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ABSTRACT

PLANNING THE CAMPAIGN: ANALYSIS OF THE SMALL ADVERTISING AGENCY

By

Cynthia A. McAra

Statement of Purpose

The general purpose of this thesis was to examine campaign planning at the small advertising agency level and to identify a planning approach which could be successfully implemented by small advertising agencies.

Specifically, the purpose of this thesis was to demonstrate the importance of the planning function and to show how utilization of a suitable planning approach could improve small advertising agencies' performance in this area.

Methodology

The methodology used to arrive upon an acceptable planning approach began with discussions with Mr. Mark Battaglia, President, Capital Advertising Inc., Lansing Michigan. These discussions were conducted to obtain a clear picture of how campaign planning was being handled at the agency as well as an understanding of the agency's planning philosophy.

After initial discussions were underway, a secondary literature search of advertising and marketing planning was undertaken. All available secondary sources that might yield information relevant to campaign planning were re-searched.

The third stage in the methodology was the application of a planning approach to a small advertising agency's plan. A plan prepared by Capital Advertising Inc. for N. E. Isaacson & Associates, Inc., a man-made lake developer, was used for this purpose.

Results

The result was identification of the Eldridge model as a planning approach which was comprehensive in scope yet sufficiently simplified to be successfully utilized by small advertising agencies. Application to Capital Advertising Inc.'s plan was included to demonstrate how the model might be used to improve both the communicative power and the quality of advertising plans prepared by small agencies for their clients.

While examination of one agency's planning procedures and analysis of one of its plans are not representative of all small advertising agencies, they do indicate the type of planning techniques employed by agencies of this size and reveal broad problem areas. The implication was that implementation of the Eldridge model or some other appropriate

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planning approach by small agencies would improve their ability to plan campaigns and thus, their overall performance.

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INTRODUCTION

The marketing concept is based on the philosophy that every decision made by the firm should be made in light of consumer needs. For the business executive, the term "marketing" encompasses a number of decision-making areas including not only selling and promotion, but also pricing, product development, and distribution considerations. Each of these areas is comprised of numerous and varied activities ranging from product improvement to packaging to warehousing to public relations, and taken together, they form a complex web of marketing activity. Yet at the heart of the marketing concept lies the requirement that all these activities be integrated to achieve a unity of purpose -- satisfaction of consumers' wants and needs at a profit. And it is the task of marketing planning to come up with the integrated whole.

The marketing planner should begin his task by taking a hard look at the firm's past and present situation. Utilizing the facts which presented themselves, the marketing planner can then analyze the problems and opportunities facing the firm and arrive at marketing objectives. Finally, the marketing planner provides recommendations for execution of the marketing program that are geared to achieve the stated objectives.

In its entirety, the marketing plan should outline where the product is to be sold, how it is to be priced, and how it is to be promoted. In addition, the market(s) to whom the product has the strongest appeal and consumers' thoughts about the product should be considered. Also included are decisions as to how much money it will take to reach marketing objectives.

Advertising is often the predominant marketing activity carried on throughout the life of a product or service and often necessitates its own planning consistent with the overall marketing plan. The advertising plan delineates what part advertising will play in the total marketing mix -- including specific advertising objectives and how they will be accomplished as well as rationale for recommended actions and their costs. Like the marketing plan, the advertising plan should take into consideration pertinent situational facts and analyze them to cite problems and opportunities before setting objectives, and provide suggestions as to how objectives might be accomplished.

The firm (client) usually assumes responsibility for the overall marketing plan, including promotional considerations. With these general promotional considerations in mind, the agency then formulates a detailed advertising plan. Thus, the finalized advertising plan is a product of both client and agency input -- stemming from and integrated with the marketing plan.

It is the purpose of this writing to examine the advertising

planning activities of the "small" advertising agency.

In the course of this discussion, references to both "small" and "large" agencies will be made. For purposes of clarification, "small" will be used to designate those advertising agencies employing ten employees or less, while "large" will denote agencies with over one hundred employees. The jump from very small to relatively large agencies is made for contrast and because agencies falling between the two are more likely to exhibit some aspects of each.

CHAPTER I

WHY PLANNING IS IMPORTANT TO SUCCESSFUL ADVERTISING

The importance of writing and implementing advertising plans has been widely recognized throughout the advertising industry. While the subject is a broad one, there seem to be a number of common denominators that hold regardless of the market or product or the size and scope of the communications project for which plans are written.¹ (Italics mine.) Some of these common denominators are the very reasons given for the advertising plan's value as a marketing tool and seem to center around five major functions where the advertising plan:

- 1) provides a blueprint and a budget for the coming year.
- 2) serves as a basis for measuring the success of the campaign.
- 3) organizes the efforts of the agency or firm responsible for its execution.
- 4) helps minimize misunderstandings which strain client-agency relationships.
- 5) contributes to planning in subsequent time periods.

¹William L. Guisewite, "A Step-By-Step Approach to the Process of Writing Recommendations," A Handbook for the Advertising Agency Account Executive, Published under the auspices of the A.A.A.A. Committee of the Board on Client Services (Reading, Massachusetts: Addison-Wesley Publishing Company, 1969), p. 66.

Blueprint and Budget for the Coming Year

Perhaps the most obvious of the five, mapping out the year's activities is the basic function of the advertising plan. Robert L. Baumgardner sums it up this way:

Here is the basic document on which client and agency will operate during a given period, usually a year. Herein are the necessary facts and figures relating to the client's business, his competitor, even his industry. Herein are his sales and marketing plans and strategies and other vital data including product advantages and yes, even its disadvantages. Herein are also the thoughts and ideas of clients and agency personnel regarding the most effective means of communicating with potential buyers of the client's products or services. Here is not just the track to run on ... here's the whole railroad from roadbed to vehicle to timetable.²

Thus, the advertising plan commits to paper, the "what," "where," and "how" (the blueprint) as well as the "when" and "how much" (the budget) of the promotional activities for a given campaign over a specified period of time.

Basis for Measuring the Success of the Campaign

Assuming it is well-thought out, the advertising plan holds a basis for judging advertising effectiveness in terms of the objectives it sets down to be accomplished. If the objectives have been stated specifically and limited to those things which advertising can be expected to measure, they

²Robert L. Baumgardner, "A Four-Step Procedure to Ensure Well-Organized Recommendations," A Handbook for the Advertising Agency Account Executive, p. 52.

provide " ... a criterion by which, later, the accomplishments of the advertising can be measured."³ Jere Patterson follows this same line of reasoning when he states that well-defined objectives are...

...all measurable. When objectives of a marketing program have not been defined, you will find that you can't measure anything because you have nothing to measure. If the effort to measure does nothing else, it forces you to think through what your objectives, targets, clearly definable purposes should be for the effort you plan to make.⁴

A sound plan, then, not only analyzes the past and evaluates the present, but also provides a means of analyzing and evaluating the very program it proposes for the future.

Organizes the Efforts of the Agency Personnel

By providing a blueprint and a budget for promotional activities, the advertising plan outlines the sequence of events necessary for the successful execution of a proposed campaign. More important however, is the ability of a well-thought out plan to explain the "why" behind the various activities it outlines. This insures that all personnel

³Clarence E. Eldridge, "The Before and After Evaluation of Advertising Effectiveness," The Management of the Marketing Function (New York: Association of National Advertisers, Inc. 1966) art. ix, p. 12.

⁴Jere Patterson, "How to Establish Marketing Objectives," The Marketing Plan in Action, Ed. Elizabeth Richards and Monroe Mendelsohn, (New York: New York Chapter, Inc., American Marketing Association), p. 31.

responsible for the campaign's execution are not only headed in the same direction, but also moving in that direction for the same reasons. What happens when this organizing, rationalizing effect of the advertising plan is missing is well-expressed by Charles Peebler:

Without a plan, there is often an appearance of free-swinging freedom, but what really happens ... is that without a plan your people are virtually imprisoned with chains forged of continuous crises and communications breakdowns, with somebody looking over their shoulders trying to find out what's going on and why ... while your managers sit waiting for someone to tell them what to do!⁵

While difficult to achieve, planning that communicates its purpose clearly to agency personnel within and across departments or functions helps eliminate costly duplication of effort and keeps everyone working as a unit.

Minimizes Misunderstandings Between Agency - Client

Just as the people within the agency look to the advertising plan for direction in executing the campaign, the client looks to the advertising plan to monitor its progress. If objectives are carefully derived from relevant situational facts, have been clearly and specifically stated, and are agreed upon and approved in advance, there is much less room for misunderstandings during the course of the campaign.

A good plan is a constant source of guidance as an advertising program continues, and it can serve to remind

⁵Charles D. Peebler Jr., Where Do Corporate Strategies Come From?, Paper from the 1973 Regional Conventions of the A.A.A.A. (New York: A.A.A.A., 1974), p. 7.

both client and agency of objectives, settling differences before they arise. It means everyone -- client and agency -- has a common understanding. According to Robert Prentice:

There is no room -- in a well-written plan -- for anyone to say "but I didn't understand it that way ... I remember you said so and so" (when in fact, the intention was the opposite). A written plan that concentrates on the facts, objectives, basic directions, principles and strategy -- as well⁶ as on details -- helps to eliminate these problems.

The most successful client-agency relationships appear to result from a meeting of the minds of marketing management and agency management on objectives and strategy presented in the advertising plan in advance of the work of agency people on advertising execution.

Sound planning helps smooth the way for continuous two-way communication between client and agency and creates an atmosphere of mutual trust and confidence -- two major problem areas cited by the Association of National Advertisers.⁷ This assures that both parties are working toward the same end in their combined effort, no matter who has responsibility for what, and serves to lengthen the life of the agency-client relationship.

⁶Robert M. Prentice, "How a Marketing Plan is Developed and Used for a Packaged-Goods Product," The Marketing Plan in Action, p. 8.

⁷Management and Advertising Problems, A study conducted for the A.N.A. by Booz, Allen & Hamilton, Inc. (New York: A.N.A., Inc., 1965), p. 57.

Aid to Planning in Subsequent Time Periods

Compiling an advertising plan is a time-consuming task -- the first time. But once underway, it is a practice that saves, rather than consumes, time. The initial plan prepared for a client provides most of the information needed in future planning. While this information must be continually updated and changes or additions reflected, the existing plan serves as a framework for the subsequent planning period. Thus, the agency avoids starting each year from scratch, making it feasible to revise existing plans.

The written plan not only provides for next year's advertising program, but also aids in formulating reasonably long-range plans. This reduces the likelihood of costly major revisions. It is this cyclical nature of the advertising plan which makes the initial investment well worth the effort for its usefulness supercedes the confines of any specified time period. Following a plan increases an agency's efficiency and clarifies its thinking.

Summary

The five functions of the advertising plan point out the major advantages that accrue to the agency, large or small, which plans. The advertising plan provides better than any other system for that continuity of effort and direction that is so important to the successful and logical working out of any marketing activity.

By planning, organizing, establishing priorities, and following through on a working advertising plan, the agency can see where it has been and where it is going. As a result, both agency and client benefit. It is in the advertising plan that the agency gives the client his reason to accept the agency's recommendations.⁸ In a very real sense then, an agency's ability to plan is its No. 1 product.

⁸Arthur W. Lavidge, A Common Sense Guide to Professional Advertising (Blue Ridge Summit, Pennsylvania: Tab Books, 1973), p. 50-56.

CHAPTER II

THE STATE OF MARKETING/ADVERTISING PLANNING

In today's competitive marketplace, planning the successful marketing of a product or service is of vital importance. In the words of Clarence Eldridge, "It can be confidently asserted that since the very inception of the marketing concept, the marketing plan has made a significant contribution not only to better marketing as a whole, but to better advertising specifically."⁹ Arthur Lavidge states " ... in the battle for share of mind and share of market, strategy is a prerequisite for victory."¹⁰ yet he poses an interesting question " ... how many people in business actually map out a course of action for themselves?"¹¹

According to Stansfield, less than 10% of all industrial companies have a formal, written marketing plan, with well-defined marketing and advertising objectives.¹² He explains

⁹Eldridge, "The Role and Importance of the Marketing Function," The Management of the Marketing Function, art. v, p. 3.

¹⁰Lavidge, p. 51.

¹¹Ibid., p. 50.

¹²Richard H. Stansfield, Advertising Manager's Handbook (Chicago: Dartnell Corp., 1969), p. 175-176.

as follows:

Most industrial companies are simply not advertising and marketing-oriented. They attach such a small importance to the function that management is unwilling to allocate sufficient time to the planning function so that advertising can contribute its full potential.

Vague notions and good intentions suffice, and somehow they muddle through. Others emphasize catchy slogans, cute ideas, and intriguing themes for their campaigns. And because advertising is part art, part science, with many other intangibles, occasionally one of these intuitive advertisers hits upon a real gem of an idea and makes it pay off big. Some gamblers do in Las Vegas, also -- and just about as often.¹³

Stansfield focuses on two major deterrents to the practice of planning which appear to be relatively widespread: (1) insufficient allocation of time necessary to develop plans, (2) the widely held belief that "creativity" alone is what advertising is all about.

