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Michigan Home Business Update 3 – Do-It-Yourself Advertising
Michigan State University
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Do-It-Yourself Advertising...

Advertising is extremely important to home business success. But, for the majority of home-based entrepreneurs, the thought of producing professional quality ads is intimidating and hiring a professional agency is out of the question financially.

Now for the good news! Free advertising help is available from a wide variety of sources.

Newspapers, radio stations and print shops are eager for your business, and they will help you write, design and produce whatever you want. Many newspapers can provide layouts and illustrations at no charge — some can even be persuaded to create sales promotion plans for you. Radio time salespeople will help you create commercials — some will even dream up slogans and jingles for you.

So, do cultivate your media salespersons. Their professional success is directly tied to your business success.

Another option is to look for free-lance help. If you're willing to exchange your product or service for advertising expertise, you can often find enthusiastic, young newcomers or experienced retirees to help you prepare your advertising.

For example, a retired advertising copywriter moved from Detroit to a small town several years ago. In short order, the local beauty parlor and dry cleaners discovered her expertise and persuaded her to help them prepare their ad campaigns in exchange for free hair/nail care and dry cleaning.

If your home business uses products from other manufacturers, you have another plentiful source for advertising material. Many companies will supply newspaper and radio ads — all you need to add is your business name, address and other pertinent information. To foster good customer relations, some manufacturers will share the cost of advertising their products. Many also will give you placards, posters and signs to display in your business area.



HOW MUCH MONEY SHOULD YOU SPEND?

Even though you can find help to create and polish your advertising at no charge, you still have to budget enough money to pay for air time and/or print space. The traditional amount to spend on advertising is six percent of your gross profits.

Once you've settled on your dollar figure for the year, study media types and prices and choose what will best suit your needs. Let's look at the choices.

NEWSPAPERS

Newspaper advertising is relatively inexpensive and reaches a large number of people. Prices depend on the circulation area and the frequency of publication.

Newspaper advertising offers a large variety of options for you to try. You can purchase display ads

or classified ads in many styles and sizes. You can schedule your ads for special places, such as holiday, garden and home improvement sections in your daily or weekly paper. Your product may sell well in newspapers that cater to special interest or ethnic groups or your business may boom if you advertise in the local shopper's guide.

Again, talk to your newspaper space salespersons. They can help you make the right advertising decisions.

MAGAZINES

Magazine ads are more expensive than newspaper ads, but they also reach a select audience. Your outlay is larger, but so is the number of potential customers. These ads have a relatively long life span and may be circulated among

several readers. You must, however, plan your ads and purchase your space well in advance of the publication date.

Here, too, you can choose classified or display formats, as well as card inserts in regular editions.

The price of magazine ads can be figured by using the Standard Rate and Data Service listing at your public library. Or write the magazine directly for a quote on a display or classified ad.

DIRECTORIES

Customers who are ready to buy actively seek products by consulting directories. All sorts are available, including general industrial directories, those limited to a single industry, trade or profession, and directories for single or related groups of

SELECTING ADVERTISING MEDIA

How do you know which advertising medium or media to use? The key is knowing your market:

- Who uses your product or service?
- What is the consumer benefit to your product or service?
- Where and when do you want to reach your prospective customers?

- How many consumers do you want to reach, how often?
- How much do you want to spend?

Evaluate all the media options available, and choose one or more that will help you reach your target audience.

SALES PROMOTION

Sales promotion takes many forms. We've already talked about give-away advertising specialties, displays and contests. You can also offer customer services, demonstrations and discounts, but let's consider some of the less obvious selling aids.



products. Other options include catalog files and, of course, the yellow pages.

Directories offer little variety in format, but they do have a relatively long life span.

ADVERTISING SPECIALTIES

These are good investments because customers appreciate them and use them for a relatively long period of time — and they're fun! Advertising novelties are literally little goodwill ambassadors, and they come in a wide variety of useful and/or decorative forms. Some of the most popular are key chains, matches, pens and pencils, calendars, T-shirts, balloons, bumper stickers, pins and tie tacks, decals, baseball caps and cigarette lighters.

RADIO ADVERTISING

This is a most effective way to reach local potential customers, but it is fairly expensive. To be really effective, your ads must be repeated frequently. And they must be changed frequently, as well, or they do more annoying than selling. You can choose to have your commercials read live by an announcer or taped in advance by yourself, radio station personnel, an actor or a singer.

TELEVISION ADVERTISING

Because TV advertising is usually a highly professional production, it is very costly. (National advertisers, according to David Ogilvy, author of "Ogilvy on Advertising," paid

\$60,000 for a 30-second commercial.) But, some TV advertising is affordable. National advertisers may give your name and address as their local supplier; an independent station may run your commercial for a modest price. Local cable TV may be a possibility.

Cable TV targets local households that tend to have a greater purchasing power than households that access only commercial channels. The cost of ads is surprisingly low, however, and most cable stations have production and placement packages and will help you place your ad in the most advantageous programming spot.

For a book on cable advertising, check your library for "Cable: an Advertiser's Guide to the New Electronic Media," by Ronald Kaatz.

Y ENHANCES YOUR CHANCES

Your business name is most important. Strive for a short, self-explanatory, distinctive and easily remembered name. Create a logo to use on your business cards and stationery, as well as in your advertising.

Developing an effective name and logo is not an easy task. So take your time. Study other business names; look at other logos. Experiment until you find what's right for your business.

While you're creating your company name and logo, keep in mind the role that color plays in attracting customers. Color psychologists have discovered that warm colors, such as red, are advancing colors and cool colors, such as blue, are retreating colors. For instance, a room with blue decor seems larger than one decorated in red. (Many waiters wear red costumes so you feel they're hustling toward you; many

banks favor blue because it is not intimidating.) Pastels attract attention — all colors of the rainbow as well as several shades of one color.

Choose the right colors to create the mood you want in your business decor, packaging and uniforms. Remember, color is a subtle but powerful selling tool.



DIRECTORIES & NEWSLETTERS

You may be able to reach your customers through a directory and newsletter. Many local organizations are publishing directories in an effort to promote local business. Remember that once you've listed your product or service in a directory, you must be prepared to have customers contact you by mail, phone or a knock on your door. One directory that is published in many Michigan locations is:

Directories of Women in Business
Published by WIB, Inc.
P.O. Box 1338
Muskegon, MI 49443

Directories for the following Michigan locations: Muskegon, Kalamazoo, Oakland County, Traverse City, Grosse Pointe, Grand Rapids, Lansing, Detroit, and Flint.

Think about organizations that your customers belong to that may publish a newsletter. A local computer user's group might be delighted to have your ad if you are selling computer supplies. Here are two national, small-home-business newsletters that can be helpful both as an advertising

source and also with business information and tips as your business develops.

National Home Business Report
Barbara Brabec Productions
P.O. Box 2137
Naperville, IL 60566

Mind Your Own Business at Home
Published by Coralee Kern,
Executive Director
National Association for
The Cottage Industry
P.O. Box 14850
Chicago, IL 60614

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