHINGTON DC	8		46,800	217,400				
BOSTON	10		76,700	331,300				
			841,300	3,230,500	\$15,000 - net	\$10,000 - net	\$17.83	\$11.89

TOP EIGHT MARKETS REACH 57% OF HOWARD STERN'S TOTAL AUDIENCE

MIAMI	11		38,100	156,700				
SEATTLE	14		27,000	120,000				
DALLAS	6		25,300	97,300				
SAN DIEGO	17		38,900	141,800				
PHOENIX	17		26,900	128,300				
ST. LOUIS	18		26,100	127,900				
BALTIMORE	19		15,700	62,000				
PITTSBURGH	20		28,400	131,600				
			206,000	874,900	\$2,500 - net	\$2,000 - net	\$12.14	\$9.71

NEXT EIGHT MARKETS REACH 16% OF HOWARD STERN'S TOTAL AUDIENCE

TOP 8 MARKETS			841,300	3,230,500	\$15,000	\$10,000	\$17.83	\$11.89
NEXT 7 MARKETS			206,000	874,900	\$2,500	\$2,000	\$12.14	\$9.71
			1,047,300	4,105,400	\$17,500 - net	\$12,000 - net	\$16.70	\$11.46

TOP 15 MARKETS REACH 73% OF HOWARD STERN'S TOTAL AUDIENCE

THE HOWARD STERN SHOW

PLANNING RATES BY MARKET as of 2nd Quarter 2001

MARKET	RANK	AVERAGE QTR HR	ADULTS 18+ LISTENERS	TOTAL LISTENERS	HOWARD-VOICED RATE	CLIENT PRODUCED CPM	LIVE CPM	REC
DENVER	22		25,000	75,000				
CLEVELAND	23		42,300	165,600				
PORTLAND	24		14,000	81,800				
PROVIDENCE	31		6,700	49,700				
COLUMBUS	32		15,600	68,700				
CHARLOTTE	36		12,100	54,600				
INDIANAPOLIS	37		11,700	68,600				
ORLANDO	38		22,500	94,600				
NEW ORLEANS	39		14,800	63,100				
HARTFORD	42		20,600	73,400				
LAS VEGAS	43		19,000	74,500				
MEMPHIS	45		8,200	31,700				
ROCHESTER	47		16,500	62,900				
AUSTIN	50		8,100	24,900				
LOUISVILLE	52		7,500	47,000				
ALBANY	57		20,700	81,200				
WILKES-BARRE	62		9,400	43,100				
FRESNO	64		4,100	21,500				
GRAND RAPIDS	65		9,800	36,100				
SYRACUSE	71		16,000	56,800				
TOLEDO	75		5,500	27,400				
FORT MEYERS	76		12,300	48,600				
CHARLESTON	97		6,000	35,200				
YORK, PA	103		9,800	34,800				
FAYETTEVILLE	125		6,300	28,600				
RENO	130		5,500	22,200				
QUAD CITIES	132		4,000	24,300				
PEORIA, IL	134		400	5,200				
MYRTLE BEACH	175		2,000	7,500				
BURLINGTON	222		2,200	11,900				
PANAMA CITY	226		2,000	7,500				
			360,600	1,528,000	\$7,500 - net	\$6,000 - net	\$20.80	\$16.64

NEXT THIRTY-ONE MARKETS REACH 27% OF HOWARD STERN'S TOTAL AUDIENCE

SUMMARY:

TOP 8 MARKETS	841,300	3,230,500	\$15,000	\$10,000	\$17.83	\$11.89		
NEXT 7 MARKETS	206,000	874,900	\$2,500	\$2,000	\$12.14	\$9.71		
NEXT 31 MARKETS	360,600	1,528,000	\$7,500	\$6,000	\$20.80	\$16.64		
GRAND TOTALS	1,407,900	5,633,400	\$25,000 - net	\$18,000 - net	\$17.76	\$12.78		

NOTES: ALL SPOTS SCHEDULED 60 SECONDS

CPM IS COST TO REACH 1000 PERSONS, BASED ON AVERAGE QUARTER HOUR