Insufficient Allocation of Planning Time

Probably the biggest deterrent to advertising planning is the fact that agency personnel responsible for writing advertising plans have very little time to prepare them. In addition, they are writing these plans to clients who have very little time to read them. One of the key features, therefore, of an advertising plan is that it be highly selective -- economical in terms of what it says and how it says it.¹⁴

¹³Ibid., p. 176.

¹⁴Harry L. Smith Jr., "Foundation of a Marketing Plan: Situation Analysis, Problems and Opportunities, Objectives," The Marketing Plan in Action, p. 13.

Irrelevant facts must be discarded and excess verbiage cut away in order to provide the client with a succinct, quality plan. To achieve such quality, more time is usually required in writing plans.

It is easy to slight the planning function, particularly at the small agency, due to the stringent time demands of day-to-day client service. Agency management must have the foresight to see the benefits (saves time in the future, smooths agency-client relationship, etc.) that time initially invested in campaign planning will reap in a campaign's execution. Good planning requires thinking, and thinking takes time.

The Creativity Myth

The second deterrent to advertising planning Stansfield mentions is the belief that creativity alone results in effective advertising. This is a misconception that has slowed the progress of advertising planning and is still harbored by some in the advertising industry. According to Eldridge, even today there are marketing men who are " ... inclined to pooh-pooh the necessity for any plan. They profess to believe that all that is needed is more of what they call 'creativity' in advertising. No one will deny the need for creativity -- more genuine creativity -- in advertising. But to be effective the advertising must be relevant to some problem -- some marketing objective -- and it needs to also be synchronized

with all the other elements of the marketing mix."¹⁵ Advertising should be creative, but this creativity must be disciplined according to advertising objectives spelled out in the advertising plan.

The Advertising Agency's Role in Planning

The question of how much responsibility the agency should assume in planning its clients' marketing has not been satisfactorily answered. The Association of National Advertisers attempted to describe the various degrees of agency involvement along key marketing functions after conducting a study in 1965 (See APPENDIX A, p. 71).¹⁶ The nature of the agency role depended on the degree of agency involvement across several major activity groupings. These included: (1) marketing planning, (2) new product planning, (3) marketing research, (4) sales promotion, and (5) advertising. The most prevalent working relationship patterns identified between agency and client reflected the nature of the agency role falling into one of five categories: (1) limited to advertising, (2) advertising plus selected services, (3) marketing counsel, (4) marketing partnership, and (5) marketing leadership.

The first two of these categories (limited to advertising and advertising plus selected services) are, generally

¹⁵Eldridge, art. v, p. 3.

¹⁶Management and Advertising Problems, p. 57.

speaking, descriptive of the role of the small advertising agency, while the last three (marketing counsel, marketing partnership, and marketing leadership) are more typical of larger agencies. The nature of the agency roles were also related to company characteristics (APPENDIX A, p. 72).¹⁷ Thus, not only were agency roles related to agency size but also to company or advertiser characteristics. This suggests that one agency, regardless of its size, might very well perform two or more of these roles depending on its client list.

In general, however, it seems safe to assume that small agencies handle advertisers with much less complex company characteristics than their larger counterparts. Therefore, the difference in the level of agency involvement between small and large agencies is also likely to be great. Likewise, the degree and complexity of marketing and advertising planning provided by the agency seems to increase with agency size. However, the need for such planning crosses all categories and sizes.

For the large agency working with corporate giants such as Procter & Gamble, General Motors, or General Foods, there seems to be little doubt that planning is adequately dealt with by both client and agency -- each side having the depth of personnel and sophistication of techniques (or access to them) which make marketing and advertising planning more

¹⁷Ibid., p. 58.

systematic and less subject to chance. Here, both client and agency seem to recognize the importance of planning and realize that there is more to effective advertising than mere making of ads. But for the small agency working with relatively unsophisticated clients, on a much less grandiose scale, planning presents some very real hardships. Not only are all phases of advertising for a number of clients handled by a handful of people at the agency, but also they are often faced with a client who has very few or no marketing and/or advertising personnel and little knowledge of what effective advertising entails.¹⁸

For the account executive at a large agency, planning usually involves one or two closely related products and a wealth of expertise within the agency to draw on. For the account executive at a small agency, planning typically means responsibility for several clients plus serving as part-time copywriter, media analyst, research director, and president of the agency. What the small agency lacks, which a large agency supplies, is supporting talent and knowledge -- in other words, depth.¹⁹

¹⁸Interviews with Mr. Mark Battaglia, President - Capital Advertising, Inc., May, 1974.

¹⁹Douglas Johnson, "Product Group Desk Book," Rough draft of an agency plans approach. September 11, 1972. (Xeroxed.)

In addition, a small agency's typical client lacks planning expertise and/or is unwilling to invest in agency time devoted to planning. Taken together, the agency's small staff and the client's lack of interest create a shortage of men, minutes, and money -- essential ingredients in carrying out the planning function. Consequently, even the small advertising agency who understands the value of planning is discouraged from undertaking the task for his client.²⁰

A paradox arises due to the fact that the demand for agency market planning and support comes "... more from smaller businesses and less from larger businesses."²¹ While larger companies move toward self-sufficiency reducing their reliance on advertising agencies for full marketing services, smaller companies "... continue to find their agencies highly valuable in providing total marketing competence. Indeed, the agency is often the most vital means whereby small companies are able to compete with their larger, more self-sufficient competitors."²²

In a sense then, small advertising agencies, who have less ability to plan effectively, find themselves playing the dominant role in their clients' marketing programs,

²⁰Interviews with Mr. Mark Battaglia.

²¹Management and Advertising Problems, p. 96

²²Ibid., p. 97.

however limited those programs might be. While the level of sophistication and complexity of such plans comes nowhere near the plans utilized by their larger counterparts, the importance of and need for such planning is just as great.

CHAPTER III

PLANNING THE CAMPAIGN

Planning Approaches

Given that planning is a valuable management tool and important to sound marketing, the next logical question is -- what is involved in the formulation of an advertising plan and how is a "good" plan developed? To understand what goes into a plan, its purpose must be considered. Eldridge describes the primary purpose of the marketing or advertising plan as making sure that all relevant facts are known from which emerge a clear picture of the problems to be overcome and the opportunities to be exploited. He goes on to say that with those problems and opportunities as a basis, a set of realistic, specific objectives must be developed, followed by the strategy and tactics necessary to achieve them.²³ Thus, planning demands analysis of the facts and requires thinking which enables management to understand the important situational elements crucial to the development of specific objectives and the strategy and tactics necessary to accomplish them.²⁴

²³Eldridge, art. v, p. 2.

²⁴Prentice, p. 8.

While this gives a general idea of what is involved in a plan's formulation, there is still the question of how a "good" plan is developed. Identifying "relevant" facts and the problems and opportunities they reveal, defining "realistic, specific" objectives, and developing the strategy and tactics "necessary" to achieve them -- all sound like extremely subjective procedures. Indeed, they are. In the words of John Hughes: "Marketing goals and problems are basically set and solved by good judgment -- judgment based on experience, tempered by expediency and contained within a fiscal framework. These judgments must be fluid and must be distinctively tuned in with the current situation and the current time."²⁵

But the utilization of a planning approach or design can help the business executive responsible for decision-making to assess all the important factors surrounding a given situation and to consider alternative approaches to a given marketing problem. Planning organizes his thinking and therefore, lends more objectivity to the decision-making process. In addition, because adoption of a planning approach provides such organization, the planning task is greatly simplified and easier to handle.

As might be expected, many marketing and advertising planning approaches have been forwarded by a variety of

²⁵John Hughes, "New Product Marketing for Old and New Brands," The Marketing Plan in Action, p. 59.

authors. Michael Ray talks about the "decision sequence," his term for a planning approach which consolidates all marketing communications including sales promotion, personal selling, direct mail, advertising, product sampling, publicity, public relations, and packaging.²⁶ Relating advertising goals to total marketing objectives, William Gillilan explains an approach used by Ketchum, MacLeod & Grove, Inc. called "opportunity focus."²⁷ In a more academic vein, Buzzell and Slater discuss "decision theory" and the six steps to putting it into practice.²⁸ A number of other marketing planning approaches are forwarded in the American Marketing Association's The Marketing Plan in Action.

In essence, however, each of these planning approaches is either an imitation, elaboration, or modification of a simple formula sired by Clarence E. Eldridge -- lawyer, sales manager, vice president of one of the largest advertising agencies, and director of advertising for the largest food corporation. The four major parts of the Eldridge plan

²⁶Michael L. Ray, "A Decision Sequence Analysis of Developments in Marketing Communications," Journal of Marketing, XXXVII, No. 1 (January, 1973), p. 29-31.

²⁷William Gillilan, "Relating Advertising Goals to Total Marketing Objectives," Torch (May, 1964), p. 11+.

²⁸Robert D. Buzzell and Charles C. Slater, "Decision Theory and Marketing Measurement," Journal of Marketing, XXVI, No. 3 (July, 1962), p. 7-16.

are:²⁹

1. Statement of Facts
2. Problems and Opportunities
3. Identification of Objectives
4. Recommendations

This model, in one form or another, appears to be used by nearly every advertising agency and manufacturer in the country.

An In-Depth Look at the Eldridge Plan

While the Eldridge plan is only one of many ways of attacking the planning problem, it is unusually lucid and logical -- a helpful document that can be readily adapted by small advertising agencies and their clients. It must be understood, however, that while the Eldridge plan can help organize thinking throughout a campaign -- analytical ability, experience, judgment, and ideas are still requirements for successful planning. In short, competence in execution is necessary to use the Eldridge plan to its full advantage.

Statement of Facts

This is in many ways the most important element of the plan since everything else depends upon a correct understanding of the facts.³⁰ All the facts that have any

²⁹Eldridge, art. v, p. 6.

³⁰Ibid.

relevance to the marketing position should be disclosed.

The reason for this full disclosure of facts was well expressed by Benjamin Franklin who claimed that decisions are hard to make chiefly because all of the reasons pro and con are not present in the mind at one time: "'When I have just got them all together on one view and the whole lies before me, I think I can judge better and I am less liable to make a rash step.'"³¹

The statement of facts then, allows the planner to view not only the general environment in which his client's product or service lives, but also how this product or service is doing in that environment. This typically includes:

(1) a pertinent historical (past five years is generally sufficient) and present state summary of the client's position in the marketplace, (2) his relationship to his competition, (3) pertinent economic, legal, or demographic trends, (4) a statement of corporate and marketing objectives.³²

1. A pertinent historical and present state summary of the client's position in the marketplace

Historical information usually includes a sales history which reports growth, status and trend in distribution, share of market, and how much was spent in the past on promotional activities, as well as how monies were allocated. In addition, past advertising strategies and any evidence of effectiveness may also be helpful in developing new strategies

³¹Smith, p. 13.

³²Baumgardner, p. 55.

and should be included.

Identifying the present market and knowing what consumer wants the client's product or service is designed to satisfy are vital to an understanding of the present state of the client's situation. An objective appraisal of the product or service should be made along with some attempt to get at consumers' attitudes in this regard. Other things that may be important include packaging's attractiveness or pricing of the product or service. Where dealers, salesmen, etc. are part of the client's organization, they may be an important audience to consider along with final consumers.

2. The client's relationship to his competition

In today's marketplace, every product and service faces competition, even if it is limited to competition for the consumer's time or money. Once obvious competitors have been isolated, more ambiguous secondary competitors (if any exist) should be considered. Product positioning of the client and his competitors should be analyzed and competitive advantages and disadvantages noted. In addition the client and agency should be aware of past and present competitive promotional activities. Understanding the competition helps the agency formulate a campaign tailored for his client and geared towards consumer's "unmet" needs rather than derived from competitive short-sightedness.

3. Pertinent economic, legal, or demographic trends

Shifting variables in the environment affect different businesses at different times and should be acknowledged by

the agency when they pertain to the client. If some factor in the economy is affecting the client's business or the future points to such an affect, the ramifications of it may need to be dealt with in the plan. Trends of an economic nature sometimes account for events mistakenly attributed to advertising. Legislation of one sort or another may also be important to the client's product or service and must be recognized as an uncontrollable given. Demographic trends in an area should also be watched. Because it is all important to know the client's audience, any relevant changes in demography should definitely be cited.

4. A statement of corporate and marketing objectives

This is one of the most important and least recognized elements in the statement of facts. William Guisewite states: "About the silliest thing an agency man can do is to attempt to write advertising or sales promotional recommendations without having the client's...objectives spelled out in detail for the period to be covered by them."³³ It hardly makes sense to attempt to come up with advertising objectives without first knowing what the client's corporate and marketing objectives are. Otherwise, advertising objectives may very well be inconsistent with higher priority objectives.

This hierarchy of objectives simply means advertising objectives must be consistent with marketing objectives which in turn must be consistent with corporate objectives.

