# Intro to Advertising

## October 31, 2012

* **Buying Magazine Space**
  + - **Audience Analysis**
      * + Circulation

Guaranteed: Number of copies expected to be circulated

Delivered: Number of copies actually circulated

If delivered ≠ guaranteed figure => discount

* + - * + Age old war between publishers and advertisers

Audit Bureau of Circulation (ABC)

Circulation Audit

* + - * + Subscription and Vendor Sales
        + Primary and Secondary Readership

Primary – Those who actually subscribe

Secondary – People who just pass it along and read it

* + - * + Rates

Cost per thousand (CPM)

Based on the magazine rates, what is the cost of reaching 1000 people for a one-time, full-page ad

CPM = Page rate / (Circulation / 1000)

Car and Driver

Page rate = $181,815 and Circulation = 1,316,358

CPM = $138

Road and Track

Page rate = $106,188 and Circulation = 723,245

CPM = $147

* + - * + SRDS
* **Advertising in Newspapers**
  + **Pros**
    - Mass Medium
      * Local Medium
    - Variety of Topics
    - Timeliness
    - Credibility
      * More credible than TV
    - Cost
    - Creative Flexibility
  + Cons
    - More general than specialized
    - Ads have a short life span (no pass along readership)
    - Paper quality
    - Ad clutter
    - Lack of control over ad positioning
    - *Overlapping circulation*
  + Frequency of delivery
    - Daily
    - Weekly
  + Physical Size
    - Standard
    - Tabloid
  + Type of Audience: E.g. Wall Street Journal