A NEWSPAPER ADVERTISING MAN, with not a little background in the broadcast media, has been chosen by this year's ACA Awards Jury as the recipient of the ACA Gold Medal, coveted annual award for singular service to the advertising business.

The 1965 winner is Ray A. Barford, general manager of the Canadian Daily Newspaper Publishers' Association, and the citation points up his contributions in terms of research, during his career in the advertising agency field, as a newspaper publisher and in his present position.

Barford, who has just passed his sixtieth milestone, was responsible during his association with the J. J. Gibbons Advertising Agency (1920-1944), for a large number of radio programs, both local and network. He ran the first race track broadcasts for Goodyear. For City Dairies (now the Borden Company) he brought the late Don Copeland from Winnipeg to Toronto for his Mr. Cheerio Club. He worked with an upcoming young sportscaster by the name of Foster Hewitt, selling the first hockey broadcasts as local programs on the Toronto Star's station CFCA. He was also associated with Harry "Red" Foster in the sale of grunt-by-grunt airings of the wrestling matches.

In 1944, he became general manager of the original (Lord Roy) Thomson Co. Ltd., acting as publisher of the Sarnia Observer.

In 1948 he went to work organizing the eastern offices for the James Lovick agency.

In 1951 he returned to the Thomson Co., as publisher of the Vancouver News-Herald and then in 1954, to The Scotsman in Edinburgh. He developed a deep respect and affection for Thomson — "God knows where he is going, but he'll get there!"

In 1956 he came back to Canada setting up his own advisory business, working closely with McCann-Erickson (Canada) Ltd and various newspaper associations and individual newspaper publishers.

Research is Ray Barford's fetish, and he has found the 104 (100%) Canadian newspapers gratifyingly easy to deal with.

"It is the duty of the media — not just the newspapers, but all the media — to undertake continual research with no end to it." He sees great hope in the fact that research is now becoming unified by means of computers, but it has to be research of the right kind.

"We are living in an age of mathematical madness," he said, "and we who are older have a job of sorting out the good from the bad."

"Let's not quote what we did twenty years ago," he said. "It's now that we should be thinking about, and by now I mean the young men who are stepping into the key spots in all phases of advertising."

Stressing his conviction that the newspapers need standardized research, he said, "Radio and television have had and are having a tremendous effect on our progress. They're damn good, clean and tough competition, which makes both our media better and the advertiser gains in the end."

His one mildly negative thought about broadcasting was a fervent wish that the radio and television people would follow the newspapers' lead in their selling tactics, because "wheeling and dealing, off-again on-again rate cards and various kinds of bonuses are destroying the value of advertising — all advertising."

In his off hours, Ray Barford is an ardent painter. He also plays golf. Lately he has acquired a small farm. He admits he knows nothing about farming but loves it. He also curls.

On the family side he and his wife Geraldine, have one son and six grandchildren.

Grand Finale!
Hear
STAN FREBERG
sound off about
'Breaking through
the Mediocrity Barrier'
4:00 P.M.

"You can tell the ideals of a nation by its advertisements."
—George Norman Douglas
I WUNDER IF THE TITLE “Association of Canadian Advertisers” is not a misnomer—does it do your function justice?

The role of the advertising manager has drastically changed. It is not enough for him to know good copy, appreciate good art and be intelligent about media. He must be a well-rounded Marketing Man. Even more, he must be a profit-conscious marketing man.

Advertising is just one facet of marketing; it is not an orphan. It must be totally integrated with selling, research and merchandising. Advertising cannot successfully act in a vacuum. I remember when it did, or tried to.

Advertising’s place in the future growth of the economy?—in the forefront.

We are on the threshold of a new consumer era, a period, insofar as marketing is concerned, unlike anything we have known in the past. The environment being created for us will be dominated, not by the familiar wants and needs, hopes and desires, but by new aspirations of different character and substance.

We must take time to stop and analyze what we are doing, to look at and listen to the consumer. Her voice is rising all over the land. She’s being bombarded with more than 15,000 different selling messages a day. The tried and true shibboleths of advertising will no longer penetrate this overwhelming “semantic noise”.

So I say let’s get out from behind the organizational walls and administrative labyrinths and again face the realities of the marketplace.

No doubt you feel you have good rapport with your markets. Businessmen underwriting $718 million worth of advertising here last year must have thought so. But do not be deceived—thinking business does not mean we are thinking smart.

Walk down the aisle of any supermarket. Rows and rows of products shout for your attention. Is one different from another? Not by much.

And is one advertisement that much different from another? If it is, it is becoming increasingly difficult to distinguish one product from another. We’re indulging a new fad, a “cult of conformity”. The idea is to save time, money and cerebral effort by seizing upon the successful theme of another and ride the crest of its popularity.

Avis made a name and a record with its “Number Two So We Try Harder” campaign. Now the whisky distiller, third in his field, is trying to cut himself in on a good thing with a program entitled asking “What’s Wrong with Third”?

I shudder to think of the influence on the fresh, young creative minds in the advertising business. How many conformity taking precedence over creativity. It would seem that “How To Succeed in Business Without Really Trying” is a documentary, not a musical farce.