³³Guisewite, p. 67.

According to Guisewite, because "... the biggest single deterrent to the writing of sound recommendations is lack of knowledge about the client's marketing/communications objectives," the agency must dig them out and concentrate on understanding them.³⁴ The first step in preparing good recommendations is to get a complete understanding of the client's communications needs and reasons for them.

Obviously, this list could go on for some time, depending on the client and/or product or service being discussed. The important thing is to isolate those facts which have a bearing on what promotional solution will best serve the client's needs. This is not a simple process and involves what Robert Wiegand calls an "appraisal of strategic factors": (1) recognizing the large number of strategic factors, (2) evaluating the degree to which they are strategic, and (3) evaluating your (the planner's) own ability to relate the facts of the situation to the consequences or risk involved.³⁵ The second step in this process is crucial, according to Frank Knight, because "'When the number of factors taken into account in deduction becomes large, the process rapidly becomes unmanageable and errors creep in....'"³⁶ Enter judgment

³⁴Ibid.

³⁵Robert E. Wiegand, "How Extensive the Planning and Development Program?", Journal of Marketing, XXVI, No. 3 (July, 1962), p. 55.

³⁶Ibid.

and experience -- but even the novice planner can handle the task when his thinking is organized, providing the given situation is not too complex.

In most instances, the small advertising agency is not faced with an extremely complex marketing situation so having to deal with a multiplicity of strategic factors will probably be rare.³⁷ When such a situation does arise, the inexperienced planner should concentrate on major factors and leave subtleties for later planning periods. In any event, priority must always be given to those factors which are deemed most influential in a given situation.

A more common occurrence at the small advertising agency level may be a failure to include all factors relevant to a given situation. To guard against just such an occurrence, a checklist for planners is used by some advertising agencies. This helps insure that no area has been overlooked which may be important to planning a campaign. An example of such a checklist is provided in Appendix B (See p. 73). A simplification of a planning approach designed by Douglas Johnson for McCann-Erickson, Inc.,³⁸ this type of checklist outlines the important areas that should be considered in formulating a plan. While not all of the areas included will be applicable or important in every situation, each should be initially viewed as a possible input to the planning process.

³⁷Interviews with Mr. Mark Battaglia.

³⁸Johnson, p. 22-23.

Most of the information listed should be obtainable from the client. By implementing the checklist, the agency can record information it has already received and is made aware of areas that still need clarification. This focuses the account executive's attention to gaps in information which he can seek out at subsequent client meetings.

Areas where the client has no available information may point up the need for research. If the client is unwilling to conduct or finance such research, the agency has no choice but to proceed with available information. But every effort to obtain the desired information should be made -- including a trip to the local library if relevant facts can be found there. The end result may be a statement of facts of only two or three pages -- or it may go on for several -- but all important information should be provided there. The weight of the advertising plan is not important -- the content is.³⁹

Problems and Opportunities

After the material in the Statement of Facts has been analyzed, there will become apparent problems which need solving and opportunities to be exploited. In essence, the Problems and Opportunities section of the plan is a summary of the most important facts -- those facts which point out the strengths and weaknesses of the client's situation.⁴⁰

³⁹Management and Advertising Problems, p. 111.

⁴⁰Smith, p. 14.

These should be carefully listed and thought about for "...where a problem exists, there exists an opportunity -- even if it be no more than a negative opportunity, an opportunity to remove the obstacle presented by the problem."⁴¹ Thus, "...recognition of the problem is the first step to creating an opportunity. And out of the combination of problems and opportunities comes the next part of the plan."⁴² This section then, can be thought of as not only a summary of the Statement of Facts, but also a bridge to the Objectives section.⁴³

Identification of Objectives

In this section, there should be an enumeration of all the objectives toward which the plan will be directed. Eldridge points out the importance of setting objectives:

The objectives constitute the core of the plan. The remainder of the plan -- as important as it is -- is a program for achieving the objectives.

At this point the sequential relationship of the various steps in the plan becomes clear: the analysis of the facts discloses the problems and the opportunities, and the objectives then represent merely the desired solution to the problems and the exploitation of the opportunities. One part of a plan so structured follows logically and inexorably the preceding parts.⁴⁴

These objectives must be consistent with both corporate and marketing objectives of the firm and be as specific and

⁴¹Eldridge, art. v, p. 8.

⁴²Ibid., p. 9.

⁴³Smith, p. 15.

⁴⁴Eldridge, art. v, p. 8.

complete as possible. At this point in the plan, knowing the client's hierarchy of objectives becomes a necessity to the establishment of reasonable advertising objectives. This depends on having put first things first -- i.e. getting " ... marketing to account to communications before communications commits itself to a pre-determined impact."⁴⁵

Even after the client's objectives are known however, " ... the real problem with setting objectives is to make them specific enough to be workable tools in planning."⁴⁶ Certainly the classic reasons for advertising are such things as building a reputation for the client, increasing his volume, or increasing his profits, but objectives defined in these broad generalities lack specificity and consequently, lack usefulness. Stansfield talks about the problem with such general objectives:

Non-objective objectives cost -- cost in wasted time and wasted opportunity and wasted dollars. Vague and non-specific, they offer a haven to the fuzzy thinker, who can't or doesn't want to produce. They demand that advertising handle all functions of communications, something it never pretended to be able to do. They espouse the viewpoint and desires of the advertisers, rather than those of the prospect. And, equally important, non-objective objectives make it impossible to measure effectiveness.⁴⁷

Thus, advertising objectives, if they are to be held accountable for contributing some part of the overall marketing

⁴⁵Gillilan, p. 40.

⁴⁶Smith, p. 15.

⁴⁷Stansfield, p. 142.

effort, must be specifically stated.

In setting advertising objectives, there should be a basic communications task (what idea is to be communicated) to be accomplished among some portion of a defined audience over a given period of time. From here stem message and media objectives consistent with these broad advertising objectives. Message objectives are useful in delineating more specifically the communications task for individual messages, while media objectives establish what reach and frequency levels will be necessary to achieve the overall advertising objectives and aid in media selection. In addition, sales promotion and/or other sales support activities should have their roles defined in terms of objectives at this point in the plan.

It should be kept in mind that "An objective is practical only when you have information which indicates that objectives can be attained with available facilities and available marketing effort."⁴⁸ -- i.e. objectives must be realistic. Objectives -- real ones -- are not easy to state but must be operationally defined so measurements can be made before and after to see what advertising has accomplished.

Recommendations

The Recommendations section of the plan is composed of the strategy and tactics of the promotional program -- those activities, alone with rationale for them, which are designed to overcome the problems and exploit the opportunities and

⁴⁸Smith, p. 15-16.

thus, achieve advertising objectives. Strategy is "what" the agency recommends while tactics detail precisely "how" the strategy will be put into action.

Often alternative strategies are considered and evaluated and on the basis of that evaluation, one strategy selected and recommended as the one that seems most likely to succeed. This includes spelling out what part of the promotional job will be delegated to advertising and what part to sales promotion. The rest of the section then constitutes a complete plan of action based on the selected strategy.

The unifying concept which brings all parts of advertising and sales promotion together, welding them into a complete unit with an assigned task in terms of the advertising objectives, is the advertising campaign. The campaign usually consists of at least three elements:

- (1) Creative - a series of advertising messages prepared for various media
- (2) Media - a planned schedule of where these messages will appear
- (3) Merchandising - publication, promotions, and other selling activities unified with media messages to be implemented in the campaign

Each of these elements and their subdivisions must be related to time and money -- how much to spend and when and how. In addition, some means of evaluating the campaign should be suggested to aid in monitoring the campaign's success or lack of it. Thus two more elements should be

discussed in the Recommendations section:

- (4) Budget - the entire cost of the campaign including media, promotion, production, etc. costs
- (5) Evaluation - suggestions for some form of formal or informal research to be conducted as a means of measuring the campaign's progress

Objectives -- advertising, message, media, merchandising -- guide all of these elements in the "execution" stage of the plan.

Creative. Creative strategy and tactics involve decisions about the basic theme or central concept to be communicated to present consumers and/or potential consumers of the client's product or service.⁴⁹ Each advertisement or commercial should contain a single selling idea consistent with the central campaign concept which runs through and is the foundation for all the messages in each series.

Arriving at the "big idea" requires a great deal of information about both the product or service and prospective consumers -- much of which is provided in the Statement of Facts. Further insight is provided by the Problems and Opportunities section of the plan. But it is in the Identification of Objectives section of the plan that the creative person has his job most clearly presented. If the communications task and the audience to be reached are sufficiently described, his problem becomes one of deciding not "what to say" to "whom" but "how to say it" -- creatively.

⁴⁹John R. G. Jenkins and Jay Zehiel Zif, Planning the Advertising Campaign (New York: The Macmillan Co., 1971), p. 22.

It is the creative person's job then to arrive at this single selling concept for inclusion in the plan by translating product attributes into consumer benefits based on consumers' wants and needs. The process resulting in this translation is called creativity or what Gordon White calls the "x factor" in advertising.⁵⁰ Just what takes place in this creative process remains a mystery, yet even the creative person can benefit from sound planning, which in turn justifies what he or she creates.

According to Eldridge, the first step in the actual creation of advertising should be "...a decision about the primary purpose of the advertisement."⁵¹ He maintains that advertising serves three main purposes: (1) it can inform; (2) it can persuade; (3) it can remind. While he admits that most ads do not have a single purpose, he feels the agency should "...provide a clear statement on which of these three essential purposes a particular ad or campaign is intended to achieve."⁵² and should justify why. Once again, the creative task is clarified.

Examples of actual ads are usually provided in the plan along with reasons why the particular creative execution was chosen. Formulation of a copy platform -- a shortened version of specific information which pertains to accomplishment of the communications task -- is a planning tool which

⁵⁰Gordon E. White, "Creativity: The X-Factor in Advertising Theory," Journal of Advertising, Vol. I, No. 1 (1972), p. 28.

⁵¹Eldridge, art. vii, p. 8-9.

⁵²Ibid., p. 10.

is often used to provide the necessary justification for individual advertisements or commercials. While the complexity of copy platforms varies, the essential elements are a statement of the selling idea, a description of the audience the advertisement or commercial is designed to reach, the specific product or service attributes featured, and a description of the basic style and technique used in execution.

Stansfield points out some of the copy platform's benefits:

A carefully thought out and clearly written copy platform ... forces all who work within its framework to be precise. The written platform is the antithesis of the half-formed, poorly expressed thought, of the ill-conceived concept.... Furthermore, the written copy platform puts all concerned on record, for it is formal evidence of an agreement as to the purpose and scope of a campaign or individual advertisement. Finally, and perhaps the most important benefit realized from the copy platform, development of a campaign is infinitely easier.⁵³

Like the advertising plan as a whole, the copy platform saves time by organizing and clarifying creative thinking. While the creative aspects of advertising will always be more art than science, planning lends a degree of discipline which yields creativity for a purpose rather than creativity for its own sake.

Media. Media strategy and tactics involve decisions regarding the achievement of reach and frequency levels among

⁵³Stansfield, p. 253-254.

the target audience(s) as outlined by the media objectives. Simply stated by Dr. J. Bachelder: "Media strategy comes down basically to matching product audience with media audience."⁵⁴ This includes weighing the relative advantages of each available medium of mass communication with special emphasis on each medium's ability to present the previously agreed-on theme with a high degree of effectiveness among the desired audience.⁵⁵ In addition to message and audience guidelines, other pre-strategy considerations should be made from information provided in preceding sections of the plan before selecting the specific media vehicles to be used in a campaign's execution.

One such consideration is the product or service's character or personality. For example, a product which requires an informational approach may be better suited to print, with more lengthy copy opportunities, than television or radio where copy is limited to sixty seconds or less. Seasonality of a product or service will also affect both media selection and scheduling. Another product/service consideration, which may be a critical factor in media selection and/or scheduling, is availability. While sometimes unavoidable, media vehicles which advertise a product or service to a large number of people who do not have access to the product or service are usually undesirable selections.

⁵⁴Dr. J. Bachelder, "Problems in Industrial Media Strategy," The Marketing Plan in Action, p. 39.

⁵⁵Jenkins and Ziff, p. 22.

The geographic location and size of the target audience may also influence media selection. For the small advertising agency, geographic location is typically restricted to a region (one, two, or three states) or individual cities. This obviously excludes all national media, with the possible exception of a few publications printed in regional editions. Size of the target audience is also influential. For instance, while the business section of the local newspaper may be well suited to a product or service's character, the nature of the message, and geographic location as well as audience characteristics, a particular target group may be sufficient small and well-defined (i.e. identifiable) so as to make direct mail a more logical media choice.

Another consideration which is often important is competitors' advertising activities. If a competitor has saturated a particular medium, it is sometimes wise to select another medium. However, this is not always possible due to a medium's importance or appropriateness. If this is the case scheduling may prove to be an aid in overcoming the competitive noise level by heavying up frequency in a given medium during specific time periods (flighting). An alternative solution might also include increased merchandising activities.

