



FORGING ROI



PROS/CONS Various Media

Television

Flamboyant, lively, intrusive, talked about-The master showman. That's television. All the elements of good personal salesmanship are embodied in this multidimensional medium-sight sound motion, color and emotion; the only dimension it lacks is smell (and some of its critics contend it has that too).



No other advertising medium provides the size of audience or broad range of audience as does television.

TV Advantages:

- 98% of all U.S. homes have 2 or more sets; 85% have color.
- On the average, adults spend over 3 hours daily with the medium, that's more time than is spent with the three other major media (magazines, newspaper and radio combined).
- TV is flexible-it can be purchased locally in over 200 separate markets or nationally via the three networks: programming may be purchased so as to insure concentration against certain target audiences, i.e. Men 18-34.
- It is highly merchandisable to employees. Sales outlets, creating a natural "excitement"

Major Disadvantages:

The costs for producing a TV commercial are generally high, determined by talent, locale for filming, special techniques, etc.

The "clutter factor" has a negative impact on viewer recoil/response; this problem may become an even greater concern as advertisers attempt to recoup production and time costs by using shorter commercial units, i.e. 10 second ID's.

Generally speaking, TV is not a "selective" medium; pricing of commercial time is based on all viewers or households tuned in-even though an advertiser may only wish to reach men age 25-49, they also pay for women, etc.

How TV Can Work for advertisers

Television is a reach medium; when it is vital to a client to announce new merchandise, reduced prices, etc., to a vast number of people-quickly, impactfully, in such a way as to give the advertiser a competitive edge or pre-empt a competitor's share of market, TV is a viable and very necessary advertising medium.



Radio

Television is what radio used to be. Think about it: radio was the entertainer, broadcasting a series of daytime soaps, serials, nighttime drama, comedy, Mini-Series, news specials all the varied

programming we've come to expect from today's television.

When TV's popularity became assured, radio programming ceased to be so varied. Nowadays, radio formats concentrate on music, news, sports coverage, talk and information-and these range across the spectrum of listener preference.

And although the medium is not the dominant one of yesteryear, it still remains a major part of our daily lives and enjoys a respectable share of advertising revenues.

- 99% of all U.S. homes have at least one working set-the average household has 5.6 sets.
- 95% of all cars are equipped with radio, and 85% of all drivers have their radios on while driving to-from work, shopping, traveling.

On the average. Adults 25-54 spend over 100 minutes daily with radio over the course of a Monday-Sunday week, radio reaches 95% of all adults.

Radio is the primary News Source During Daytime



PERCENT OF ALL ADULTS 18+

Radio	46%
Television	39%
Newspapers	34%
Other People	8%
Magazines	2%

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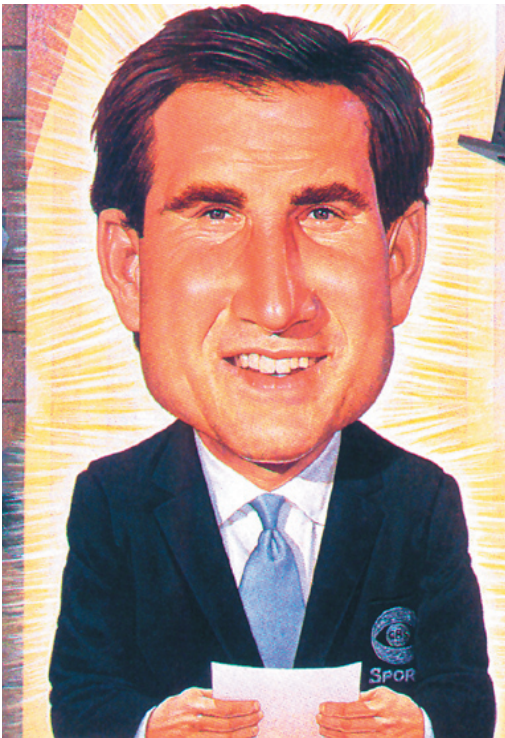
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- Radio Is a highly flexible medium: It's relatively quick to support spur of the moment campaign needs.
- The radio cost efficiency is excellent, in regards to little waste and low Cost Per Thousands.

