

7 Guaranteed Ways To Waste Your Advertising Budget

...and tips to help you overcome these common mistakes!



1. Disregard your prospects needs and the problems your products and services will help them overcome. Instead, brag about your company and its products.

SOLUTION: To create a successful message your products and services must solve a problem or a predicament for the prospect. There are four primary factors that motivate everyone. And if you can tap into at least one of them through your message, you will increase the number of responses your promotions generate.

To increase promotions even more, offer something for free that your prospects can send away for. Make sure that your materials have information that your prospects will perceive as valuable. This promotes good-will and establishes the beginnings of a relationship that you will need to build on if you intend to close a sale.



2. When your advertising generates leads, let the leads fall through the cracks. And don't track them. This way you won't know which advertising outlets are successful and which one's are truly a waste.

SOLUTION: Tracking leads is a relatively simple task. It just takes a modicum of planning and the discipline to follow through. This process is the foundation for determining where to spend and where to cut.

By eliminating those promotions that don't pull and increasing spending in areas that have been proven to work, you will be creating a meaner, leaner advertising program.



3. Just count the number of leads a promotion has generated with no regard to how qualified these leads are. And don't do any studies that can give you a handle on how many leads actually have been closed.

SOLUTION: There are a series of measures that can be added to take the process of lead tracking one step further. By effectively gauging close rates you can determine which promotions are not just generating leads, but rather are generating qualified sales leads. This will also allow you to gauge the effectiveness of distribution channels such as dealers and representatives. "Holding them accountable" and tracking their actions will improve their performance.

To paint the most accurate picture of how well your promotions are doing, track the dollar amount of sales by the leads they've generated. Divide this figure by the cost of your promotion and you can determine the return on your advertising investment.



4. Choose only those promotional outlets that cost the least.

SOLUTION: You've heard the saying "Penny wise and pound foolish." Well this is a prime example. And it's a sure way to lose in business.

Take a look at this scenario: You're deciding between two magazines to place your ads in. Magazine "A" costs \$4500 for a full page, four color ad and magazine "B" costs \$1850 for a comparable ad. Which would you choose? At this point, you can't possibly make an informed decision.

You still need to know how many qualified individuals receive the magazine. Also add to the equation, which magazine is more highly regarded and more likely to be read.

Take a look at this scenario: Magazine "A" pulled 45 qualified leads and magazine "B" pulled 12 leads, 3 of which were not qualified. That means that leads generated through magazine "A" cost \$100 per lead and leads generated through magazine "B" costs \$205.55 per lead. This doesn't include the greater exposure of targets who will see your ad in magazine "A" and will respond at another time.

5. Use the same criteria that you used in MISTAKE #4 to determine which advertising agency you should go with.

SOLUTION: Successful companies and successful managers only hire the best. It may appear to cost more but in the long run it saves them money by eliminating wasted time and mistakes.

In addition to this aspect is the increased response that your programs will generate because of your agency's knowledge in motivating people to act.

Good advertising will pay off with a greater awareness about your company and in the long run with more sales. Creating a good marketing program takes the time of qualified marketing professionals to create an effective plan. Once this is completed, then the time consuming task of writing copy and creating graphics is tackled.

And by doing it right the first time, your promotional materials will last longer before having to be updated.



6. When leads come in, take your time sending out the appropriate literature. After all, they'll wait until you're good and ready to follow-up. They don't want to know what your competitor has to offer.

SOLUTION: The fact is that by responding to your promotion your prospect initiated the beginning of the sales process. For some reason he or she felt a need to learn more about your product or service. Chances are, they're serious about purchasing the types of products or services you offer sometime in the near future. And odds are, that some of these leads are "super hot."

This is valuable information that your competitors' would give anything to know about. Don't give them the opportunity to stumble on to it before you've exhausted every opportunity to close the sale.

Prospects that have a need but aren't as "hot" will usually check out more than one source. Since you'll be competing with others for this business, it is important that you put your best foot forward from the beginning. And sending out your follow-up literature within the first 72 hours that a lead is generated, tells your prospects you want their business.



7. You've already generated a lead, so you can skimp and save money on the production of your follow-up materials.

SOLUTION: Now is the time to send in the big guns to close the sale. If you must cut your budget, make your lead generating promotions the target. In many instances a little ad with the appropriate copy to motivate a prospect to call is all that is needed.

Your literature must convince a prospect that you're the right company to handle their project. And your literature must convey the message that you've determined makes you the best choice for your prospect.

Consider your company's follow-up brochure to be an opportunity to bring prospects on a tour of your facility. Tailor your brochure to show your prospects only what presents your company in the best light.

Don't sacrifice design, production, and print quality. Make sure there are no grammatical and typographical errors.

First impressions last a lifetime.