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### Advertising for Small Businesses Can Be a Critical Decision

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# Advertising for small businesses can be a critical decision

After a company creates the key ingredients of product excellence and superior service, its goal is to find a means of reaching



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potential customers. This requires promotion, which is one of the greatest challenges confronting any company.

Since most small businesses operate on tight budgets, advertising and promotion are frequently viewed as expendable cash outlays.

Initially, the business owner needs to set company goals and establish the

purpose of advertising. Next he or she must determine which advertising media will help the

company meet its goals. Finally, the owner should decide when to advertise.

For companies that sell products that are purchased frequently, advertising is needed on a regular basis. In the case of products and services that have seasonal sales, advertising should lead the seasonal trends.

If the mission of advertising is to let potential customers know about a new business, advertising will be much more intense than when advertising is simply being used as a reminder.

In times when business is good and sales are strong, a company can cut back on advertising. When sales slump, advertising expenditures become even more critical to the welfare of the company.

A potential customer must hear a message many times before action is taken. This is especially onerous for a new

business that needs consumers to alter existing purchasing habits. Normally an advertisement must be heard three times before it is noticed or it sinks into a consumer's conscientiousness.

A general rule of thumb is that a potential customer must hear an advertisement nine times before s/he will visit that business. Therefore, the consumer must be exposed to an advertisement or a promotion 27 times before action is taken.

The cumulative effect of advertising and promotion is critical. Unfortunately, on an average day consumers are barraged with hundreds of sundry advertisements. This leads to the filtering of advertising messages by potential customers.

Frequently a business owner places an advertisement in one media, such as a newspaper, and waits for customers. If the owner feels the response was

inadequate, s/he will conclude the particular medium tested was ineffective. A different medium might be selected, possibly radio. A few advertisements are run and still no customers. The business owner will be even more frustrated and may decide neither of those media work for his or her business.

In reality a strong promotional plan is one that reaches a consumer 27 times. The consumer will then begin to notice and possibly patronize the business. An existing business does not have the same formidable challenge as a new business. However, an existing business must continue to remind the customer of its presence to retain the customer's loyalty.

At its best, advertising provides a "coherent direction" of effort for a company. There are no magic answers to determine how much to budget, when to advertise or

which media is best. Possible media outlets include television, radio, print, email, billboards, word-of-mouth, the Internet, direct mail and social media (Facebook and Twitter).

Most businesses need to use a combination of advertising media to reach customers. For advertising to be effective, the customer must hear or see the advertisements many times. The business that is persistent in advertising will reap the greatest benefit.

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