Worship of research is one of the deluding influences of modern advertising. We’ve taken the consumer apart, but we still cannot positively predict what, why or how much she will buy.

And has your research told you that the primeval desire for security is passe? People don’t save for a rainy day, they save for a sunny one. Money is put aside, or borrowed, for vacations, a second car, a portable television set—not for old age. Has your research pointed out that the prestige of being the “largest seller” has a backlash? People don’t want the kind of conformity that implies. They want to think a product is for them and their needs alone. If everyone has it they’re not sure they want it.

The principal lesson to relearn is to remember that we are dealing with a highly unpredictable animal. Our most effective weapon for getting his or her attention, and for getting interest in the products we sell is—an idea.

The great advertising campaigns of yesterday and today are fundamentally creative inspirations of people. They’re intuitive solutions to a given set of human puzzles. They’re direct and compelling with an originality never achieved through the “synthetic thinking” that’s a byproduct of scientific methodology employed too often today.

There was a time when you could invent a product and have the field to yourself for a while. Coca Cola had the field to itself, unopposed, until 1935. Kleenex tissues were the only major brand for almost 31 years.

But today ideas can be copied and overpowered in no time at all. The first heavy-duty detergent was imitated and buried by the competition in a year. The first cake mix now has less than three per cent of its market. The original instant coffee has only one-thirtieth the volume of the current industry leader.

Perhaps the most overlooked influence of advertising has been its impact and stimulus on advertisers themselves. The rewards of being able to make an honestly exciting advertising claim are the incentives that add dynamics to the entire business community. It brings out a degree of competition unknown to the old economists. Price is not the major factor any more. You don’t try to make the same product others make, and sell it for less. You strive for a better product, a newer idea, a product with unique benefits and then—advertise.
WHAT'S ON TODAY AT THE ACA?
Wednesday May 5 1965

9:15 a.m. Ballroom
THE OUTSTANDING AD CAMPAIGNS OF 1964
Co-ordinator:
TED EARL
Editor, MARKETING Magazine, Toronto

Commentators:
R.A. NORMAN, MacManus, John & Adams of Canada Ltd., (President of the Copy Directors Club)
CLARKE B. LLOYD, Crown Life Insurance Company, (Representing ACA)

10:30 a.m.
"NO MATTER HOW YOU SLICE IT ... IT STILL ISN'T LIFE"
STEPHEN O. FRANKFURT
Senior Vice-President & Creative Director,
Young & Rubicam Inc.,
New York, N.Y.

12:30 p.m.
KEY EXECUTIVES' LUNCHEON — Canadian Room
(Honouring Top Management of ACA Member Companies)
Speaker:
JOHN SCOTT

2:15 p.m. Ballroom
"POSITION IS EVERYTHING"
R.S. LESSLER
Executive Vice-President, Marketing Services,
Grey Advertising, Inc.
New York, N.Y.

3:30 p.m. Ballroom
"THE PRINT BACKLASH"
DENIS W. CASE
Vice-President, Director of Creative Services,
Mckim Advertising Ltd.,
Toronto, Ontario

4:00 p.m.
"BREAKING THROUGH THE MEDIOCRITY BARRIER"
STAN FREBERG
Freberg, Ltd.,
Los Angeles, Calif.

WHY OAKVILLE?
...Once a Pleasant, Suburban Dormitory—now emerging into
A $500 MILLION INDUSTRIAL CENTRE

Read what the Minister said:

HON. STANLEY J. RANDALL
Ontario Minister of Economics and Development

"In the next 5 years, 10 major industries will locate in this area annually."

"Each major industry generates the need for four service industries."

"This results in an additional 200 industries locating in Oakville within the next 5 years."

- Earnings in Oakville are higher than the Canadian average - even higher than the Ontario average.
- Oakville is in the centre of Canada's prime market area.
- Oakville's population - now some 50,000 ...will exceed 143,000 in the next 20 years.

- A $75,000,000.00 complex is planned jointly by Canadian Petrofina Limited and Union Carbide of Canada Ltd.
- Oakville will require...37,000 new dwelling units, 12,600 owner housing units and 12,000 rental housing units.
- There are currently 135 industries in Oakville employing over 18,000 people.
- Assessment of real property - not including business assessment - will rise from the current 119 million dollars to a whopping big $500,000,000.00 and the new 35 million dollar residential development at Sheridan homelands is to be started immediately.

Get your share of the Oakville Boom via Oakville's own

CHWO

Already serving 150,000 prospects for your product in this fast-growing market place

TORONTO: 66 King Street West • MONTREAL: Radio & Television Sales Inc., Windsor Hotel • WINNIPEG: Broadcast Representatives, 211 Dayton Bldg. • VANCOUVER: Radio-TV Representatives Ltd., 1131 Richards Street.
ALL-CANADA delivers the goods!

