

# Spending the Promotion Budget

**Newspaper ads and direct mail continue to produce the best results, according to managers who run public patronized clubs**

By JACK HASKETT

For many semi-private and public club managers an ever-present problem is promotion. How should the available budget be spent or invested, as the media salesmen like to say, to bring in the largest return?

Below are the answers we received from a co-operating group of club managers. While their answers may not jibe exactly with your situation, some of the details they have provided may help you when that next promotion question presents itself.

Some managers gave more than one answer to several of the questions (in these cases the percentages total more than 100).

## 1. Which advertising media do you use fairly regularly?

In several geographic regions, club managers included strictly local ad media, which ordinarily would not be available in other areas. These media were eliminated, and the list below includes only those media normally available across the country.

|   |     |
|---|-----|
| Local newspaper display sections                              | 70% |
| Direct mail   | 60% |
| Local "About Town" magazines                                  | 40% |
| Sporting events programs                                      | 40% |
| Local newspaper classified sections                           | 30% |
| Imprinted specialties such as tees, pencils, scorecards, etc. | 30% |
| Billboards, signs, etc.                                       | 20% |
| Personal phone calls, letters                                 | 10% |
| Other   | 10% |

## 2 Which medium brings the largest volume of business?

This question could not always be answered strictly on the basis of actual dollars and cents data. As in most cases it is impossible to determine what business has resulted from an ad in a particular medium. But all the survey panelists did answer it readily, so evidently they have already wrestled with this problem.

|                          |     |
|--------------------------|-----|
| Direct mail              | 40% |
| Newspaper — display      | 20% |
| Sporting events programs | 20% |
| "About Town" magazines   | 10% |
| Imprinted specialties    | 10% |

## 3. Which medium produces business at the lowest cost per advertising dollar spent?

There is the same problem with this question as number 2, of course. Several managers make an important qualification to their answers. As a Seattle manager says: "For us, imprinted specialties produce sales at the lowest cost. But that doesn't mean we can use them exclusively, for our circulation of them is strictly limited to those people who pick them up here, or those people to whom we send them. There are times when we have to use the bigger producers, like newspapers, because we have to have a larger potential audience."

|                          |     |
|--------------------------|-----|
| Imprinted specialties    | 30% |
| Direct mail              | 30% |
| Sporting events programs | 20% |
| Newspaper — classified   | 10% |
| Billboards & signs       | 10% |

## 4 What percentage of total sales do you allocate for advertising and promotion?

|          |     |
|----------|-----|
| Under 1% | 10% |
| 1%—1.9%  | 30% |
| 2%—2.9%  | 20% |
| 3%—3.9%  | 20% |
| 4%—4.9%  | 10% |
| Over 5%  | 10% |

## 5 How has this budget percentage changed since 1960?

|                       |     |
|-----------------------|-----|
| Increased 51%—100%    | 20% |
| Increased 1%—50%      | 50% |
| No significant change | 20% |
| Decreased 51%—100%    | 0%  |
| Decreased 1%—50%      | 10% |

A substantial majority — 70 per cent — of the managers say they are spending more today on promotion than they were five years ago; only one-tenth of the clubs are allocating less. To see why budgets have risen, we asked the 70 per cent who are spending more why they are doing so:

|   |     |
|---|-----|
| Increased competition today means more spending | 57% |
| Media rates and production costs have increased | 29% |
| Using more media; short term rates boost total  | 14% |

**6. What is the most effective way of reaching those groups who award golf outings on an annual basis?**

For many managers, one of the bugbears of promotion is maintaining contact with those organizations who hold one or two outings each year, and who hold these affairs at the club giving them the "best deal," as determined each time an outing comes up.

|   |     |
|---|-----|
| Personal letters, phone calls                                     | 50% |
| Standardized direct mail  | 30% |
| Imprinted specialties, either mailed or delivered during the year | 20% |

There is substantial agreement that the best way to keep in touch is through personal — or as close to personal as possible — contact, with the mailman a strong right hand.

**7. What is your annual advertising and promotion budget?**

|                 |     |
|-----------------|-----|
| Under \$500     | 10% |
| \$500—\$999     | 20% |
| \$1,000—\$1,499 | 30% |
| \$1,500—\$1,999 | 20% |
| \$2,000—\$2,999 | 10% |
| Over \$3,000    | 10% |

These figures represent net ad and promotion costs; any direct sales costs, such as sales salaries, are not included.

