

What? Brand advertising doesn't work?

I find this report hard to believe, but apparently, drug advertising is not resulting in patients asking for a drug by name. Read the MSNBC article [here](#). I can only theorize that the drugs that are advertised the most (Levitra, Viagra, Jenuvia) are for conditions that don't affect that many people. Hmm...

Save, save, save

It's no wonder, given the sour state of the U.S. economy, that advertisers are choosing to portray their products or services as the most economical. One such advertiser is NetZero. For those of you not familiar with it, or who don't watch any TV, NetZero is a dialup Internet Service Provider (ISP). For years, NetZero has been saying it can take us to the "same" Internet for only \$9.95 a month. However, NetZero has rarely said that it is the same Internet, yet slower compared to your more expensive broadband connection. Until now. A couple of nights ago, I saw NetZero's new campaign in which the company says each individual could save \$300 a year using NetZero. The first ad in the campaign went so far to say that you don't really need speed if you can save money. The rest of the ads have been truncated versions just focusing on the dollar savings and not on the speed loss.

What makes this ad so interesting is that it is all about saving money. In fact, that is NetZero's USP—cheaper than broadband. I guess if all you are doing is getting text

emails, and perhaps visiting a non-graphic website, you don't need more than dialup. If, however, you transmit files or you share pictures or you simply want to visit and see mainstream websites, you would be very badly served having dialup. But yes, if you switch to dialup (and I am not sure who else provides this service), you could save some \$20-\$30 a month.

I think we will be seeing more of these ads from diverse companies. They will focus on how cheap they are (this is what Walmart is doing with its Live Better campaign) and ignore any other issues. The feeling seems to be people want to/have to save money, and if we tell them they can save money using our company, they will buy our product or service. A year ago I would have said there is no way this approach can work. People do not buy simply on cost...they buy on experience, promise, and whole slew of other issues. But today, when accounts are dwindling, jobs are being lost and people feel panicky, perhaps simply saving money is the way to go.

It's a new year!

After a nice year-end 2008 vacation, I am back. I'd like to wish you all a happy, productive 2009. New posts will be coming shortly!

How did that movie win an

Oscar?

If you have ever wondered how some movies end up getting Oscars and others don't, the answer just may be public relations. There are people devoted to publicizing movies to Oscar voters. This pretty much guarantees that smaller budgets will not likely get Oscars unless they are "sleeper" hits that everyone watches and loves. It takes money to make sure every Motion Picture Academy voter sees your movie, or at least hears good buzz. The Washington Post had an excellent article on this topic, called: For your Consideration: The Oscar Publicists.

When a client asks you if public relations has any value just point them to the Oscar movie you love to hate (in my case, it is Brokeback Mountain, which I thought was terribly made). There is a good chance the reason it won is because it had the best PR/publicity campaign.

Macy's pulls out all the stops

Macy's is probably one of the nation's largest retail advertiser. During the year, it probably runs a few full page ads a week in all major newspapers. With Christmas, a make-or-break time, coming up, Macy's seems to have pulled out all the marketing stops. At least in the Washington Post, it has been running several junior or full page ads EVERY day. It has had a sale or coupons or both for practically every day of the week. And today, there is an ad that says that Macy's stores will be open 24 hours a day from Saturday until Christmas Eve.

To me, this seems almost desperate. What is the ROI on this media expenditure? Of course, media prices go down with frequency, and Macy's must be on the highest frequency tier. I will be interested in seeing retail figures for December when they come out.

How not to do p.r.

Public relations practitioners are generally good about getting their pitch across. There are those who do it with a soft touch, and then there is this story I had to share with you: <http://tinyurl.com/3ka5h8> I found it through Peter Shankman's twitter feed, regarding a woman who calls herself a PR person, but is really a list provider/spammer. And she's nasty (probably bitter). Public relations is about building positive relations with your target audience, generally using media as a go-between. Insulting the media is never a good idea!!!!

Selling Whoppers or selling stupid?

A couple of nights ago, I saw an ad in Burger King's new campaign "Whopper Virgins." The ad, which is shot in a documentary style, and takes us around the world to tiny villages (mostly in Asia) where "people who have never tasted a burger before," are asked to sample a Whopper and a another burger. The villagers seem to prefer the Whopper. Thus,

“Whopper virgins” prefer Burger King, and so should you. Case closed, right? No.

I was a bit astounded by this campaign. First, I feel that labeling people and using the term “Whopper virgin” is a bit tacky. And then, there is the negative reaction the ad has gotten, as is described in this article in the *Chicago Tribune*, which also ran today in the *Washington Post*. The article claims the ad missed its mark. Other people are writing about this too, saying the ad is ignorant, or colonialistic or worse. Motley Fool (the finance “educators”) analyzed the ad, in light of Burger King’s other “risky” ad campaigns, and says the company “may have bitten off more than it can chew.” BK even issued a press release saying they are investing in the lands of the Whopper Virgins. This also sounds colonialistic.

I am not sure it plays to the best in America to find people who have never had a burger and expose them to the lowest echelon of American cookery—the fast food burger. I get the concept—people who are not biased like our product better—let’s run with it. But the final product might be crossing a few boundaries of “taste.” In the end, this is typical ad agency behavior (in this case, Cripin Porter): let’s sell a concept and then execute in a way that will be funny (to us). In fact, this campaign seems like it took the movie *Borat* to heart, and decided that it would reverse it. Take *Borat* back out to the country. The thing is *Borat* was funny...but it was hugely offensive.