CONSUMERS | MARKET DATA | PRODUCTS | COMMUNICATIONS | SALES

All-Canada Radio and Television delivers Canadian and U.S. advertisers
the essentials for a successful marketing-mix

CONSUMERS — All-Canada reped Stations deliver 4,526,000 Radio and TV Homes* MARKET DATA — All-Canada stays right up to date on all developments in every market. The All-Canada Reference Library contains upwards of 500 publications on every aspect of local, regional, and national economy — together with the latest broadcast facts.

COMMUNICATION — All-Canada represents and works for 70 Stations from the Atlantic to the Pacific. SALES — All-Canada reped Stations know their markets in detail. Their rapport with Jobbers, Distributors, Chain-Store and Supermarket Decision-Men carries the Advertiser and Station sales effort right into the market-place.

TO ADVERTISERS, All-Canada delivers Canada

TO STATIONS, All-Canada delivers Advertisers TO BOTH, All-Canada delivers Results!

ALL-CANADA DELIVERS SALES!

ALL-CANADA RADIO AND TELEVISION LIMITED

TORONTO / MONTREAL / WINNIPEG / CALGARY / VANCOUVER
NEW YORK / CHICAGO / ATLANTA / DALLAS / SAN FRANCISCO / HOLLYWOOD

"B.B.M. Feb., 1965 Aggregate Weekly Reach."
Daniel Starch

One ad-dollar gets you three

AN AMERICAN BUSINESS research consultant produced strong evidence that advertising's effects can be counted out directly at the cash register, in a talk delivered yesterday morning at the ACA convention in Toronto.

Daniel Starch, founder and chairman of his own research firm in Mamaroneck, New Jersey, tabled the results of a five-year study on 59 product brands at the meeting. He said 14 per cent of Saturday Evening Post readers reacted to large-size ads for the selected brands within one week of ad publication by stepping out and buying the products.

He also said the cost of advertising appears to approximate one dollar for every three of new business, and called the result "seemingly a small return for the investment to"

But he added, "Delayed effects accumulate over the long pull, and build up a reservoir of brand awareness through preference and habitual purchases."

"The delayed effect is probably in the long run, the greatest value of advertising contributes," he said.

The fifty-nine brands in Starch's 1960-1964 study had 613 advertisements in the Post during the analysis period, he noted.

"When there were advertisements for the brands, 9.8 per cent of Post readers bought during the week following the appearance of the ad," the study found.

"When there were no ads, 8.6 per cent bought."

"The difference of 1.2 points indicated that 14 per cent more readers bought when there were advertisements of the brands in issue than when there were not," Starch concluded.

The study reaffirmed the results by making a special investigation into buying for the week preceding specific advertisements, and for two or three weeks immediately following.

The higher buying rate apparently drops one-and-a-half to three weeks after publication, he added.

CAMPELL'S SOUP - DOLLAR RETURN ON DIFFERENT COPY THEMES

<p>| Net Ad-Produced Dollars Produced Per | Dollar Ad-Cost. |</p>
<table>
<thead>
<tr>
<th>Ad</th>
<th>Purchases</th>
</tr>
</thead>
<tbody>
<tr>
<td>Many varieties</td>
<td>5</td>
</tr>
<tr>
<td>New soups</td>
<td>2</td>
</tr>
<tr>
<td>Youngsters eating soup</td>
<td>16</td>
</tr>
<tr>
<td>Large soup area</td>
<td>66</td>
</tr>
<tr>
<td>Ingredients</td>
<td>29</td>
</tr>
<tr>
<td>Frozen soup</td>
<td>14</td>
</tr>
</tbody>
</table>

back approximately to the pre-ad rate.

He also confirmed that the brand purchase rate among non-readers of the Post advertisements was evidently identical to the overall buying rate for Post readers when ads for the brands were not carried.

"It came back to the assumption made long ago that advertising can function only through those who perceive the message," he said.

The main of the Post ad study was as follows:

Among ad readers | 12.7 | 8.6 |
Among ad non-readers | 8.6 | 9.8 |
All readers - ad in issue | 9.8 | 8.6 |
All readers - no ad in issue | 8.6 | 9.8 |

Starch cited independent studies supporting his conclusions.

Recently the U.S. Department of Agriculture analyzed the effect of advertising on sales of lamb, apples and frozen orange juice, he said.

Inventory flow methods of determining sales copy set up by arrangement with 78 supermarkets in six cities, he explained. Then the Department inserted weekly advertisements in newspapers.

Lamb sales rose ten to fifteen per cent during the advertising period, Starch said. Apples sold twenty per cent better when the "use" theme was stressed, nine per cent better when health was emphasized. In the frozen orange juice example, a nationwide campaign of newspaper ads got results 13 per cent higher than those predicted by the campaign without promotion.

Radio advertising for Oscar Mayer weiners was studied in 1963, over the course of 162 broadcasts on stations.

Starch said conclusions indicated 22.7 per cent of radio listeners bought the Mayer brand as opposed to 18.6 per cent of non-listeners. He calculated the increase of 3.7 points as a 20 per cent swing attributable to the radio campaign.

The U.S. Department of Agriculture study arrived at a ratio of $1.50 sales per dollar of advertising cost, he said. The Weiner campaign got $2.00 worth of sales, at wholesale prices, per dollar spent on commercials.

