

MASS MARKETING



Read the text and do the multiple choice.

As almost everyone knows, advertising is in the doldrums. It isn't just the recession.

Advertising started to plummet early in 1989, well before the recession really began to bite.

Advertising's problems are more fundamental, and the decline is worldwide. The unhappy truth is that advertising has failed to keep up with the pace of economic change.

Advertisers like to think in terms of mass markets and mass media; but as brands and media have proliferated, target markets have fragmented. Even campaigns for major brands sought to be targeted at minority audiences, but they rarely are. That is the principal way in which advertising has gone astray.

Think about your own shopping habits. If you visit a supermarket you may leave with 30, 40 or perhaps 50 items listed on your check-out bill, the average number of items of all kinds purchased per visit of all kinds.

Many of these will not be advertised brands; some others will be multiple purchases of the same brand. At a maximum you will have bought a handful of advertised brands from the 15,000 lines on sale in the store. Over a year you are unlikely to buy more than a few hundred brands.

Consumer durables? Perhaps a dozen a year. Cars? If yours is a new car, the statistical likelihood is that it is supplied by your employer.

If it isn't, you only buy one every three years. And though it may seem otherwise, you do not buy that many clothes either, and most of them will not be advertised brands.

Even when you throw in confectionary, medicines, hardware, all the services you can think of, it is virtually certain you do not buy more than 400 different brands a year. Compare that figure with the 32,500 branded goods and services that, according to Media Register, are advertised. Let's ignore the 23,000 which spend less than £50,000 a year, and concentrate on the 9,500 brands that Media Register individually lists and analyzes.

Mr. and Mrs. Average have bought 400 of that 9,500, and not all because of their advertising. That's about 4 per cent. So you can forget that

naive claim usually attributed to Lord Leverulme; "Half of my advertising is wasted but I've no way of knowing which half." You could say that 96 per cent of all advertising is wasted, but nobody knows which 96 per cent.

When you're watching TV tonight, count how many of the commercials are for brands you buy or are likely to buy in the future. For most people the figure seems to be about one in 16 (6 per cent) so the commercials for the other 15 (94 per cent) are, on the face of it, wasted.

You probably think you're a special case, that you are impervious to advertising. Almost everyone thinks the same. But you aren't and they aren't. The truth is nobody buys most of the brands they see advertised.

Waste is inherent in the use of media for advertising. The notion that every reader of a publication or every viewer of a commercial break might immediately rush out and buy all or even many of the brands advertised is ludicrous. People register only a tiny number of advertisements they see and ignore the rest, so waste cannot be avoided. That does not mean advertising isn't cost-effective. Millions of advertisements have proven it is.

Advertising has to communicate with large numbers of people to reach the relevant minority, because the advertiser cannot know, in advance, exactly which individuals will respond to his blandishments. Media advertising works, despite the much publicized expense, because it is a cheap means of mass communication.

Nonetheless, all waste is gruesome. With smart targeting the advertiser can minimize the wastage by increasing the percentage of readers or viewers who will respond; but he can never know *precisely* who will respond. Even the most accurate and finely tuned direct mail-shot never achieves a 100 per cent response. This is one of the fundamental differences between the use of media and face-to-face selling. It is possible, just, to envisage a salesman scoring with every prospective client he speaks to. The same could never happen when media are used. If the advertiser knew exactly which people

were going to respond there would be no point in using media at all. The advertiser could communicate with them directly.

This is as true of Birth, Marriage and Death notices as it is of soft drink commercials. Any advertiser who can net one million new customers (2 per cent of the adult population) is doing well. Of soap powder, the two top-selling brands in supermarkets would be delighted with a million extra customers. So that any advertising campaign, for any product

(or any political party for that matter) which could win over 2 per cent of the population would be outstandingly successful: and that, as I began by saying, is but a tiny minority of the population.

The most cost-effective was to reach them may be the use of mass media, but if advertising is to get going again its message will need to be more tightly targeted than ever before.

1 How can advertisers cut down on waste?

- A by using more face-to-face, direct selling techniques
- B by advertising through the mail rather than on TV
- C by aiming their advertising at particular groups of consumers
- D by using mass media advertising for certain types of products only

2 Advertising seems to be effective for

- A about half of all products
- B many well-known brands
- C very few products
- D the most heavily advertised products

3 Advertising through TV and other media is considered worthwhile because

- A a huge number of people see the adverts
- B consumers are influenced far more than they realize
- C it is easy to target a specialized audience
- D people respond immediately to TV advertising

4 One of the advertising industry's problems is that

- A manufacturers are not spending enough on their campaigns
- B there are too many good quality products on the market
- C nowadays consumers have less money to spend
- D marketing is not sufficiently well-directed

5 In order to be successful, advertisers need to

- A research carefully who is most likely to buy the product
- B achieve only a small percentage increase in sales
- C consider which type of advertising will be most effective
- D target the widest possible audience among the adult population