How Radio Can Work for an Advertiser

Radio is best employed as a means of high-frequency commercial concentration against a primary consumer target: as a means of building civic and community image, as well as corporate image through long-term sponsorship of sports coverage, news personality shows; and radio can accomplish these objectives within affordable budgetary confines.

Audience preferences vary widely from one market to another-the only restrictions on formats to be purchased should be outlined below:

- Creative approach Obviously a spot with a C & W tone would be totally out of place on a beautiful music station by the same token, a lush, fully-orchestrated commercial would sound ridiculous in a country format.
- Target Audience Availability: Whether or not a station reaches the primary prospects-and to what extent.

- Cost: CPM's consistent with overall market.

Taste varies radically from one market to the next: each market should be considered separately should sub-segments of the overall 25-54 demographic, i.e. 25-34, 35-49, 25-54

Radio, carefully chosen can work in conjunction with other media to effectively increase consumer awareness of any advertised product or service.

Newspapers

Newspaper advertising accounts for nearly 30% of all ad expenditures. And 90% of these dollars are placed locally, not by national advertisers.

Circulation for newspapers is traditionally (but not always) reported three ways.

- City Zone- those papers distributed within city limits.
- Trading Zone- that circulation outside the city limits but within the retail business area of the city.
- Other- accounts for out-of-town/out of state circulation, i.e., 10% of the New York Times Sunday edition goes to people in all 50 states.

In addition, we now have data which indicates how well papers perform overall in broadcast ADI, within a state, county area, SMSA-name it.

e.lite (i let', a-) n.
the group regarded as the best

Once a year, Lexus bestows the Elite of Lexus award on a select group of Lexus dealers. To receive this distinction, a dealership must demonstrate superior achievement in sales, service, customer satisfaction, business management and employee certification.

Kuni Lexus has earned Denver's only Elite of Lexus status.

At Kuni, we sell Lexus, and Lexus only. We invite you to experience a level of excellence not found at any other dealership in Denver.

The NEW LX 450 LTX - The best of everything

KUNI LEXUS
Luxury has an address

6160 South Broadway - Littleton - 770-9500 - 1-800-2-Lexus - www.kunilexus.com

Newspaper readership varies by age and sex:

	Minutes Spent With Newspapers		
	All Adults	Men	Women
18-34	25	27	23
25-54	31	35	28
55+	40	43	35
18-34	26	28	23
35-49	32	33	31
50+	39	41	37

Basically, the Main News is the best-read section of the newspaper:

% Readership

	Men	Women
Main News	97	96
Editorial	61	61
Entertainment	48	65
Comics	53	52
Financial	39	22
Sports	75	31
Women's/Food	15	84
Classified	41	43

Advantages In Newspaper Advertising

• Newsprint is fast-acting, implies "newsworthiness" to consumers—an excellent vehicle for announcement of new services. New products. Fare reductions, special packages.

- Short closing make newspapers attractive for advertisers who want to get a campaign going within a few days.
- Highly merchandisable to field and allied trade personnel—the ad can be held, shown, put up.
- Newspapers are a good vehicle for inducing trial usage/response via cents-off or mail-in coupons.

Disadvantages

- CPM's are generally high in newspapers.
- Reproduction in full color ranges from very poor to very good, depending on paper's facilities.
- Newspapers are generally nonselective in terms of audience; where offered, zone editions do allow an advertiser to avoid non-prospect neighborhoods.

. It's expensive to build frequency in newspapers.

- Reach is limited to newspaper's circulation—generally between 40-60% of the market.

How Clients Can Use Newspapers

Use of newsprint to announce new products is a smart tactic, merchandisable to the local trade,



Direct Mail

Direct Mail reaches us in many forms, at the office and at home; bill enclosures, charity solicitations, subscription enticements, packets of cents off coupons.

It is difficult to measure the dollar volume of direct mail advertising, because of its many forms, but estimates place it at 14% of all advertising expenditures.