"The important value of measuring the effects produced by advertising lies in being able to evaluate different kinds of advertising, different themes and approaches, and to do so in comparable terms," Starch said.

He quoted a Campbell's soup study of varying copy approaches to illustrate his point:

Alan D. Marshall

Advertising gets three salesmen free

MINNESOTA MINING and MANUFACTURING of Canada in effect picked up three additional salesmen without additional sales costs," by means of a revamped advertising program for Scotch Brand Tapes, said Alan D. Marshall, 3M's marketing supervisor, at the ACA convention Monday.

He called his talk "The Salesmen that Never Were", and said the new advertising program launched in 1964 corrected past programs "featuring one product while neglecting to lend advertising support to the other three hundred in 3M's line."

The 1964 campaign was designed to expand the 3M's share of the pressure-sensitive tape market in the metal-working industry, he said, partly by exploiting maintenance and safety features of the product. New products were also to be pushed with the campaign.

Ads formulated in editorial style each presented six or seven Scotch Tape application ideas, using pictures and a minimum of copy.

A media budget of slightly less than $30,000 paid the cost of advertising in eleven publications, Marshall said, and allowed for direct mail support.

Simple reports called Customer Action Required forms funnelled all leads generated by the advertisements to the sales force. Marshall said 982 leads were received, an increase of 900 per cent over 1963.

Dollar potential of the leads was $47,400.

What's more, 18 per cent of the inquiries led to first follow-up call sales, and 34 per cent resulted in consumer interest in other 3M products, Marshall explained.

"The results were nothing short of fantastic," he said. "We found that advertising has not yet discovered a way to replace personal selling, but it can and does pre-sell a prospect. It has proven itself to be a good salesman."

HONOR CHARTER MEMBERS

Three charter member companies were honored at Monday's ACA luncheon.

Citations marking 50 years of continuous membership were presented to L. E. Spencer, president & general manager, The Goodyear Tire & Rubber Company of Canada, Ltd.; Kenneth Winter, vice president and assistant general manager, Canadian Kodak Co. Ltd.; and J. R. Hamilton, merchandising manager, General Motors Products of Canada Limited (successors to McLaughlin Carriage Co. Limited in whose name the General Motors' membership is still retained).

Due to the enormous increase in registrations, today's sessions will take place in the Royal York Concert Hall instead of the Ballroom, as scheduled.

MEMO from the desk of

GORDON FERRIS

To - All Radio-TV Reps Ltd. Stations

Having followed the fiftieth Convention of the Association of Canadian Advertisers, we are firmly convinced that mutual understanding between buyers and sellers of advertising, in all its forms, will continue to grow through the years in terms of better results for both the advertisers and the media.

T.G.F.

Radio-Television Representatives Limited

May 5, 1965
Yes, there have been changes in the Calgary market. Most significant of all, CFCN Radio and CFCN-TV have emerged as a greater selling force than ever - selling better than ever, harder than ever, over a more extensive coverage area than ever. Now that the smoke screen of claims and counter-claims has cleared, let’s get down to solid selling with the stations that go all out for action where it counts - at the cash register!

One of the family!

CFCN RADIO/TV CALGARY
a. Action at any altitude:
CFCN mobile crews climbed Whitehorn Mountain to cover the famous Beehive Giant Slalom Ski Event for CTV's "Wide World of Sports". Outstanding on-the-spot sports coverage for local and network audiences makes CFCN "one of the family".

d. Action at sun-up:
25,000 of your Calgary customers turn out at the crack of dawn to join CFCN in our annual pre-Stampede Breakfast. Another big selling opportunity during white-hat week is CFCN's Stampede Guide, with advertising for radio sponsors - its circulation now doubled to 10,000.

b. Our "Action Area":
CFCN-TV coverage area has been doubled by strategic satellites like Drumheller/Hand Hills (see map). CFCN Radio now reaches more homes per week, in more BBM census divisions, than any other Calgary radio station. And radio selling power will soon increase to 50,000 watts!

e. Action in the market-place:
CFCN Radio cruiser-car promotions mean an "instant" sales increase for our sponsors. Example: CFCN's Don Wood was a persuasive potentate for Nabob in a recent successful promotion.

c. Action "at the races":
CFCN-TV's Tel-A-Races - a proven winner for mail-pull response! The show that pulled 13,270 proof-of-purchase labels per week for Sunbeam Bread in a recent ten-week period!

f. Action in store:
This April a typical CFCN radio remote helped move 10,380 cartons of assorted Betty Crocker mixes (from a single supermarket outlet). This weekend "Sell-athon" put Betty Crocker in one out of every nine Calgary homes.
Base advertising on profit and area

DOLLARS ARE THE ONLY COMMON DENOMINATOR BY WHICH ADVERTISING CAN BE RELATED DIRECTLY TO PROFITS, IN THE VIEW OF CHARLES W. SMITH, DIRECTOR OF DISTRIBUTION, PLANNING AND RESEARCH FOR NATIONAL BISCUIT COMPANY (CHRISTIE, BROOK, NEW YORK)

SMITH TOLD THE ACA CONVENTION MEETING IN TORONTO'S ROYAL YORK HOTEL YESTERDAY. "MEASURING MERE DOLLARS IS NOT THE WAY ADVERTISERS THINK ANYTHING ABOUT PROFIT OR SALES, PEOPLE GO ABOUT MAKING DECISIONS ON A SPECIFIC ADVERTISING STRATEGY. THEY THINK IN TERMS OF EXPOSURE, COVERAGE, IMPACT AND PENETRATION."