If major revisions of a campaign's execution are to be avoided, it is imperative that the person(s) responsible for planning the media buy be aware of general budget

limitations. The most common mistake in media selection is spreading the budget too thin.⁵⁶ If this is to be avoided, ball park budgetary figures must be known to do a good job of reaching the selected target audience(s). When such estimations are not provided in the Objectives section of the plan, they must be made here.

The specific media characteristics which must be evaluated include: coverage, dominance, frequency, continuity values to the overall campaign, and cost efficiency.⁵⁷ Using these as criteria, media are then selected and subsequent decisions revolve around size of ads, length of commercials, positioning, color, repetition of ads, and scheduling.⁵⁸ The completed plan should include a complete media schedule for the appropriate time period as well as rationale for both selection and scheduling. In addition, cost of the various media that comprised the buy should always be included.

In summary, the major function of media planning is to place the client's advertising in front of the largest number of the best prospects. This means knowing who the right prospect is, where he is, what his media exposure habits are, and how to get to him as effectively, economically, and often as possible. In the words of Thomas Wright,

⁵⁶Holton C. Rush, "Ten Points the Account Executive Needs To Know About Media Strategy and Media Selection," A Handbook for the Advertising Agency Account Executive, p. 298.

⁵⁷Lavidge, p. 189.

⁵⁸Ibid., p. 192.

good media planning results in a media mix that will:

DELIVER THE RIGHT SALES MESSAGE
TO A SUFFICIENT NUMBER OF THE RIGHT PROSPECTS
AT THE RIGHT TIME
WITH THE RIGHT AMOUNT OF FREQUENCY
AT GOOD COST EFFICIENCY
AND IN THE RIGHT MEDIA ENVIRONMENT⁵⁹

For the small agency, such comprehensive media planning may seem best left to the large agency whose "...media department is strongest and at its highest state of development."⁶⁰ However, "This does not mean that media is a less important function at the smaller shops; rather, it is so important that agency management must become involved when large media departments are unaffordable."⁶¹ The tendency, however, is to avoid such planning and rely on past experience and intuition or even a client's media preference due to time constraints.

Holton Rush warns against this when he speaks about media planning:

And throughout it all, you check continually to make sure you're not planning or buying by mere habit or whim. This still happens entirely too often ... because it's sometimes easy to find justifications for using whatever medium is favored by a particular company. Remember the client, unlike the legendary customer, isn't always right and be willing to stand up tactfully for what your agency decides is right. This doesn't mean resigning an account when a client disagrees with you. It does mean trying conscientiously to sell your

⁵⁹Thomas A. Wright Jr., "Media Planning and the Complex U. S. Media Market Place," Papers from the 1967 Briefing Session for Guests from Over Seas, Delivered in New York, April 18, 1967, p. 35.

⁶⁰A Study of the Agency Media Function, Study conducted among 365 agencies by the A.A.A.A. in the summer of 1968 (New York: A.A.A.A., February, 1969), p. 6.

⁶¹Ibid

agency convictions. Then, if the client insists on his way you have at least fulfilled your obligation.⁶²

Proper execution of the media function then, requires proper planning.

Merchandising. Merchandising activities typically include sales promotion and public relations, and are used to facilitate the buying and selling transaction.⁶³ As more and more advertisers appear in media, merchandising often becomes an important aspect of the client's promotional program. The performance of this function is particularly important for the small agency, for while large corporations usually handle their own sales promotion, small clients are likely to depend on their agencies for all of their promotional needs.

Sales promotion covers a wide range of activities from point-of-purchase to cents-off couponing, contests, give-aways, all the way to matchbooks. Dinners and other special "staged" events may also fall into this category. In implementing any of these, two things to remember are (1) the activity should be consistent with the overall campaign theme and (2) the activity should be pertinent to the given promotional needs of the client.

Responsibility for public relations may also fall to the small advertising agency. This function primarily involves

⁶²Rush, p. 298.

⁶³Dr. Milton J. Margolis, "Sales Promotion Planning," The Marketing Plan in Action, p. 29.

writing public relations releases and mailing them out to local media. However, it is relatively difficult to get such releases printed unless they are particularly newsworthy.⁶⁴ Other public relations considerations may include suggestions for client involvement. While public relations should be covered in most plans, it cannot be heavily relied upon in the execution of a campaign due to its tenuous nature.

Budget. Advertising budget-setting is not an exact science, and there is no sure magic formula for deciding on just the right amount to spend.⁶⁵ Yet somewhere along the line, the advertiser must decide how much to spend on advertising. "For the advertiser there is a constant and reasonable concern with the way the advertising function is carried out, since many dollars are spent which he cannot directly control. It requires that the agency be concerned fully with client objectives and interests, as much or more than its own."⁶⁶

According to Eldridge, marketing budgets receive far too little attention with the result that the amount of the budget is " ... determined more by guesswork and instinct than by

⁶⁴ Interviews with Mr. Mark Battaglia.

⁶⁵ David Harwood, "How Companies Set Advertising Budgets," How Much to Spend for Advertising? Ed. Malcolm A. McNiven, (New York: A.N.A., Inc., 1969), p. 11.

⁶⁶ Management and Advertising Problems, p. 84.

application of scientific or even thoughtful analysis."⁶⁷

He describes how most advertisers arrive at the total allocation figure as the "sales-costs-profits formula." Using this formula, advertisers start out with gross profit (based on a trend projection of sales volume) and subtract desired profits (enough to satisfy owners, stockholders, etc.) and other-than-marketing expenditures (e.g. general administrative expenses, taxes, etc.) to arrive at the maximum amount to be appropriated or budgeted for marketing.⁶⁸

Eldridge explains the difficulty with such an approach:

It is too inflexible, too mechanical, too impervious to the factors and intangibles which keep the art of marketing from graduating into the exactness and predictability of a science. On the other hand, there is this to be said for it: the method is easy to apply. All that is needed is the ability to add, subtract, multiply and divide. It isn't necessary to be able to think.⁶⁹

Eldridge calls this "how not to arrive at the total allocation figure."

Wedding and Lessler discuss a number of advertising budgeting methods which follow this same line of reasoning which they describe as existing in the "arbitrary allocation environment." These include percentage-of-sales or profits, competitive parity (meeting the competition), and unit of sales (so much per unit of sales, per wholesale or retail

⁶⁷Eldridge, "The Marketing Budget and Its Allocation," art. viii, p. 1.

⁶⁸Ibid., p. 3.

⁶⁹Ibid., p. 4.

outlet, etc.). These methods are well-established, and Wedding and Lessler cite four reasons for the relatively wide-spread, haphazard, marketing thinking these methods represent: (1) percentage-of-sales published with no explanatory information, (2) setting a limit that seems conservative, (3) the cyclical timing of advertising expenditures (advertising which follows rather than leads sales is limiting), and (4) arbitrary allocation is the easiest thinking procedure to follow.⁷⁰ They conclude, "...the environment of arbitrary allocation is more financially oriented, less marketing-minded, less flexible, and dominated by habit."⁷¹

The reason these methods have been so widely discounted is that they attempted to isolate the basis of budget determination to one financial factor -- such as sales or the cost of one unit of a product/service or how much the competition is spending -- when in reality, several interdependent factors should be taken into account in arriving at the final budget.^{72,73} These include the promotional problems that are faced, the climate in which the advertising will be working, the strength of the product story, and the competitive situation. While consideration of facts alone will not provide foolproof answers, full advantage should

⁷⁰Nugent Wedding and Richard S. Lessler, Advertising Management (New York: The Ronald Press Co., 1962), p. 312.

⁷¹Ibid., p. 316.

⁷²Eldridge, art. viii, p. 16.

⁷³Harwood, p. 11.

be taken of all the facts available to reduce the likelihood of costly mistakes.⁷⁴

The budgeting approach that does just that is known as the "task" method and is generally accepted as the best way of arriving at marketing and/or advertising appropriations.⁷⁵ Stansfield states:

The task method is the only logical, sensible method of establishing an appropriation because it is based firmly on the premise that enough money must be appropriated to achieve desired objectives.⁷⁶ Inherent in the task method is stating objectives.

Therefore, successful implementation of the "task" method in determining the advertising budget depends upon the formulation of specific advertising objectives based on the Statement of Facts.

Questions dealing with the environment which the agency should attempt to answer before arriving at the final figure include: (1) What is it that advertising has been asked to do?; (2) What is the primary purpose of the advertising? (e.g. immediate sales versus building the firm's image); (3) How different is the product or service?; (4) What is the anticipated frequency of purchase and margins?; (5) What is the product or service's usage pattern?; (6) What is the margin in pricing policy of the product or service?; (7) What effect would greater volume have on production costs?; (8) What stage

⁷⁴ Eldridge, art. viii, p. 16.

⁷⁵ Richard J. Kelley, The Advertising Budget: Preparation, Administration and Control (New York: A.N.A., Inc., 1967), p. 13.

⁷⁶ Stansfield, p. 1438-1439.

of the product life cycle is the product or service in?;

(9) What is the state of competitive activity?.⁷⁷

Keeping in mind these environmental factors, the amount of money deemed necessary to achieve the established advertising objectives over a given period of time becomes the recommended advertising appropriation. "How to budget is created from the appropriation and how the money is used to achieve objectives is where past experience and seasoned professional judgment come into play."⁷⁸

One helpful aid to sound budgeting is making sure all necessary money is assigned to each objective by priority. To guard against coming up short during the year due to unexpected events, a contingency fund should always be included (usually approximately two and one-half percent of the total budget). "One thing you can predict with assurance is the unexpected. It always happens."⁷⁹ In addition, a financial review is often used as a check after objectives are defined, tasks outlined, and costs estimated " ... but only after the fundamental marketing thinking has been done."⁸⁰

While the "task" approach is preferred, some clients insist on arriving on the advertising budget through percentage-of-sales or some other similar method. Stansfield regards

⁷⁷Wedding and Lessler, p. 317-318.

⁷⁸Stansfield, p. 1439.

⁷⁹Ibid., p. 1446.

⁸⁰Wedding and Lessler, p. 318.

these as backward managements. He explains that...

They don't understand advertising, but you can bet your sweet life they claim they do. They don't want to understand advertising, so don't bother them with facts; their little minds are already made up. They haven't the slightest inkling of what advertising could contribute to their company, but then, everybody knows advertising doesn't produce anything -- it's just a cost item. Trying to plant an idea in such minds is not sowing in fertile soil.⁸¹

The small advertising agency may be faced with more than its share of such clients, given the lower level of sophistication of many regional or local firms. "Where the client prefers to work within the framework of a set budget (often based on percentage of sales) it is your [the agency's] responsibility to see that the client's objectives are consistent with that budget."⁸² The agency must force the client to be realistic or suffer the consequences of unfulfilled promises. While the agency may still have to learn to live with set budgeting procedures, an educational program will have been established which may improve the situation in time.⁸³

Evaluation. Suggestions for evaluating the campaign should also be included in the Recommendations section to provide a means of measuring advertising effectiveness. Dalbey, Gross, and Wind define advertising effectiveness, admittedly broadly, as a "...term used to denote the degree to which advertising can change people's external or internal

⁸¹Stansfield, p. 1436.

⁸²Guisewite, p. 68.

⁸³Stansfield, p. 1436.

behavior with respect to an item -- product, service, or idea -- advertised, and in the direction desired by the advertiser."⁸⁴

The question that inevitably arises in measuring advertising effectiveness is just what advertising can be held accountable for -- particularly in terms of sales. Ultimately the objective of advertising is to "... raise the level of preference for a product and, hopefully, to reap a benefit in terms of increased sales, but it does not necessarily follow that sales figures constitute a measure of advertising."⁸⁵ Unfortunately, many advertisers still fail to recognize that advertising is just one of many market forces which contributes to but never insures the sale.⁸⁶ According to Britton, "It is impossible to count the number of good advertising campaigns that have been wrecked on the rocks of measurement by sales results, or the number of mediocre ad campaigns that have looked great because the client hired a new sales manager or brought out a better product. Sales are just not a reliable measurement of advertising effectiveness."⁸⁷

⁸⁴Homer M. Dalbey, Irwin Gross, and Yoram Wind, Advertising Measurement and Decision Making, Ed. Patrick J. Robinson (Boston: Allyn and Bacon, Inc., 1968), p. 6.

⁸⁵Gail Smith and Dr. K. Raymond, Measuring the Effectiveness of Advertising - Two Approaches, Paper presented at the spring meeting of the A.N.A. (New York: A.N.A., 1965), p. 1-2.

⁸⁶Ibid., p. 5.

⁸⁷Robert E. Britton, "Measuring Advertising Effectiveness by Communications Criteria or Sales Results," Lecture presented to advertising class, Michigan State University, June 3, 1966 (Xeroxed.).