**8. When do you do the bulk of your advertising?**

|               |     |
|---------------|-----|
| Winter months | 10% |
| Spring months | 50% |
| Summer months | 30% |
| Autumn months | 10% |

Extensive advertising in the fall and winter is not warranted, except in the South and Southwestern states. It might

be, some Northern managers say, that slightly more effort in the off-season, say the autumn months, would give a competitive advantage, and bring in business at a relatively low cost.

**9. Do you plan on making any changes in the media you are now using? If so, why?**

Only one-tenth of the panel is satisfied with the status quo; the other 90 per cent said they do plan on media changes. For that group, here are the reasons most often given:

|   |     |
|---|-----|
| Not satisfied with results from present media   | 56% |
| Read trade magazine story on untried medium     | 33% |
| Our club is new, and we haven't tried all media | 11% |

**10. Do customers ever mention seeing your advertising? If so, which media are most often mentioned?**

The panel split right down the middle on this, with exactly half saying that their promotion efforts were commented on by golfers they attracted. Here are the media which drew the customers' eyes:

|                       |     |
|-----------------------|-----|
| Direct mail           | 40% |
| Imprinted specialties | 40% |
| Signs                 | 20% |

**11. Is campaign (continuing) or spot (One-time) advertising most effective?**

Four-fifths of the managers are in favor of campaign advertising, one-fifth for spot promotion. As several managers pointed out, it's not always possible to practice what you preach. "If you haven't got the money available," one Los Angeles respondent says, "it doesn't matter if you believe in campaign promotion. In that case you just have to settle for spot advertising."

These were some of the reasons why the majority voted for campaign advertising:

- Once set up, it requires far less work and time.
- Makes more impression on members and prospects.
- Cheaper, due to long-term media rates.

The minority 20 percent went for spot  
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**WANTED! . . . in every golfer's locker**  
**NEEDED! . . . in every pro shop**

**Dr. Scholl's**



**SPRAY-ON  
FOOT POWDER**

Quick relief for hot, tired, tender and perspiring feet. Soothing and refreshing. Helps combat athlete's Foot.

**\$1.25** can

You get 1 can FREE with purchase of 5 for

**\$4.17**

FREE GOODS OFFER Expires July 31, 1965

**THE SCHOLL MFG. CO., INC.**

213 W. Schiller St., Chicago, Ill. 60610  
 62 W. 14th St., New York, N. Y. 10011  
 3223 E. 46th St., Los Angeles, Calif. 90058

**FOOT  
DEODORANT**

Effective, all-day protection against offensive foot odors. Helps check perspiration. Soothes, cools, refreshes feet.

**\$1.50** can

You get 1 can FREE with purchase of 5 for

**\$5.00**

6 cans packed in colorful counter display for maximum impulse self-service sales.

teaching in a positive way. You can take them right through your step-by-step program, keep them off the course until they have taken at least four lessons and then turn them loose with some assurance that they'll play reasonably sound golf."

**Programs for Beginners**

Here is how Will sets up his beginners' program:

1. Fundamentals of the full swing, with nothing but coordination emphasized;
2. Chipping, following a review of the fundamentals that were taught in the first lesson; then a brief workout with the woods;
3. Emphasis on hitting 9-iron shots; then practice with the irons from the 8 through the 3, and then the woods;
4. Putting
5. A playing lesson as quickly as it can be arranged.

Does Will guarantee success after those five sessions? No! He still sticks to his theory that it takes from two to three years to make reasonably finished golfers of 95 per cent of the people who take

up the game. Improvement in the meantime is the most the players and the pro can hope for. That should satisfy most players.

**Promotion Budget**

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ads because of these reasons:

- a. Leaves you freer to take advantage of special media deals or unexpected club events.
  - b. With campaign advertising it is too easy to become complacent. Ad effectiveness falls off.
12. What, if any, outside assistance do you use with your advertising/promotion efforts?

Every manager uses at least one of the following outside people to help create or produce his advertising:

|                |     |
|----------------|-----|
| Media salesmen | 70% |
| Copywriters    | 50% |
| Photographers  | 40% |
| Artists        | 20% |
| Signpainters   | 20% |