HIS COMPANY THINKS DIFFERENTLY, SMITH SUGGESTED.

NATIONAL BISCUIT HOPES TO BRING SALES AND ADVERTISING PEOPLE CLOSER TO TOP-LEVEL FINANCIAL THINKING BY LEADING THEM INTO STRONGER PROFIT ORIENTATION.

DURING THE PAST FIVE YEARS, NATIONAL BISCUIT HAS MADE SEVERAL DISTRIBUTION COST STUDIES INCLUDING AN ANALYSIS OF ACTUAL ADVERTISING EXPENDITURES IN RELATION TO ALL OTHER DISTRIBUTION COSTS, HE EXPLAINED.

THE COMPANY HAS BASED ITS RESEARCH ON THE PREMISE THAT THERE MUST BE A DEFINABLE LONG-TERM RELATIONSHIP BETWEEN PROFITS AND ADVERTISING — MEASURABLE AT PRODUCT GROUP AND GEOGRAPHIC LEVELS.

"EVERYONE LIKES TO THINK HE IS PROFIT-ORIENTED," SMITH SAID. "BUT WHAT I MEAN IS HAVING A FULL KNOWLEDGE OF THE IMPACT ANY GIVEN MARKETING COST IS LIKELY TO HAVE ON NET PROFITS OVER ANY GIVEN PERIOD OF TIME."

TO DO THE JOB, A MANUFACTURER NEEDS TO WORK OUT A DETAILED ANALYSIS OF DISTRIBUTION COSTS, USING GEOGRAPHIC AREAS AS PROFIT CENTRES, HE SAID. "IT HAS TO INCLUDE THE COST OF ADVERTISING AND PROMOTION IN EACH AREA."

A NET PROFIT FRAME OF REFERENCE WILL RESULT, HE SAID, BASED ON THE ESTIMATE OF HOW MUCH YOU ACTUALLY MAKE ON EACH PRODUCT IN EACH AREA.

THE PROFIT FIGURES THEN GOVERN HOW MUCH YOU CAN AFFORD TO SPEND ON EACH PRODUCT IN EACH AREA AND STILL MAKE MONEY, SMITH ADDED.

"THE FACT THAT A PROPOSED MARKETING DEVELOPMENT PROGRAM FOR A PRODUCT CALLS FOR AN EXPENDITURE OF $40,000, WHILE THE PRODUCT ONLY GENERATES A TOTAL PROFIT OF $25,000, MAY WELL CAUSE ONE TO REAPPRaise THE ADVISABILITY OF SUCH A PROGRAM," HE CONCLUDED.

SMITH SAID AN AREA PRODUCT-PROFIT FIGURE WOULD INDICATE AUTOMATICALLY THE POINT AT WHICH MARKET DEVELOPMENT SPENDING WOULD MOVE A MANUFACTURER FROM THE PROFIT TO THE LOSS SIDE OF THE LEDGER.

HE MADE THE POINT THAT MARKET DEVELOPMENT IS THE DISTRIBUTION EXPENSE MOST DIRECTLY INFLUENCING PROFIT RESULTS.

"MARKET DEVELOPMENT EXPENSE INCLUDES ADVERTISING, PRICE PROMOTIONS, POINT OF SALE, PREMIUMS, PRODUCT SAMPLES, WARRANTIES AND SO FORTH," HE SAID.

"SALES SERVICE EXPENSE COVERS SELLING, WAREHOUSING, INVENTORY INVESTMENT, CREDIT AND SALES ACCOUNTING."

"THE TWO TYPES OF EXPENSE BEHAVE QUITE DIFFERENTLY IN RELATION TO PROFITS," HE CONTINUED.

"GENERALLY SPEAKING, SALES SERVICE COSTS TEND TO VARY DIRECTLY WITH SALES, GIVING LITTLE OPPORTUNITY TO EFFECT PROFIT LEVERAGE. BUT MARKET DEVELOPMENT EXPENSE IS RELATIVELY FIXED IN AMOUNT — SO IT HAS GREAT POTENTIAL FOR PROFIT LEVERAGE IF IT IS HIGHLY PRODUCTIVE," SMITH SAID.

HE ADDED THE WARNING THAT UNPRODUCTIVE MARKET DEVELOPMENT SPENDING CAN ERODE PROFITS QUICKLY.

"WHEN TOO LITTLE IS SPENT, POTENTIAL SALES ARE LOST; WHEN TOO MUCH IS SPENT, PROFIT GOALS ARE NOT MET," HE SAID. "IN EITHER CASE, OPTIMUM PROFITS ARE NOT ACHIEVED."