What advertising can measure is the degree to which advertising objectives have been accomplished. By restricting advertising objectives to those communications tasks which advertising can influence -- increased awareness, registration of the sales message, more favorable predisposition toward a product, service, or firm -- it is possible to judge the effectiveness of the campaign.⁸⁸ The Objectives section of the plan establishes the standards which effectiveness measures should be compared to. Variances between these standards and actual measurements are then reported to the client and provide input into subsequent planning periods by informing the agency planner of the results obtained from the execution of his plan.⁸⁹

A wide variety of measurement techniques are available within four broad areas of advertising research: (1) benchmark research - conducted in the initial stages of campaign planning to fill gaps in information; (2) concept testing - which precedes message and media planning; (3) pre-testing creative alternatives - carried out before the campaign is under way and/or before specific ads appear; (4) post-testing - done after execution of either individual ads or the

⁸⁸Norman Heller, "Marketing Planning and Control at Pepsi-Cola," The Marketing Plan in Action, p. 71.

⁸⁹Leon Winer, "Are You Really Planning Your Marketing?," Journal of Marketing, XXIX (January, 1965), p. 7.

entire campaign.⁹⁰ These four types of research form a research cycle which feeds into future planning periods and aids future research efforts.

For the small advertising agency, however, whose research capacity and time are severely limited, such extensive research activity is rare.⁹¹ Besides this shortage of internal resources, many clients at this level lack interest in and/or financial ability to conduct advertising research. Still, some sort of evaluation should be made during the course of the campaign which indicates how things are going.

This may consist of a built-in response mechanism such as newspaper couponing or inquiry cards sent along with a direct mail piece. Sometimes the client's own communication link with consumers offers a means of collecting useful information. A bank, for example, might send out a brief questionnaire along with their periodic bank statements. Or a firm which publishes a monthly newsletter might elicit some sort of response from stockholders or salesmen. If nothing, else, the agency should suggest a quarterly or semi-annual review, where both client and agency sit down and examine the campaign's progress.

⁹⁰John L. Palshaw, Practical Methods of Measuring Advertising Effectiveness (London: Industrial & Commercial Techniques Ltd., November, 1971), p. 4.

⁹¹Interviews with Mr. Mark Battaglia.

For larger clients, who are occasionally interested in doing some advertising research and have the necessary funds available, more comprehensive suggestions should be forwarded in the plan and provided for in the budget. While the small advertising agency may be limited in terms of the types of research it can conduct alone, the planner should be aware of research firms in the vicinity who can perform all or part of recommended research activities. This involves understanding what research techniques are available and having some means of evaluating their appropriateness to a given situation.

In summary, the evaluation portion of the advertising plan provides a means of measuring the rate of progress of the campaign toward accomplishing pre-determined objectives. This in turn allows for adjustments in the plan when remedial action is deemed necessary and lends a flexibility to the entire planning process which would otherwise be missing. In the words of Roy Campbell: "We know how to plan, even though we may resist its drudgery. We know how to adjust, if we know what adjustments are needed. Thus, the crucial element in attaining managerial control of advertising is the measurement of advertising results."⁹²

⁹²Roy H. Campbell, "A Managerial Approach to Advertising Measurement," Journal of Marketing, XXIX (October, 1965), p. 6.

CHAPTER IV

APPLICATION TO A SMALL AGENCY

In the following pages, the Eldridge planning model will be used to analyze an advertising plan developed by a small advertising agency. The plan will be examined to see how each of the four steps outlined by the Eldridge approach were handled and how better implementation of the model might have aided the planning process. Before getting into the various sections of the Eldridge model, a brief background of the agency will be presented.

Agency Background

Once a two-man direct mail service, Capital Advertising Inc., Lansing, Michigan, first opened its doors as an advertising agency in 1953. Only one other agency was in existence in Lansing at that time. Today, these two have been joined by a third agency which is attempting to reach full-service status.

Housed in its own facilities, Capital employs six persons plus the services of two self-employed men -- one in art, the other in public relations. The two owner-officers

double as account executives, creative directors, media analysts, and general overseers of agency operations as well as new business. Other personnel include a media buyer, a copywriter, an office manager, and a combination receptionist-layout trainee.

The agency depends on a number of local and regional clients in a variety of fields. These include: agriculture, finance, insurance, utilities, transportation, real estate, machinery, and home furnishings. Clients range in annual sales volume from around eight to thirty million dollars. Most are stable, small companies which are not in extensive growth situations. Only the very largest have any marketing/advertising personnel, usually limited to an advertising manager.

Advertising spending for these clients runs anywhere from a quarter million dollars on down, with most ranging from twenty to one-hundred thousand dollars annually. Budgets for advertising are typically determined by the industry average although some clients use percentage-of-sales. The agency is compensated through a combination of media commissions, collateral, and fees. Only fifty percent of the agency's income is derived from media commissions due to the fact that few local media offer them.

According to the agency's president, the advantages of servicing small clients are (1) dealing with top management from the client's organization and (2) having many accounts of relatively comparable size, so losing one is not crucial.

problems cited include: (1) clients who are not financially able to have their own advertising departments usually do not have much money for the agency either, (2) many small clients do not realize that the agency cannot do an entire marketing plan for fifteen to twenty thousand dollars, (3) a few small advertisers think all you have to do is advertise and the world will beat a path to your door, and (4) with so many small clients (who tend to merge, sell out, or go out of business) there is less growth potential for the firm and thus, the agency.⁹³

Like most small advertising agencies, the range of services offered by Capital is limited. All production, excluding only the simplest newspaper layouts, is farmed out to local typesetting photography, and printing houses. While public relations used to hold a prominent position on Capital's list of services, such activities have virtually disappeared in recent years. The agency now handles creative, media, and sales promotional activities for their clients as well as supplying limited research services.

Planning activities on both the client and the agency side is minimal. Like most firms, clients' major marketing objective is sales -- but this is rarely stated in specific terms. If the client has any sort of a marketing plan, the agency never sees it. Agency planning activities are equally infrequent. While new clients often make

⁹³Interviews with Mr. Mark Battaglia.

it difficult to get at information necessary in formulating a viable advertising plan, there is little evidence to indicate that the agency takes full advantage of such information when it is available. Agency presentations to established clients may be anywhere from two to five years apart, and written plans typically consist of a media breakdown and budget.

Analysis of a Plan

The plan under examination was part of a new client presentation* made by Capital Advertising Inc. in 1971. The prospective client, N. E. Isaacson & Associates, Inc., is a lake developing corporation which constructs man-made lakes, develops the surrounding land, and sells individual lake lots to final consumers. At that time firmly established and successful in Wisconsin, the firm was completing a lake development near Gladwin, Michigan and was looking for an advertising agency to handle its promotional activities. Utilizing the framework provided by the Eldridge model, a discussion of the advertising plan proposed to Isaacson & Associates by Capital follows.

*Ordinarily extensive planning for new business presentations is not undertaken by the agency due to the high cost of planning for a firm which is not among the agency's paying clientele. However, according to Capital's president, this particular plan represents a much more comprehensive planning effort than the agency typically expends for established clients. In addition, past plans for the agency's present clientele were either non-existent (the agency rarely prepares written plans) or unavailable (the agency saves only job tickets as a matter of record). In analysis, therefore, the plan prepared by Capital for N. E. Isaacson & Associates will be treated as any other plan.

Statement of Facts

In the plan prepared for Isaacson & Associates, there is no statement of facts. Instead, Capital profiled agency officers, listed billings for the last ten years, listed all the organizations they belong or subscribe to, and explained the agency's philosophy. While this information is interesting and may be important to the client, at this point in the presentation of the campaign it was probably best left unsaid. Most clients are not interested in agency particulars as much as what the agency can do for them. This means either saving such information for the end of the plan or presenting it in a separate booklet for the client to read at his leisure (a format which Capital has since adopted).

In its place, a Statement of Facts, however brief, might have been set forth the important situational factors to be recognized and dealt with. Seasonality in regards to purchase behavior, what the competition was doing, and any corporate and/or marketing objectives already established by Isaacson & Associates should have been noted. In addition, such things as what sort of consumers the facility is geared for and what sort of consumers have purchased in the past (demographics and attitudes if available) should have been included. Since Isaacson & Associates are not strangers to this type of project, much of this information should have been accessible.

Other ideas might have emerged as this sort of thinking process progressed and could have been aided through use of an information checklist (See APPENDIX B, p. 73-74). Where client information was hazy or unavailable, logic and intuitive judgment should have been substituted to form assumptions about the situation. Such assumptions may not always be completely accurate, but without them there is no basis for making later campaign decisions.

Problems and Opportunities

Without pertinent information provided in a Statement of Facts, identifying problems and opportunities was undoubtedly difficult. Understandably, none are cited in the plan, but Capital's president provided insight into some of the problems facing Isaacson & Associates in this initial Michigan venture. Two major problems were Isaacson & Associates determination to (1) begin advertising the Gladwin project in August -- after the end of the traditional purchasing period for recreational property and (2) continue a promotional dinner offer that had worked in Wisconsin, but which Capital felt was wrong for the Michigan market. The first problem was never addressed in the plan; the second was mentioned briefly at the end but never resolved.

Capital could have cited these problems in the plan along with the opportunities the agency felt they presented for Isaacson. For example, the fact that the advertising was following rather than preceding the peak selling season might

have presented an opportunity to tie lake lot advertising and promotion in with enjoying Michigan's colorful autumns or Gladwin's close proximity to winter ski resorts. Or Capital might have flatly stated that heavy promotional expenditures should be held off until spring. These or similar decisions would have been dependent upon the target market(s) Isaacson wished to reach and their corporate and/or marketing objectives.

In the case of the dinner offers, Capital should have stood firm, explaining why they felt promotion of this type would be ineffective in Michigan and offering ideas for a different promotional approach. Once again, a Statement of Facts containing information about consumers might have proved extremely useful in supporting the agency's position.

Other opportunities might have included indentifying a special age or income group likely to purchase, a certain area of the state where potential prospects are more likely to reside, a firmly held consumer belief which could be worked to the client's advantage, etc. Backed by facts and sound reasoning, identification of such opportunities would have shown Isaacson & Associates that Capital had their best interests in mind and was willing and able to be specific about just what sort of advertising program would best minimize their problems and exploit their opportunities.

Identification of Objectives

Little attention is paid to objectives in Capital's plan. Three communication tasks, which Capital calls "targets," are cited however, apparently in order of priority:

- * GETTING THE ISAACSON REPUTATION KNOWN
- * GETTING THE RESORT NAME KNOWN
- * GETTING THE CONSUMER TO SHOW INTEREST & RESPOND

GETTING THE SALE⁹⁴

These are fine as far as they go, but this sort of non-specific language communicates very little and requires clarification if it is to be used effectively. It should also be cautioned that because advertising does not "get the sale" alone, such suggestions should not be made in the plan.

Instead, specific advertising objectives, which followed logically from clearly defined problems and opportunities, could have been developed. Depending on what was provided in preceding sections of the plan, one advertising objective might have been stated as follows:

Within two months, make 30% of those in the target audience (married adults between the ages of 35 and 45, income -- \$12,000+, who live in Detroit, Bay City, Saginaw, and Flint) that Isaacson lake lots are now available for purchase in Gladwin.

From here would have stemmed the media and message objectives necessary to accomplish this advertising objective. For example:

Within two months, reach 30% of the target audience (defined above) at least three times.

⁹⁴Mark A. Battaglia, "C.A.I. Media Method," Part of a campaign plan for N. E. Isaacson & Associates, Inc. 1971. (Xeroxed.), p. 10.

Within two months, make 30% of the target audience (defined above) aware that Isaacson has brought a new concept of lakeshore living to Michigan and that lake lots are now available.

While these are just hypothetical objectives, this is the type of specificity required in sound planning which Capital's objectives lacked. Without it, the advertising plan makes little sense to anyone other than the actual planner.

Setting objectives demands this special attention, because objectives represent the crux of the plan. They are what the Statement of Facts and the Problems and Opportunities sections lead to and what the Recommendations section is designed to achieve. And by providing direction for the recommendations that follow them, objectives result in advertising which can be held accountable for some degree of effectiveness.

Recommendations

Creative. From profiling the agency, Capital moved directly to creative execution. With no logical train of thought flowing through the plan and none of the guidance provided by well-stated objectives, the creative approach selected seems to have come from mid-air.

Tentatively, the agency titled the project "Camelot of Michigan," a name Isaacson & Associates had used previously. Capital modified the old English motif the firm had employed to lend a touch of modern to the logo (See APPENDIX C, p. 75). Capital did not commit itself to the Camelot theme

however, "... since there may well be reasons for going in one direction or another that we [Capital] are not aware of at this time."⁹⁵ The remainder of this creative section goes on to describe the various advertisements to be used in the campaign (See APPENDIX C, p. 76-81), paying particular attention to tactics -- i.e. layout and production details as well as specific cost considerations.

All of this information is useful and should be included in the plan, but tactics must be preceded by a discussion of why this particular strategy was selected. Because Capital did not define message objectives (target audiences and communication tasks) and strategy, it becomes difficult to determine just what the purpose of this particular creative approach is. This leaves the agency wide open for client disapproval based on personal, subjective criteria. While the agency planner may have had such things as target audiences and communication tasks in mind when the plan was written, by not providing a brief rationalization for the client's benefit, he is entirely dependent upon the client's subjective interpretation being favorable.

