

Think Critically

1. Why is promotion important to a business?

 2. What are the advantages and disadvantages of publicity?

 3. Why is it important for a business to consider its target market when selecting an advertising medium?
-

True or False

- ____ 1. In choosing an advertising medium, cost is the most important factor.
 - ____ 2. The promotional mix usually involves one specific form of product promotion.
 - ____ 3. Online advertising is a cost-effective way for businesses to reach potential customers.
 - ____ 4. Although television advertising is very effective, it is expensive and generally reaches too broad an audience for most businesses.
 - ____ 5. A radio station will provide a psychographic profile of its listeners so that businesses can be sure they reach their target market.
 - ____ 6. Newspaper advertising is good for small firms because it targets a limited geographic area.
 - ____ 7. An advantage of advertising in a telephone directory is that people look there for a particular type of business.
 - ____ 8. Direct-mail advertising is effective only if people read it.
 - ____ 9. Although publicity is free, it can be negative if the media coverage is unfavorable.
 - ____ 10. A press release is a statement issued by the media to inform the public of an event.
-

Multiple Choice

- ____ 1. A paid form of communication sent out by a business about a product or service is (a) publicity, (b) sales promotion, (c) advertising, (d) a press release.
- ____ 2. In choosing an advertising medium, you should (a) always get advice from an advertising agency, (b) consider its effectiveness in reaching your target market, (c) decide whether to use a commercial or a paid advertisement, (d) distribute flyers in your area.

- _____ 3. An online ad that changes the background of the page being viewed is called a (a) pop-up ad, (b) wallpaper ad, (c) banner ad, (d) floating ad.
- _____ 4. Transit advertising consists of signs on (a) buildings, (b) semi-tractor trailers, (c) public transportation, (d) private automobiles.
- _____ 5. A disadvantage of radio advertising is that (a) it is only an audio message, (b) radio stations tend to attract a particular kind of listener, (c) it is very expensive, (d) it reaches too broad an audience to be effective.
- _____ 6. Newspaper advertising is good for small businesses because (a) it reaches too many people, (b) it targets a limited geographic area, (c) an advertisement competes with many others, (d) it is the largest form of advertising in the United States.
- _____ 7. The main advantage of direct-mail advertising is that (a) the same advertisement can be used in a telephone directory, (b) most people read items sent through the mail, (c) mailing lists for target markets are available for purchase, (d) none of these.
- _____ 8. Publicity is free promotion that (a) is generated by media coverage, (b) may involve staging an event or bringing in a celebrity, (c) may be favorable or unfavorable, (d) all of these.

Problem Solving

Complete the following table by naming one advantage and one disadvantage of each of the forms of advertising listed.

Type of Advertising	Advantage	Disadvantage
Online		
Television		
Radio		
Newspaper		
Telephone directory		
Direct mail		
Magazine		
Outdoor (billboards)		
Transit (buses and trains)		

what went

wrong?

DENTAL PROMOTION LEAVES BAD TASTE

Dr. George Nilsson, a periodontist, had built his practice through dentist referrals and word of mouth and by speaking at conferences. As a way to expand his business, he decided to develop a program for dentists that graphically tracked gum disease. It would take the guesswork out of whether or not a patient should go to a specialist. Dr. Nilsson designed a step-by-step program, including a video and printed guide. He started the PerioDent Company, investing \$150,000 in developing the program components, another \$40,000 for initial inventory, and \$80,000 more for advertising and public relations.

PerioDent sent out mailings to dentists, periodontists, and schools. It took out full-page ads in professional journals. Unfortunately, after six months, sales were not as expected. There was a backlash of bad press from Dr. Nilsson's peers. The majority of dentists resented the PerioDent program because they believed it criticized the way they had been diagnosing gum disease.

Additionally, dentists accused it of having a negative impact on their income because it prompted some patients to visit periodontists instead of dentists. At the same time, some periodontists accused Dr. Nilsson of blatant self-promotion and greed.

THINK CRITICALLY

1. What could Dr. Nilsson have done differently to advertise and promote the program?
2. How might publicity or public relations activities help improve PerioDent's image?



©Robert Kneschke, 2010. Used under license from Shutterstock.com

Plan your promotions carefully.