LEADING COMPANIES IN THE BISCUIT INDUSTRY HAVE ALWAYS SHIPPED OR DELIVERED THEIR PRODUCTS DIRECTLY TO RETAIL STORES, SMITH SAID. AS A RESULT, NATIONAL BISCUIT CAN RELATE ITS SALES DIRECTLY TO SPECIFIC AREAS OF ADVERTISING IMPACT MORE EASILY THAN COMPANIES SELLING THROUGH INDEPENDENT OR CHAIN WHOLESALE CHANNELS.

"A KEYNOTE OF THE PROGRAM IS THAT EVERYTHING WILL BE HARD-SELL," HE SAID. "AND ALL OUR STUDIES INDICATE THAT WE SHOULD START OUR ADVERTISING ABOUT 18 MONTHS BEFORE OPENING DATE — IN NOVEMBER THIS YEAR — IF WE ARE TO HIT OUR PEAK AT THE MOST BENEFICIAL TIME," HE EXPLAINED.

SHAW TOLD THE ACA MANY PROMOTIONAL IDEAS TIED IN WITH EXPO ARE BEING CONSIDERED BY INDIVIDUAL COMPANIES, AND CITED PLANS TO USE EXPO VISITS AS CONTEST GRAND PRIZES.

HE SAID, "WE STAND READY TO HELP IN ANY WAY POSSIBLE. WE WILL SUPPLY FLAGS, FILM, FOLDERS, DISPLAY, MAQUETTE MATERIAL AND ANY OTHER MERCHANDISING AIDS AND INFORMATION TO ASSIST IN ANY WORTHWHILE PROJECT."

"WE CAN'T PRESUME TO TELL YOU HOW TO MERCHANDISE," HE SAID, "BUT WE WILL MAKE OUR MATERIAL AVAILABLE TO YOU."

QUEBEC ON DISPLAY

THE PROVINCE OF QUEBEC IS GREATER IN SIZE THAN THE COMBINED AREAS OF THE STATES OF NEW YORK, TEXAS, CONNECTICUT, MASSACHUSETTS AND RHODE ISLAND; RETAIL SALES IN THE PROVINCE TOTAL ONE QUARTER OF THE MONEY TAKEN IN OVER ALL CANADIAN COUNTIES.

THESE FACTS AND A WHOLE HEAP OF OTHERS ARE TO BE FOUND IN THE ELABORATE EXHIBIT BEING DISPLAYED FOR ACA MEMBERS AND GUESTS IN THE PAUL L'ANGELES SUITE IN THE ROYAL YORK HOTEL.

THIS DISPLAY, CONSISTING OF INNUMERABLE PHOTOGRAPHS, MODELS AND CHARTS CAN BE SEEN IN SUITE 15-146 WHERE VISITORS ARE BEING WELCOMED THROUGHOUT THE CONVENTION.

Marketing Budget

Fair will help co-ordinate advertising

THE DEPUTY COMMISSIONER general for Expo '67 called on delegates at the ACA convention to co-ordinate their World Fair advertising efforts through the Expo organization yesterday and said, "WE MERELY WISH TO AVOID DUPLICATION, THEREBY ASSURING THAT COMPANIES WHO TIE IN THEIR PROMOTION WITH THE EXHIBITION WILL RECEIVE FULL VALUE FOR THEIR ADVERTISING DOLLAR."

Robert F. Shaw also discussed use of the Expo emblem in private industry's advertising. He emphasized that the emblem is copyrighted and cannot be used without written permission.

An Exhibition Advertising Council will be set up, he said, to keep prospective advertisers having an interest in Expo '67 informed of promotional activity in all media. Shaw asked advertisers to keep the council up-to-date on their advertising plans in general.

In a brief outline of Expo promotion plans, he said the exhibition will start hitting hard on ticket sales through all media in the spring of 1966. Entertainment will be plugged from fall of 1966 on. Shaw said plans are for it to work up a full advertising and promotion budget for entertainment alone to approximate a million dollars.

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A NEW FACE ON THE PRAIRIES

This Potash miner is just a part of the enormous mining developments that are sweeping the Saskatoon market. His product is Potash (potassium chloride), which supplies vital Potassium (K) for the rapidly expanding fertilizer market. How big is this exciting prairie harvest? In the Saskatoon area . . . THREE HUNDRED MILLION DOLLARS . . . is new Potash investment, and there is more to come.

CFQC-TV serves this market with exclusive television coverage, polished with ten years of practical experience. Examine Saskatoon closely, and capture this market with the powerful voice of CFQC-TV.

May 5, 1965
Continued from page 9

every city neighborhood were covered by this transit schedule.

Now — Direct Mail Promotion

It is our feeling that direct mail is an excellent medium for the promotion of an FM Station, because it is not costly, and, it allows you to be extremely selective.

One mailing went to 2,000 members of the Hamilton Philharmonic Orchestra Association; another, to every hospital, doctor, and dentist in our trading area, still another service area. All of the Hamilton Cable TV Systems have selected CHML-FM to feed to their 10,200 subscribers.