Media. Like creative, the media section of the plan begins with tactics listing newspapers and their circulations as well as a map of the areas they cover. This is followed by a schedule and budget from August through September (See APPENDIX D, p. 82).

⁹⁵Battaglia, "Creative Ideas," Part of a campaign plan for N. E. Isaacson & Associates, p. 1.

Here too, the strategy behind these tactical decisions is not provided. With no rationale for selection, scheduling, or budgeting delineated in the plan a host of questions come to mind: Why were newspapers selected as a good medium to use? Why were these particular newspapers selected? How were the number of ads to be run and their size determined? How was the amount of the budget allocation to newspapers arrived upon, and why was it allocated by month with varying emphasis? The agency could undoubtedly answer all of these questions, but by not forwarding some explanation in the plan, Capital gives the appearance of planning by rote rather than tailoring a campaign to meet Isaacson & Associates individual promotional needs.

Other media utilized in the campaign are presented in this same fashion -- television, radio, magazines, outdoor -- even direct mail -- with no mention of why these media were selected, who they are aimed to reach or how often. (See APPENDIX D, p. 85 - 92). Capital's recommendations could very well represent a well-thought out media program, but to expect a client to accept a \$256,210 budget which has not been adequately justified in terms of reach and frequency levels set to achieve specific campaign objectives, seems unrealistic.

Once again, the problem initially stems from ill-defined, or in this case undefined, objectives. With them, reach and frequency can be set and justified and a media buy made which achieves the objectives already established for particular target audiences. The result is "task" budgeting rather

than haphazard media spending.

Merchandising. Merchandising recommended by Capital for Isaacson & Associates consists of public relations and sales promotion. Public relations activities are well-spelled out in the plan and are accompanied, in most cases, by supporting rationale. Sales promotion activities, on the other hand, lack clarity. Basically, the agency has simply listed a number of activities that could be undertaken without directly discussing which ones are best suited to Isaacson & Associates total promotional program. This indicates that either Capital placed little importance on sales promotion or that insufficient time was devoted to sales promotion planning.

If sales promotion is considered by Capital to be important to the overall success of the campaign, something to that effect should have been stated in the plan. This means addressing sales promotional activities specifically in the plan -- from setting sales promotion objectives to scheduling such activities over the length of the campaign.

Budget. The budget provided in the plan consists of media and production costs (See APPENDIX D, p. 93). Public relations and sales promotion have not been included in the budget. While public relations expenses are typically handled by the client, sales promotion for small firms is often included in the advertising budget and is the agency's responsibility. Thus, if sales promotional activities suggested were to be carried out by the agency, they should have been budgeted for in the plan.

In addition, Capital provided no money for evaluation of the campaign or a contingency fund. Unless the client had specifically stated that they had no interest in conducting advertising research, any evaluative activities the agency felt would be necessary to monitor the campaign's progress should have been included in the budget. In any event, a contingency fund should have been provided for to cover unexpected increases in production and/or media costs and to allow the agency a certain amount of flexibility in executing the campaign should revisions be required.

Justification for the amount of money allocated to individual campaign activities as well as the total budgetary figure is also missing in Capital's plan. Such justification is difficult to provide in the absence of well-defined objectives. Capital may have arrived on the final figure independently, but the budget appears to have been based on some predetermined amount set by the client.

While ball-park estimates provided by the client are helpful in developing a realistic promotional program, the ultimate budget should still be based on advertising objectives and how much money it will take to achieve them. In light of the amount the client has already allocated to advertising, attainable objectives should be set and a promotional program developed to achieve them.

If it is apparent to the agency that client expectations exceed the confines of the promotional dollars they are willing

to allocate, both agency and client should sit down and review advertising objectives and corresponding costs of obtaining them to resolve the conflict before the campaign gets underway. By thus implementing the "task" method of budgeting, the agency will avoid countless misunderstandings and be provided with rationale for the advertising budget it proposes.

Evaluation. Recommendations for evaluation of the campaign are not included in Capital's plan. This may have been justifiable if the client had specifically stated that he had no interest in investing in any advertising research. However, even if this were the case, some sort of built-in monitoring device might have been suggested, if not for the client's benefit directly, to aid in agency planning and control. Response cards on location requesting information about how visitors first heard about Camelot, return postcards requesting additional information about Camelot sent along with direct mailings, etc. would have been useful, yet inexpensive, feedback tools.

More extensive research suggestions might also have been included which the client could then have accepted or rejected. Often such activities are scheduled at some midway point in the campaign as well as at its conclusion to either confirm the campaign's success or to help point up trouble areas which require revisions. This insures that the campaign does not go off track for an extended period of time and provides fresh input for subsequent planning periods.

Summary

In essence, the plan prepared for N. E. Isaacson & Associates by Capital Advertising Inc. is a statement of campaign recommendations. The quality of these recommendations is probably very good, given the experience of the agency planners at Capital and their thorough knowledge of the Michigan market. Yet nowhere in the plan is there concrete evidence to support this assumption. The preceding discussion was not meant to directly question the recommendations forwarded in the plan, but rather to point up weaknesses in their presentation and to suggest that more disciplined planning procedures might improve their quality.

The need for clarification in campaign planning is by no means unique to Capital -- or to just small agencies. Many agencies, large and small, could stand improvement in this area. But small agencies seem to be particularly susceptible to negligence in planning due to their shortage of resources and in many cases, lack of a comprehensive planning approach to follow. While the Eldridge model is not the only planning approach applicable to the small agency's situation, it provides the structure needed by small agency planners without forfeiting the planning flexibility and simplicity they require.

In writing advertising plans, the small agency planner should remember that he is writing for two audiences -- the client (who must accept the plan) and agency personnel (who

must put the plan in action). Both audiences must obtain a clear understanding of what the campaign is aimed to do, how and why. Utilization of the Eldridge approach provides a planning tool which can help in this regard, as demonstrated in its application to Capital's plan.

CHAPTER V

DISCUSSION

In light of marketing planning's growing importance, it is agency management's function and purpose to institute specific advertising plans for their clients. Plans complete with objectives, strategies, and control measures carefully outlined. Through such advertising planning, competent account executives can seriously strive for their clients' success in the marketplace by blending elements of management with the art of marketing.

The advertising plan provides in one place a basis for all professional account activities. By defining objectives based on the facts, the plan gives the client an opportunity to test logically and with constructive criticism the soundness of the plan. At the same time, the advertising plan puts together all of the individual advertising functions -- creative, media, merchandising, and research -- so that the total effect of the recommendations can be evaluated and their relationships clearly seen. Thus, once accepted, the plan represents a working agreement between the client and the agency.

In addition, the plan serves as a script for the action to take place in the market. This not only helps the client monitor the campaign's progress, but also aids agency personnel responsible for the campaign's execution. Evaluation of the campaign is also directed by the plan for the advertising objectives serve as standards of measurement. Finally, the plan provides the major share of the input for next year's plan.

Yet despite all the advantages of planning, many small advertising agencies and their clients devote little attention to the task. Some believe that creativity is sufficient. Others refuse to allocate the time required to develop good plans. Many give lip-service to the importance of advertising planning, few develop actual plans.

This deficiency in advertising planning at the small agency level may be partially due to the absence of a practical planning approach to implement. The Eldridge planning approach has been suggested as one which could easily be adapted to meet small agency needs. It provides a flexible framework which is broadly outlined so the planner does not become bogged down in the intricacies of more complex models which may prove to be too cumbersome and/or useless in servicing the needs of small clients.

While it should be pointed out that the stages in planning cannot always be separated as sharply in practice as they are in theory, the planning function should not be slighted

or ignored. Working within the capacities of the small agency organization, suitable plans can be formulated that illuminate both the facts and, through analysis, alternatives to various client promotional problems. The final program then mediates between the advertising objectives and the capacity of the agency. The advertising plan is the means of reaching objectives while making the most effective use of agency resources.

A common excuse for sidestepping the planning function at the small agency level is management's contention that theirs is a local (or regional) market which they know well. Planning, some say, is unnecessary at this level, because there are fewer factors to be considered. In addition, they hold that all important factors are considered automatically in the execution of an advertising campaign, due to their familiarity with the market.

While there can be no argument that small agencies, particularly long-established ones, typically know their market(s) well, negligence in planning may result in missing an important factor, pertinent to only one or two clients, or leaving an alternative promotional approach, better suited to the client's needs, undiscovered. This sort of status quo behavior on the part of the agency does not recognize the individuality of different clients and represents a complacent attitude which benefits no one.

This does not mean, however, that the small agency's planning activities should mirror those of larger agencies.

It is true that there are usually less factors involved at the local or regional level than at the national level along with less comprehensive programs to be executed by the agency. Thus, the plan may be brief -- indeed, should be made brief -- as brief as possible and still do the job. Yet brevity should not be achieved at the expense of completeness and understandability. The plan is meant to answer questions not raise them.

A true campaign is a connected series of events or operations tying together a variety of marketing factors which are closely related and carefully conceived. It is designed to bring about the completion of desired objectives. If it appears difficult to integrate all of the factors and activities of the campaign, subjecting them to set objectives when conditions are changing -- if it is hard to discern faulty objectives from the facts, assumptions, or poor implementation -- so be it. That is what management is all about, and to avoid the planning function is to shirk management responsibility.

Planning is a very important part of the advertising business, and an especially fascinating one for the small agency where the practitioner wears many hats. It is the unifying force that gives advertising a purpose and justifies the agency's product to the client. For the small advertising agency, planning presents both a responsibility and a challenge to management where the rewards are better advertising, satisfied clients and less agency headaches.

APPENDICES

APPENDIX A

**AGENCY-CLIENT INVOLVEMENT --
BY MARKET FUNCTION & BY COMPANY CHARACTERISTICS**

AGENCY INVOLVEMENTNATURE OF
TOTAL AGENCY ROLE

NO ROLE	OCCASIONAL SERVICES	COUNSEL	PARTNERSHIP	LEADERSHIP
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
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<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

LIMITED TO
ADVERTISING

<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
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ADVERTISING
PLUS
SELECTED
SERVICES

<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
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MARKETING
COUNSEL

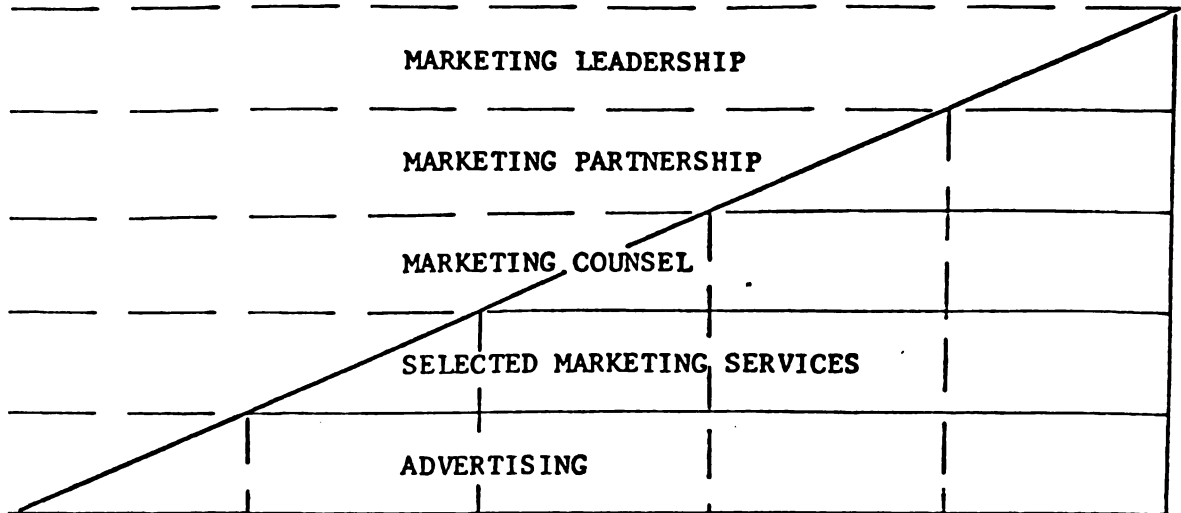
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MARKETING
PARTNERSHIP

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MARKETING
LEADERSHIP

**COMPARISON OF PATTERNS: SPECTRUM OF ROLES FOR
AGENCIES AND CHARACTERISTICS OF COMPANIES**



COMPANY CHARACTERISTICS:

IMPORTANCE OF ADVERTISING				
Limited Importance	Limited Importance	Important	Critical	Critical
SELF-SUFFICIENCY IN KEY MARKETING CAPABILITIES				
Developed	Variable	Fully Developed	Fully Developed	Undeveloped
COMPANY NEEDS / AGENCY CAPABILITIES				
Marketing heavily dependent on factors outside Agency capabilities	Company uses relevant Agency skills on a limited basis - a make or buy decision	Needs and capabilities overlap; Company uses Agency for counsel on many aspects of Marketing effort	Needs and capabilities closely correlated; Company personnel share responsibility with Agency personnel of parallel skills in total Marketing effort	Needs and capabilities closely correlated; Company uses the full complement of skills of Agency personnel to lead Marketing effort
ORGANIZATION STRUCTURE / EFFECT ON WORKING RELATIONS				
Simple (with Advertising Management as the focal point)	Simple	Complex	Complex (with decentralized Marketing Management as the focal point)	Simple (with centralized Marketing Management as the focal point)
LIMITED TO ADVERTISING	SELECTED MARKETING SERVICES	MARKETING COUNSEL	MARKETING PARTNERSHIP	MARKETING LEADERSHIP

APPENDIX B

INFORMATION INVENTORY STATUS CHECKLIST

ADVERTISING PLAN

Information Inventory Status Checklist

	SOURCE				
	HAVE	NEED	CLIENT	LIBRARY	RESEARCH
<u>Facts About The Market</u>					
1. Background of market & its development					
a. types of products/services available					
b. major changes & product improvements in last 5 yrs.					
c. factors affecting availability					
2. Trends in market					
a. trend in market volume - in total and by product					
b. seasonality of products/services					
c. number of outlets					
d. projected market volume (5 to 10 yrs.) - total market and by product					
3. Competition					
a. names of leading competition					
b. share of marketing					
c. promotional activities					
4. Client's objectives					
a. corporate					
b. marketing					
c. communications					
<u>Facts About The Consumer</u>					
1. Interest in purchase of product					
2. Who motivates the purchase					
3. Frequency of use/purchase					
4. Consumer demographics					
5. Product characteristics liked/not liked by consumer					
6. Consumer preferences (client vs. competition)					
<u>Facts About The Client Product/Service</u>					
1. Usage/acceptance/composition					
2. Strong vs. weak points					
3. Client quality vs. competition					

ADVERTISING PLAN

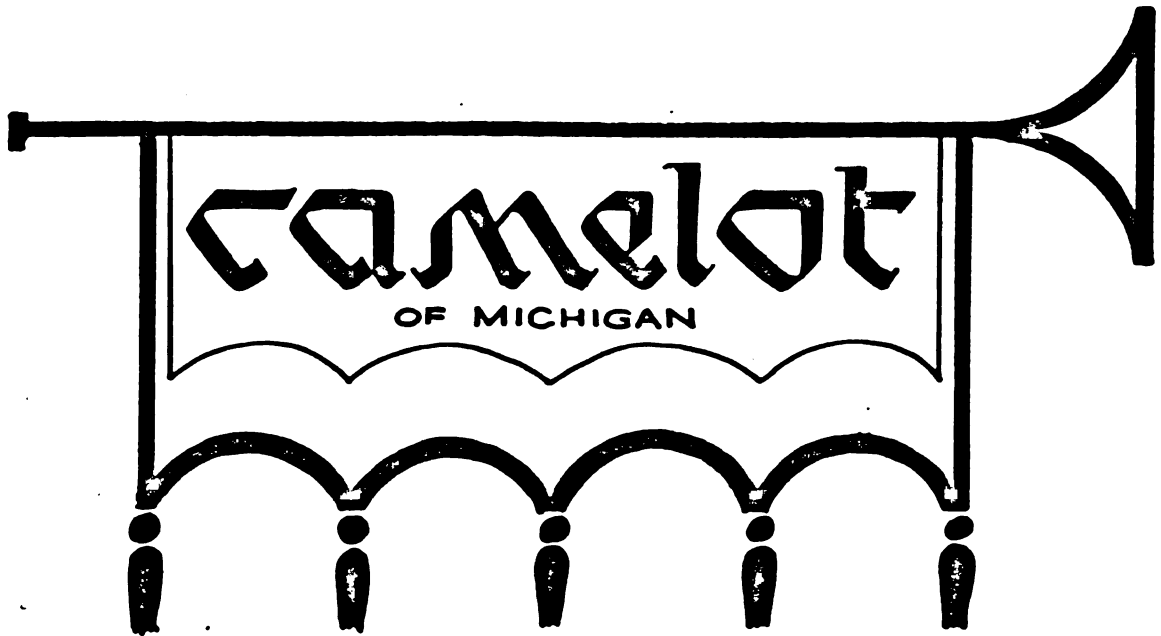
Information Inventory Status Checklist (con't.)

	SOURCE				
	HAVE	NEED	CLIENT	LIBRARY	RESEARCH
<u>Facts About The Client Product/Service (con't.)</u>					
<u>4. Pricing</u>					
<u>5. Product development</u>					
<u>Facts About Manufacturing Product</u>					
<u>1. Methods of production</u>					
<u>2. Quality standards</u>					
<u>3. Cost of manufacturing</u>					

APPENDIX C

CREATIVE IDEAS PREPARED BY CAPITAL ADVERTISING, INC.

FOR N. E. ISAACSON & ASSOCIATES, INC.





n.e. isaacson is coming
to michigan's enchanted
northland with a new-
exciting all season all-
fun development - Gladwin

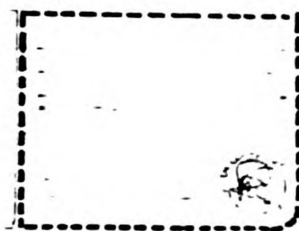




N.E. Isaacson is coming to
Michigan's northland with
a new exciting all season-
all fun lake development at
Gladwin... it is called

Camelot

OF MICHIGAN

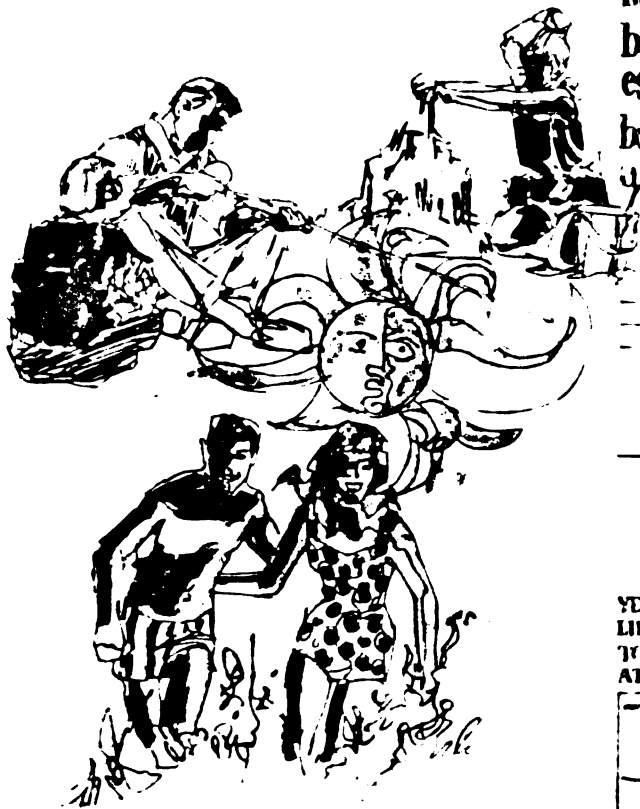


michigan's most alluring
lakeland complex

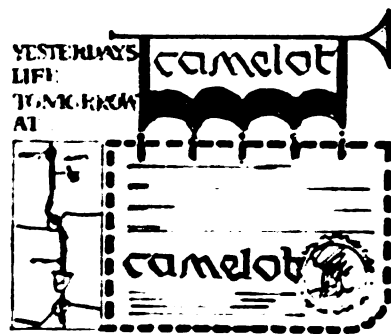
Camelot

OF MICHIGAN

back to nature
back to sun and sandy beaches
and fresh, clean lakes
back to leisure, laughter
and the good life



YESTERDAY'S
LIFE
TODAY'S
AT



Camelot OF MICHIGAN michigan's most alluring lakeland complex

Camelot

MICHIGAN'S MOST ALLURING
LAKELAND AREA

Camelot AT GLADWIN



Camelot

BECKONS...

MICHIGAN'S MOST ALLURING LAKELAND AREA
NEAR GLADWIN



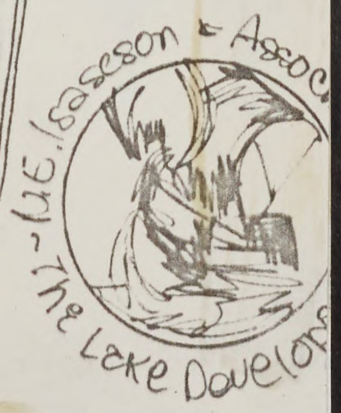
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MICHIGAN'S MOST ALLURING LAKELAND COMPLEX



Camelot OF MICHIGAN

Private Disposal System Best Solution for Village

In this day of environmental awareness when we are all more conscious of preserving the things that are vital to us, some people have grabbed the bait and started running.

Sometimes they don't know which direction they're going. This could be the case in the haphazard construction of the private disposal system, or septic tank, by well-meaning people who call themselves environmentalists.

Although these people have labeled the septic system "a major pollutant," Wisconsin natural resources and public health experts have stated, "Properly installed and adequately maintained private disposal systems are better for certain areas than central sewer."

Central sewer systems collect and concentrate wastes before discharging the nutrient-rich and profuse into lakes and streams.

WASTES BROKEN DOWN

Private disposal systems break down wastes biologically and actually disperse them throughout the soil, rather than concentrate them. They are then recycled into useful materials by the natural action of plants and soil organisms.

As Voyager project manager Wood Woodford puts it, "We have made every effort, through our deed restrictions, private easements and our unique setback and clustering concepts, to make sure that our private disposal systems are properly installed and adequately maintained."

Because of Voyager Village's 200-foot setback of all property lines from any lake, the cluster private disposal system can be installed to any surface water beyond that 200-foot mark.

Explains Woodford, "This generally puts disposal systems back onto lands better suited for operation of such systems."

The state requires only a 10-foot minimum setback from water for disposal systems. It also requires a minimum distance above high ground water for these systems of only three feet.

States Woodford, "At Voyager, we exceed state requirements in every way and by an average of some 20 feet throughout the project."

CLUSTER SYSTEM HELPS

The cluster system of arranging properties saves wide areas of open space which makes operation of private disposal systems most efficient. It also saves the time and cost of individual lots.

Under state law, about two as many properties could be on the land at Voyager Village. Instead, a full 55 per cent of project's acreage is being left in natural state.

In the past, problems with disposal systems were in the wrong place, underserved and were inadequately maintained.

With standards enforced by the state at Voyager Village's 1/4 section plan, disposal will be put in the right place and adequately maintained.

A 750-gallon tank required for septic disposal systems will increase the water to use is increased.

DEED RESTRICTS

Going beyond Voyager Village restrictions prohibit

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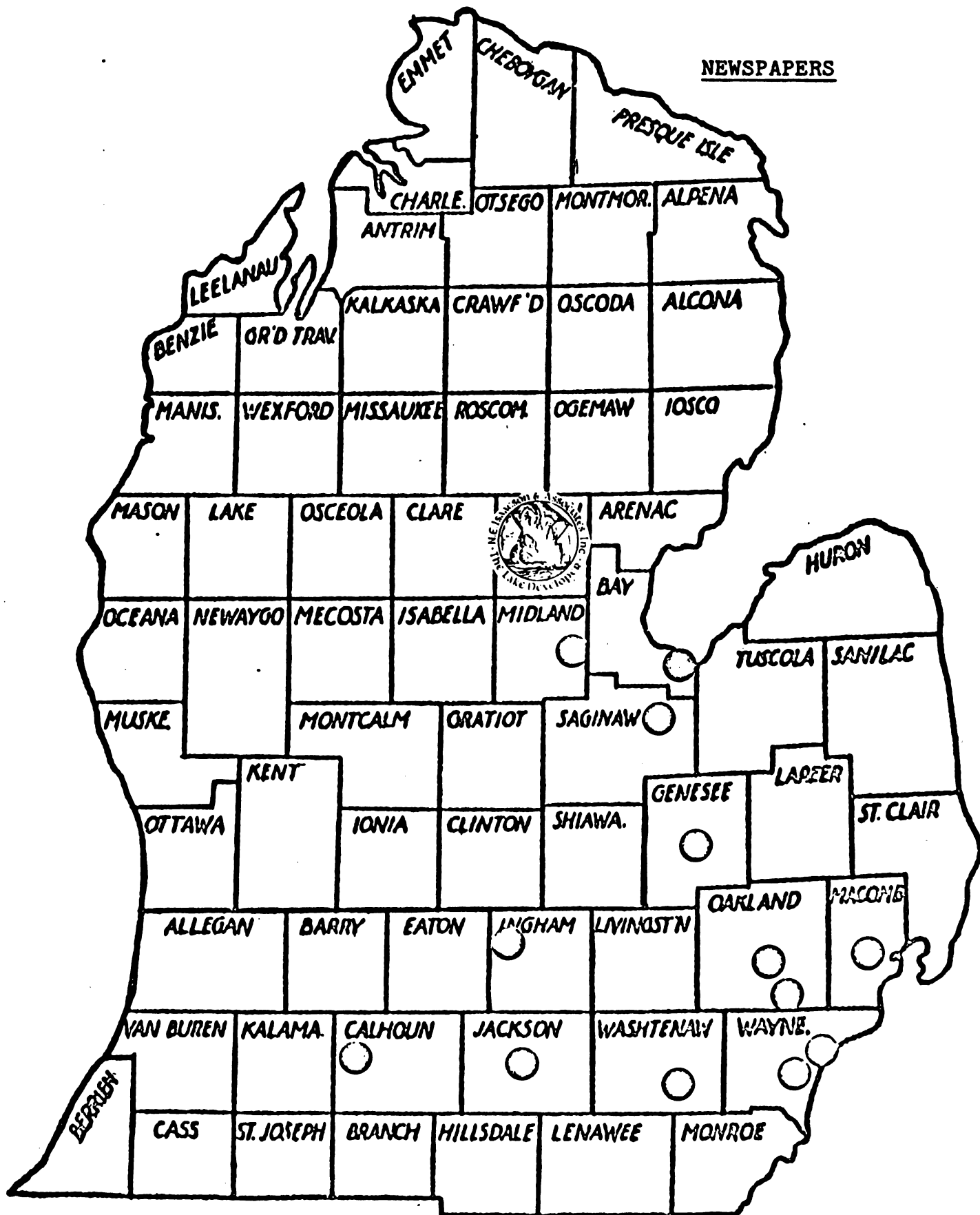
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APPENDIX D

