

# Determining Your Advertising Objectives

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Clear objectives for an advertising campaign are essential. Do you want to generate leads or encourage brand switching? It's important to decide before your campaign begins, so you can design your campaign to achieve your goals. In addition, the results should be measurable so that you can be sure the campaign is worth the investment.

## What You Need to Know

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### **Should I judge the effectiveness of my advertising by sales results?**

Advertising success should certainly be measured, but there may not be a direct correlation between advertising and sales. Advertising may generate a large number of leads, as well as increase consumer awareness of your products, but the sales force may not be able to convert those leads to sales. You have to judge how much your advertising is boosting sales and how much it is boosting potential.

### **Should I judge my advertising agency solely by the results they deliver?**

The trend toward judging agencies on measurable results has been driven partly by direct marketing agencies that claim to be driven by results and partly by the desire of marketing executives to increase accountability. Some agencies have gone so far as to base their fees on results rather than charge traditional agency fees. Results are dependent on many aspects of marketing; for example, an agency could claim that it has no control over the performance of your sales force or your product quality. It is essential, therefore, that you agree on a definition of success. Just keep in mind, as one advertising agency put it, that there should be quantitative and qualitative measures—which should be set jointly.

### **Since my advertising budget is limited, can I set different objectives for the same advertising campaign?**

An effective campaign has a single focus with a specific measurable result. By mixing objectives, you may achieve only part of the outcome you want.

# What to Do

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## Set the Right Objective

You must have clear objectives for your campaign. Advertising may have many purposes, so identify a specific objective for a specific campaign. A campaign may be designed to do the following:

- raise awareness of your company, product, or service within a clearly identified target market
- communicate the benefits of your product or service
- generate leads for the sales force
- solicit customers through a direct response campaign
- persuade prospective customers to switch brands
- support a marketing event, such as a sale or an exhibition
- inform customers where to obtain the product
- build confidence in your organization

Again, you should be clear in advance how much is dependent on advertising and how much is dependent on other aspects of your marketing effort, such as the sales force.

## Identify Measurable Objectives

To insure that your advertising campaign delivers results, your objectives should be translated into precise, measurable targets, as in the following examples.

### **Consumer Product**

- target market: 100,000 prospects in the northern sales region
- marketing objective: achieve high level of product understanding in the target market
- advertising objective: persuade 15% of targeted prospects to request a free sample

### **Business Product**

- target market: 2,000 manufacturers who use electrostatic coating processes
- marketing objective: increase market share to 20%
- advertising objective: persuade 40% of prospects to request product fact file

## **Raise Awareness**

Awareness advertising can be used if your company is entering new markets in which you do not have an established reputation, if you are launching new products which appeal to specific sectors of your market, or if research shows that customers and prospects are not aware of the full extent of your products and services.

For example, to raise awareness of its new range, one company advertised in special interest consumer magazines designed for its target audience. Advertisements included the telephone number of an information line. Editorial articles in the same group of publications backed up the advertising by providing more detailed information for consumers.

Awareness on its own will not sell products, however; if this is your objective, you must integrate your campaign with other elements of your marketing. Likewise, awareness among the general public is very different from awareness in a small, specialized market, so you should be clear about whom you are trying to reach.

## **Communicate Benefits**

Product advertising should focus on solving the needs of your customers; consequently, your advertising should stress the product's benefits. This type of advertising is important when research shows low awareness of product benefits, if your products have recently been improved, or if you need to counter competitors who have introduced products with similar or better benefits.

For example, if research shows that your company's products are perceived as old-fashioned or poor value for the money, you need to take action to communicate the real benefits of your products. The phrase "perception is reality" definitely applies in advertising.

## **Generate Leads**

The purpose of some types of advertising is to provide leads that can be followed up by a field sales force or telemarketing team. Sometimes, customers or prospects have a complex decision-making structure and you cannot identify the decision makers. Advertising that generates inquiries can identify the right people and open the door for the sales team. It can also be used to identify prospects in new market sectors in which you do not have an established customer base. Finally, this type of campaign can generate leads for agents, distributors, or retailers who handle your local marketing.

## **Solicit Customers through Direct Response**

Direct response advertising is the most measurable form of advertising and provides a direct return in terms of incremental sales. In an increasing number of markets, customers prefer the convenience of buying direct, and you have to decide whether it is appropriate to bypass your existing distribution channels.

In the personal computer market, for example, products have become increasingly regarded as commodities, and the resulting price competition put pressure on margins. Manufacturers found that businesses and individuals were willing to buy personal computers “off the page” or via the Internet. The result was a considerable growth in the level of direct sales, and manufacturers could reduce prices by avoiding the cost of selling through retail outlets.

## **Encourage Brand Switching**

Advertising can play an important role in winning new customers as it encourages them to switch brands. It helps you to increase market share or maintain share against competitive actions and is also important if you are introducing new products that offer greater benefits than those of your competitors.

## **Support a Marketing Event**

This type of advertising helps to build traffic for your special event and insures that the event attracts the right prospects. For example, a company that sponsors senior executive seminars as a way of building its credibility could run advertisements in the business press to promote such a seminar.

## **Inform Customers Where to Obtain the Product**

Advertising can help to drive business to retail outlets and can improve the performance of your distribution network by showing the range of services available from the outlets. It can also counter competitive action, if, for example, customers are using other distributors to obtain spare parts and service. In this case, advertising should show locations of retail outlets and explain why the authorized distributor should be the first choice for customers.

## **Build Customer Confidence**

Capability advertising or corporate advertising is sometimes dismissed because it is difficult to measure, but it is important to use when a company has been undergoing significant change or is entering new markets. It also provides support when a company is trying to win key account business or if competitors are targeting your important current customers.

## **What to Avoid**

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### **You Set Objectives That Are Not Measurable**

Advertising objectives should be measurable for two important reasons. First, to make sure that advertising provides an adequate return on investment. Second, to measure the effectiveness of the campaign itself, so that future advertising can be improved or modified to deliver better results.

### **You Set Objectives That Are Too Broad**

An objective such as raising awareness is important, but often it is seen as the sole objective. Advertising objectives should be closely linked to marketing objectives so that advertising is used to perform specific measurable tasks within an overall marketing framework. You should be sure that what you want to achieve is possible with advertising communications and acknowledge the importance of other elements of your marketing, crucially, the product itself or your pricing strategy.

## **Where to Learn More**

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### **Book:**

McDonald, Colin. *Is Your Advertising Working?* World Advertising Research Center (WARC), 2003.

### **Web Site:**

"What is advertising? How can I profit from it?", U.S. Small Business Administration: [www.sba.gov](http://www.sba.gov)

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