Display Advertising

We created attractive four-color display cards for distribution to record bars, department stores, radio and appliance stores and, in fact, wherever we could place them. Four-color tent cards were created for distribution to businesses which fit this category of display.

Special, custom-made displays were created for hotels, theatres, department stores, and other heavy traffic locations.

Before we can have an audience, we must have receivers, and so the radio dealer is a very important person. Weeks before our opening, every radio dealer throughout our trading area was notified in writing of the coming of "Hamilton's First FM Stereo Station". Naturally, the suggestion was there, to stock up now and get ready for new sales of product.

Just two weeks after we went on the air, a leading Hamilton FM Stereo Distributor organized a trade show, which was well attended by radio dealers from all over our part of Ontario. This was an ideal opportunity for CHML-FM to promote the sales of sets with the dealers, and we took full advantage of it. We set up a colorful Station Display. We had hostesses and station personalities present; we printed a special brochure outlining the station's coverage, programs and special features, and we conducted a contest among the radio dealers present.

Throughout this trade show, station people conducted an extensive "Listener-to-Person" campaign with the Radio Dealers, to urge them to feature FM radios in their fall merchandising programs.

Our AM sales staff did a good job in getting "dollars from dealers" to advertise FM sets on AM.

We urged retailers to feature FM sets in their own newspaper advertising.

CHML-FM invested money in a special type of newspaper ad which also used the line "See Your Radio Dealer Now!".

Preceding Christmas, CHML-FM broke with another campaign "on the air" — and "in the press", suggesting that people give FM sets as Christmas gifts.

Finally, radio dealers and their staffs are continually being invited to the CHML-FM station, to inspect the facilities and meet the staff.

Over To McMaster University

McMaster students produce and broadcast a weekly program on CHML-FM. This has enabled us to obtain a lot of coverage in the University newspaper, The Silhouette, with a circulation of 2,000.

Of Course There's Merchandising

We believe that certain forms of merchandising provide benefit to the station and to the client.

One example: The Bermuda Trade Development Board presents Bermuda Musical Holiday, a half-hour weekly program each Sunday. Briefly, this is how we merchandised this feature.

(a) First, CHML-FM hosted a trade reception attended by all Hamilton area travel agents. They were addressed by Ron Bassett, Canadian Director of the Bermuda Trade Development Board; Jim Payne of P'Arcy Advertising; Dick Sheppard of Stephens & Townrow's FM Division; and Bill Reid, our general sales manager.

(b) Regular air promotion is broadcast to build listenership in this feature.

(c) Newspaper advertising spotlighting Austin Willis, the program host, is being used.

(d) Attractive displays have been installed in nine different Hamilton and area locations. That's one example. There are others, and in all cases a "good plan is designed to benefit the client and the station.

With regard to publicity and public relations, we have been very active. Both by letter and personal contacts, we have achieved good coverage from Radio-TV columns.

One of the greatest PR jobs we accomplished was the broadcasting of Hamilton's First News Breakfast, which was attended by some 400 of the most influential citizens of our area. Radio promo, newspaper ads and special telephone contacts, were all used to attract audience to this presentation. Subsequently tapes of the complete service were provided free to community leaders for specific use at public meetings.

And then — another important event — CHML-FM was invited to take over The Hamilton Advertising & Sales Club's Annual Industrial Night. We jumped on the bandwagon fast. What an opportunity to sell our new station to industrial people in our community — more than 400 businessmen, whose every day life is associated with sales and advertising.

There were four principle responsibilities: prizes, which naturally were FM radios; the supplying of entertainment talk and the providing of the "guest speaker". I would like to pay a sincere tribute to the president of our National Association, Mr. Don Jameson, who came to Hamilton and delivered an address, which was a credit to our industry.

In the more than six months since the birth of our baby, we have built our strength by using: Radio — Newspapers — Billboards — Transit — Direct Mail — Cable TV Systems — Display Advertising — Merchandising — Publicity and Public Relations — and what we like to think is "Good FM Stereo Programming."

What About The Future?

We shall continue to use every promotional idea we can conceive to stimulate interest in FM, and build a greater audience for our particular station. We hope that every other FM operator will do the very same thing for the general over-all growth, and health, of FM.
There's danger with deals that curtail advertising

THE ANSWER TO THE QUESTION of whether advertising and deals are part of a "yes" or "no" decision rests with Dean M. Prather told delegates at the ACA convention yesterday. Prather is president of Art C. Nielsen Company of Canada Limited.

After presenting an analysis of deal and advertising levels and trends for 199 brands (all having at least three-year histories) in 49 commodity classes of food, beverages and household products, he agreed with the possible conclusion that advertising and deals dovetail, but warned that:

- Advertising is the senior partner by virtue of its growth-producing ability.
- Deals, or price promotion, can best serve the partnership as a competitive aid, or better still as a defensive tool.
- In order to capture the growth potential of markets and brands successfully, meaning fully and profitably, advertisers have a sturdy challenge ahead to sharpen the use of both advertising and deals.