**BASIC MEDIA PLAN PREPARED BY CAPITAL ADVERTISING, INC.
FOR N. E. ISAACSON & ASSOCIATES, INC.**

NEWSPAPERS

<u>City</u>	<u>Circulation</u>
Ann Arbor	37,494
Battle Creek	39,346
Detroit News	639,703
Detroit Free Press	593,369
Flint	113,564
Jackson	38,806
Lansing	78,482
Pontiac	76,535
Saginaw	<u>60,698</u>
(All 4-color & Spectra) 1,677,997	
Bay City	43,434
Midland	<u>15,395</u>
(All 2-color & Spectra) 1,736,826	
Mt. Clemens (2-color & Roll Fed)	52,936
Royal Oak (2-color - Negotiate)	<u>58,386</u>
	1,848,148
13 papers	

NEWSPAPERS

NEWSPAPER SCHEDULE

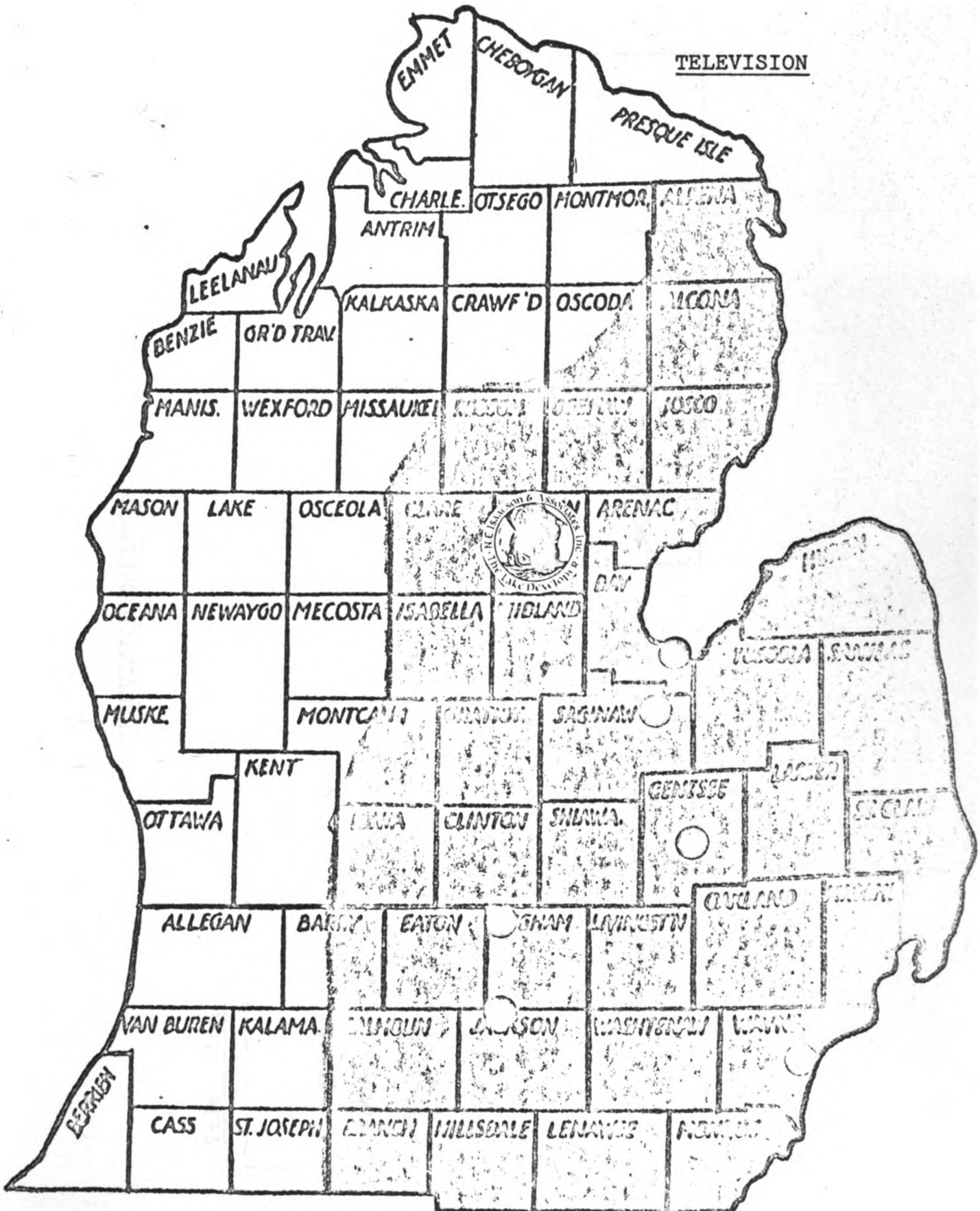
Newspaper

1971

	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
Ads - Full Pages Full Color or Spectacolor or as noted	8th Full Sched. 15th Detroit Mags.	5th Full Sched.	3rd Detroit Mags. 10th Outstate	7th Detroit Mags. 14th Outstate	5th Detroit Mags.
Except in non- Detroit papers - Oct., Nov.	22nd Full Sched.	19th Full Sched.			
(Dates are week of -)	29th Detroit Mags.		31st Outstate		
Budget \$142,000	\$60,000	\$46,000	\$17,000	\$12,000	\$7,000

TELEVISION

<u>Media Coverage Area</u>	<u>Population</u>	<u>Homes</u>	<u>TV Homes</u>
Detroit Ch. 50	4,748,800	1,423,000	1,383,300
Flint-Saginaw-Bay City Ch. 12	1,102,900	323,700	314,200
Flint-Saginaw-Bay City Ch. 25	1,102,900	323,700	314,200
Saginaw-Bay City-Midland Ch. 5	486,800	136,450	134,200
Lansing Ch. 6	514,700	153,200	148,300
Jackson Ch. 10	361,675	93,750	92,600

TELEVISION

TELEVISION SCHEDULETelevision

	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
6 Stations 60-Sec. Spots Subject to Avail. and Negotiation Prime or Near Prime	28 Spots Each	28 Spots Each	10 Spots Each		
Budget \$32,000	\$13,440	\$13,440	\$5,120		

RADIO

Detroit	WJR	50 T.A.P.	\$5,750
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Lansing	WJIM
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Lansing	WILS
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Lansing	WITL
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Flint	WKMF
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Flint	WFDF
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Ann Arbor	WPAG
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Bay City	WBCM
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Dearborn	WKNR
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Jackson	WKHM
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Lapeer	WTHM
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Mt. Clemens	WBRB
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Monroe	WQTE
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Owosso	WOAP
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Pontiac	WPON
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Pt. Huron	WPHM
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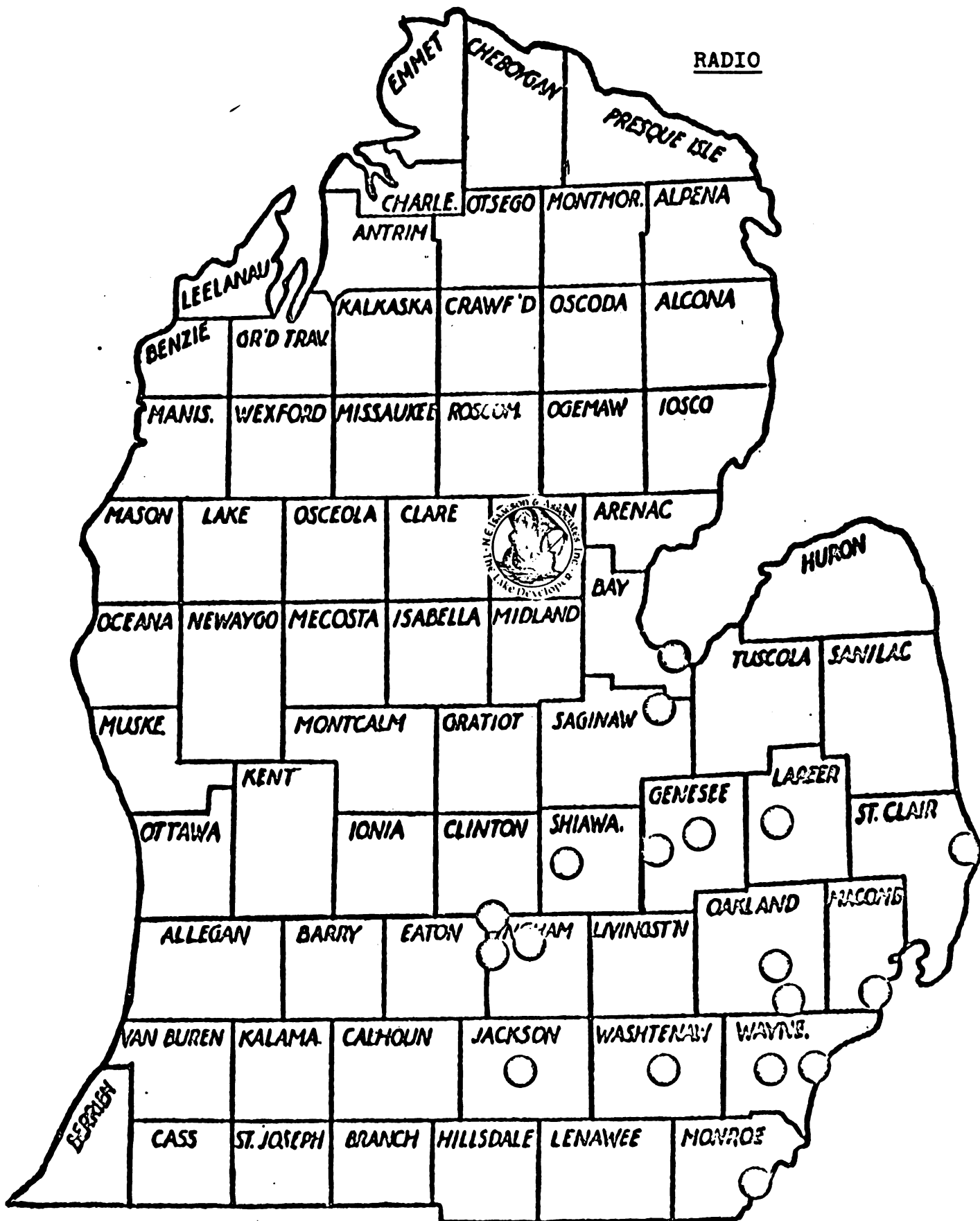
Royal Oak	WEXL
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Saginaw	WKNX
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Approximately 150
spots each during
August, September,
and early October.

Rates are negotiable.

Budget \$24,000



MAGAZINES

Motor News - Sept. - Oct.

Back Cover - Full Color \$4,310

Circ. 589,300

Micnigan-Out-of Doors - Aug. - Sept. - Oct.

Page - Full Color \$3,150

Circ. 120,605

OUTDOOR

6 Permanent Paint Boards

Contract 3 Years

Budget for 1971 \$7,000

DIRECT MAIL

50,000 Letters, Cards, Envelopes	\$4,000
Postage @ 8¢	<u>4,000</u>
	\$8,000

TOTAL BUDGET

Newspaper	\$142,000
Television	32,000
Radio	29,750
Magazines	7,460
Outdoor	7,000
Direct Mail	8,000
*Production	<u>30,000</u>
	\$256,210

*Production would be higher with Specta-
color, but newspaper budget would be
less as it would revert to black-and-
white rates rather than 4-color. It
should even out.

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