



Center for Economic Vitality

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Effective Advertising: Reaching Your Customer on a Budget

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If you read the last paper published by the CEV, "Introduction to Marketing," then you are on your way to marketing your business through advertising. Advertising is an essential way to proactively reach your customers and drive sales of your products or services. More importantly, effective advertising can lead to more sales and give you the biggest bang for your buck. This paper will describe effective ways in which you can stretch every dollar to best reach your target customer.

Some Advertising Tips

Below are some tips to help you start thinking about how to advertise to your customers:¹

- **Advertise in the right places** – Know the basics about your target customer so you can choose the methods that best reach them in their everyday life. Are they likely to visit a particular place or read a certain newspaper on a regular basis? Once you have identified the right places to advertise, you can design an ad aimed at their interests.
- **Diversify** – Don't put all your eggs in one basket; relying on one advertisement can be risky. Imagine if you put your entire advertising budget into a newspaper ad that doesn't result in more sales. Spread your resources over multiple advertising options to manage the risk of any one of the ads failing.
- **Don't try to be everything to everyone** – It is unlikely that your product will appeal to everyone, so design and distribute your ads based on the target customer. This includes using words and images that appeal to your potential customers, along with posting in the publications they read.
- **Test your ads in advance** – This doesn't require expensive focus groups and surveys, but rather having your advertisements critiqued and proof read by your friends, family, and whomever else you can get to take a look. You may not only find mistakes that were made, but also get great suggestions of how the advertisement could better promote your business.
- **Monitor your ads** – A simple way of doing this is asking new customers how they heard about your business and keeping track of this information. Over time you will find which advertisements generate the most customers and you can focus your resources more heavily in those areas. Or, if you place coupons in different publications, you can track which coupons are used most frequently and trace them back to the publication source.

Inexpensive Options

Many small business owners have a limited budget for advertising and need to look outside of the box to inexpensively reach their target customers. One thing to keep in mind is that often time and money can be

¹ "Top 10 Tips for an Effective Advertising Campaign." AllBusiness.com. Web. (Accessed December 30, 2010).

<http://www.allbusiness.com/marketing/advertising/3983-1.html>.

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interchangeable when advertising. If you are short on money and cannot afford the traditional means of advertising, you can still utilize your time and abilities to get out and spread the word about your business. For example you could hand out flyers, visit or call local businesses that might be interested in your product, or try and visit potential customers directly at places they may frequent. If you have an advertising budget, although it may be modest, you can still explore some of the options below:

- **Give free samples** – One of the reasons to advertise is to get your target customer to try the product or service and return for more. Supplying a limited number of free samples allows you to avoid spending money on advertising and get your offering directly to the customer. Of course this will come at the cost of your time and materials, but it could be a less expensive and more effective way to hook customers and keep them coming back. Please note you cannot sustain a business by giving free samples, but it could spark interest in your offering and lead to free word-of-mouth advertising.
- **Post in the classifieds** – Although classifieds have their limitations, they are an inexpensive way to continually advertise in local publications. Classifieds cost much less than a single page advertisement that runs for a short period of time, so they allow for more regular postings. Additionally, the classifieds encourage the customer to contact you directly, so you can easily get back to them at a later date.
- **Coupons** – These can be a great attraction to many price-sensitive buyers who are willing to try a new product or service if it's seen as a good deal. If you price the coupons carefully, you can still make a profit (though a smaller one) and hopefully grab new customers who will provide repeat business. With this option, beware that discounting your offerings below cost could be harmful to your business if customers do not return to pay full price at a later date or undervalue your product or service.
- **Create a Simple Website** – it is becoming essential that businesses put their information somewhere on the internet. Creating an inexpensive website will allow you to choose what information reaches a large audience of consumers and you can easily refer them to the website through other means of advertising. There are many simple templates you can use. You can also ensure your business is listed on Google Places, Yelp, or other business review or listing boards so that people can find you even if you don't have the time or money for a website.
- **Post on blogs and discussion boards** – Find blogs and discussion boards that are related to your business or product and post information. For example, a business selling fishing lures could find local blogs and discussion boards for fisherman and outdoorsman and converse with the target customer directly. This would be a great place to easily post your web address and encourage people who might be interested to find out more.
- **Distribute windshield flyers** – This option gets a bad rap, namely because everyone has been annoyed by a window flyer at some point or another, but it does hold potential for a small business advertising on a tight budget. The benefit of windshield flyers is that you can directly target vehicles that are in locations that are likely to purchase your product. Additionally, you can choose to post on vehicles that appear to fit your target demographic (although this may be difficult to identify for many businesses). For example, avid exercisers would likely be at gyms, parks, or other places that encourage physical fitness. However, you should always get permission from the business before placing flyers on vehicles in their parking lot. In addition, consider contacting your local police department to make sure this is a legal option. Some communities will ticket a business for littering if they leave flyers on vehicles.

The Center for Economic Vitality (CEV) at Western Washington University provides services to businesses throughout Washington State, including specific emphasis on Native entrepreneurs, rural businesses and export assistance. The CEV provides free confidential business counseling and research virtually. Call (360) 733-4014 for more information or visit our website at: www.cevforbusiness.com.