Before starting his graphic presentation of research data, Prather explained that by deals he meant price promotion.

Then he said, "In the grocery industry there is at present a notable tendency toward more extensive deal usage in Canada than there is in the United States. I do not mean to infer that deal usage in Canada is, ipso facto, excessive," he added, "but we need to do our best to determine the right - or reasonably close to right - mix of advertising and price promotion."

Among brands and classes categorized as losers (showing decreased sales in 1964), he said:

- 44 per cent of losing brands used deals to the extent of ten per cent or more of sales (corresponding growth-brand percentage - 32).
- Only 22 per cent of losing brands increased 1964 advertising and simultaneously had an advertising share representing more than share of market (corresponding growth-market share - 32).
- 38 per cent of losing commodity classes used deals on 20 per cent or more of sales volume (corresponding growth-commodity market share - 16).

At the same time two-thirds of heavy and medium growth brands increased their advertising budgets, while 36 per cent of losers upped ad expenditures.

Prather said, "Results tend to associate advertising with brand growth, but there would be no sense in contending that deals create loss. The cleanest conclusion is that deals occur with greatest frequency among losing brands."

He considered it only fair to tell the delegates that nine of the 59 growth brands used no advertising and no consumer deals at all. But he warned that Nielsen records have never revealed the "nothing" approach to be a source of permanent success.

To sum up the product brand study, he said, "The suggestion has to be that success in producing growth will be imperilled, if deals, or anything else, curtail advertising. Quantity beyond certain limits."

Similar indications came out of the commodity class study, Prather demonstrated.

He said, "Losing brands in growing commodity classes relied relatively less on advertising and more on deals in 1964, while growing brands that gained sales in declining commodity markets were notably above average in advertising quantity, and just as notably below in use of consumer deals."

Although "right marketing mix" clearly does not exclude deals, he explained, it is clear that it does incorporate a healthy advertising level.

"Another conclusion, and one which is not in error, is that deal activity does not appear to be the promotional element which produces total market growth," he said.

He suggested that deals are being employed in fairly heavy quantities among brands in poor trend markets to hold onto sales volume and position, and added:

"Deals tend to produce competitive interplay among brands instead of creating more consumer usage in a commodity class."

"The story is clear," he said, "Advertising expenditure changes (up or down) are closely associated with total market sales changes in the same direction."

Concerning Costs

Advertising budgets should be made to measure

A MARKETING VICE-PRESIDENT, joined with other speakers at the ACA convention in saying advertising men should become more conscious of profit goals.

Thomas B. McCabe, Jr., compared the marketing objectives of his company, Scott Paper, Philadelphia, with others when he said, "As competition has intensified, the major marketing drive in many instances has been to maximize market share and volume.

"But more and more, we will be asking ourselves what is the share of market where we can maximize profit?"

He said at Scott Paper, profit objectives are the starting point for the annual budgeting process in advertising.

McCabe emphasized that Scott does not put an arbitrary ceiling on advertising as a percentage of sales.

Present spending is equal to about six per cent of sales, he said, but a variance of a percentage point or two is possible.

He outlined five major factors having a bearing on Scott's advertising expenditures the budget time span, performance control, creativity, product timing and promotion.

Scott's U.S. company recently switched to a two-year detailed budgeting system, he said. The Canadian operation has the same objective, "to look ahead further than the upcoming calendar year."

He said his company does not follow the strict rule that brand share of advertising should be kept at or above brand share of market.

"We try to determine just how effective competitive advertising efforts are in relation to our own," he explained.

"Product performance analysis has revealed to us that advertising can be productive only if other elements are favorable," he said - "such as pricing and packaging."

He told the ACA delegates Scott had spent four years measuring relations between advertising spending levels, initial purchase, market share and volume levels, and said:

"On established products, competitive conditions change so fast and authors have found it impossible to study the advertising effects over broad marketing areas for a considerable period of time is more useful to planning than small scale experimentations in selected markets."

It was his view that creative leverage is the key to competing effectively in the communications battle. He said Scott had stressed creating product advertising budgets for campaigns of unusual merit.

"We have seen evidence in our own business of more than doubling the effectiveness of a given dollar by making improvements in creative approach," he said.

McCabe felt today's promotion expenditures appeared to be increasing at a faster rate than advertising, and said, "This in effect represents a step back to the old days when products and markets were in their infancy."

He also warned increased promotion costs as one of the major reasons for the profit squeeze being experienced by most businesses.

MARKET IN MOTION

THE MUSTANG - A MARKET IN MOTION, an address to the ACA Convention by Robert J. Fisher, ad manager, Ford Motor Co., Dearborn, Mich., will be reported in a regular issue of The Broadcaster shortly.

Research

May 5, 1965
WELCOME

CFTO-TV Channel 9 Toronto welcomes The Association of Canadian Advertisers to Toronto and extends best wishes to all attending the 1965 Convention.

Congratulations to all members on the occasion of the Golden Anniversary of A.C.A.

We look forward to meeting you during the convention when you visit our hospitality suite at the Royal York Hotel.