The Advantages of Direct Mail

It is a highly selective medium, allowing an advertiser to concentrate on a precisely-defined segment of his overall target.

- Personally addressed, direct mail usually receives attention from the recipient.

* There's considerable creative flexibility in direct mail- unusual colors, pop-up effects, can also be incorporated into a brochure,

plus perforations, etc.

- Sampling and promotional opportunities are endless; if it's smaller than an envelope, it can be mailed; cents-off, or free coupons are an inducement to trial usage.

- Because it is a "personalized medium" and the recipient feels compelled to open and read it-the response to direct mail is excellent.

Disadvantages of Direct Mail

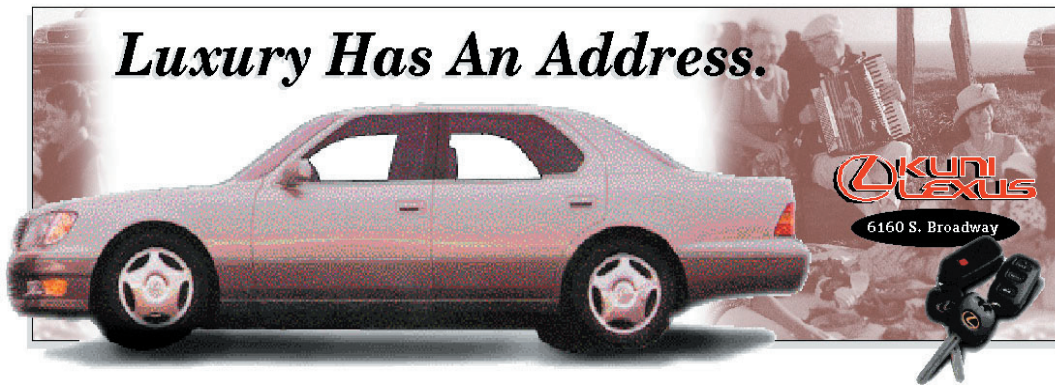
- Usually a direct mail program provides low market reach; its simply too expensive for mass coverage.
- A long lead -time is required to well-developed campaigns 6-8 months advance is not unusual.
- Production costs, a result of creative twists, can be prohibitive.

How Direct Mail Can Work for an Advertiser

Direct Mail may be utilized by advertisers when the primary marketing objective is to secure a high level of consumer trade response-quickly. Distribution of direct mail pieces can be tailored to a community...a neighborhood...or a profession.

Outdoor

Although not recognized as a primary advertising vehicle, outdoor advertising accounts for about 2% of total ad volume, this is nonetheless a critical advertising medium. The medium allows for high reach and frequency.



Advantages of the Medium

- Outdoor affords high reach and in-depth coverage of a market through careful selection of locations on well traveled traffic arteries.
- Due to the same routes to/from work, outdoor offers high frequency of message exposure.
- Reproduction quality is high, comparable to that of better magazines.
- The medium is highly cost efficient-CPM's range from 45¢ to 75¢ for adult audiences.
- Outdoor provides a form of advertising continuity, since locations are generally purchased in month-long increments.

Disadvantages

- The high absolute cost of covering a market.
- The medium is generally nonselective; advertisers will reach virtually everyone in the market, regardless of his target profile.
- Outdoor is not an intrusive medium demanding consumer attention.
- Advertisers are committed to very short copy restrictions-7 to 10 words maximum.
- Production costs are high-and become higher if advertisers indulge in expensive special effects, unique inks, etc.
- Medium lacks flexibility, it is dominated by cigarette, liquor and soft drink advertisers, who quickly line-up the limited or declining number of top-flight locations in all markets. Major use of the medium requires long-range planning and purchase.

How it Benefits

Posters or paints located on major traffic arteries-particularly those with direct access to/from major products existence.

To make proper selections like this requires pre-planning and close cooperation between the agency and the advertiser, especially the local outlets who can survey the city and advise key locations, suppliers with whom the agency can negotiate.

Permanent or rotary paint locations are generally more prestigious than paper posters-however this varies by market.