UPDATE: BK is now selling Flame—a beef scented cologne. Retails for \$4, available online. What a wonderful gift idea—perhaps the Whopper Virgins would enjoy.
<http://tinyurl.com/6pp2ra>

Why getting feedback is important

If something is wrong with your product, don't you want to know about it? I think you do (and if not, you should!). Well, many marketers sometimes "forget" to include an essential piece of information: an address and/or telephone and/or email address that can be used for feedback. Some marketers don't want to be deluged with calls or emails so they either exclude this information or make it very hard to find. This is not a good tactic. It can backfire—you could lose a customer or many, especially if the issue is one that is repeatable. Let me give you two examples.

I had bought anti-virus software at a big-box store. I installed it, and it worked great. Of course, after a year, it told me I needed to update. The update was more expensive (of course) and could only be received via online download. Long story short, the update did not work. It screwed up my computer, and worse, I couldn't get it completely off my computer. I had to have a computer guy come remove the hard drive and delete all files relating to the software. Well, I tried to contact this software company. Was there a customer service number or an email? No. For tech support yes (the aforementioned Raj in India was not very helpful getting resolution to the problem). In any case, I had no recourse and the company was not going to find out that their software has a bug in it. I will NEVER buy from this company again. Ever. Again.

Second case is maddening. For years, since I started my business, I advertised on a marketing site. I got a good number of hits from there, and so I paid for premium

positions. Well, with very little fan fare, the site changed, and the writer category was transferred to a new domain. Apparently, the company did not advertise the new domain as well as the old one, and I got not ONE hit from the new domain. Meanwhile, every two months or so, I get an email from the site asking me to upgrade to a premium (read paid) subscription. I wanted to email that I would not because the site was not sending any hits. There was absolutely no email address to write to. And so when I see the emails coming from the company, I delete them. Is the owner of the site wondering why a former advertiser is no longer advertising? Is he concerned? If he is, he certainly doesn't want MY feedback. He only wants my credit card number. He can't even begin to address my concerns if he doesn't have them.

Bottom line, feedback is essential. Without it, you could have a defective or malfunctioning product on the market and no way of knowing about it. I am sure getting a ton of email can be a problem, but a bigger problem can happen if you start getting bad word of mouth and your sales start tanking. It's like putting a coin in the meter—it's annoying but not as annoying as getting a ticket!

Brand versus Price

How important is price when you are shopping? Do you ever buy store brands (also known as private labels) to save money? If you are like many Americans, increasingly the answer is yes, price is important. More and more, private labels are gaining market share, as is reported in this [New York Times](#) article. As the article points out, people are flocking to store branded staple items and sticking to brands only for certain items. One such item, the article points out, is Heinz

ketchup. I would bet other legacy brands like Tide detergent, Crest toothpaste and Coke are still doing well. For certain things, like milk or eggs, brand does not mean much. For others, brand means quality or taste.

What is interesting about the private label versus national brand struggle, is that it probably depends on the particular private label. Those who have experienced Wegmans probably have no compunction buying Wegmans brand. On the other hand, are you as likely to buy private label products from a lesser quality grocery store? Here in DC, we have Safeway, Giant, Harris Teeter, Trader Joe's, Whole Foods and a couple other markets. I wonder if the "cache" of each store translates into higher private label sales. For instance, would you be more likely to buy Whole Foods canned tomatoes than Giant tomatoes, prices being similar?

The bottom line is that price-sensitive consumers have always bought the cheaper alternative. But in tough times, everyone has become more price-sensitive, and thus willing to check out private labels, giving them increasing market share.

USP: English that you can understand!

You've got to hand it to Dell. It has figured out what its customers want—customer service that is understandable, and responsive. This customer service is not what its currently offers, since most likely if you call Dell you will end up talking to Raj in Bangalore or Juan in the Philippines (and by talk, I mean trying to make yourself understood to someone who has some understanding of computers and less regarding

English). In response to this desire to talk to people who might understand what you are asking, and give you instructions you might be able to use, Dell has instituted a program called Your Tech Service Team, in which you will talk to support people right here in the U.S. The kicker is that it will CHARGE you a premium (\$12.95 a month, which ends up being \$155.50 a year). So let's recap: for a mere \$155 a year, you will get customer service in understandable English from an American company. Sounds like a hell of a marketing program. If you think I am making this up, please read the article in the *Washington Post*.

On the other hand, the same article points out that Jitterbug, a cell phone company, has decided to 1) keep call centers in the U.S. because its customers prefer it and 2) it uses this as a point of differentiation. Sadly, I think this is a good USP. If I was given a choice of computers, and told where customer service was located for each company, I would most certainly choose the one with U.S. based service. Having had a Dell myself, and having had to call Raj, I can tell you that Raj was NOT helpful. Raj did not understand me and I didn't understand him. This served to frustrate me and ultimately made me decide not to buy a Dell again. Unfortunately, most other computer and software manufacturers have also decided to cut costs and install their customer service centers in various South Asian locations. See the movie *Slumdog Millionaire* to see how this has impacted India, for instance.

What is frustrating about Dell marketing this service at a premium is that it stems from an understanding that its customers are unhappy with receiving tech support from another continent. Instead of correcting the situation, they have opted to squeeze their customers some more. It is just like the airlines. The airlines know that you don't want a middle seat, and that you want some sort of meal or beverage when you are shut up in the flying tube, so they will charge for the privilege. **All because companies actually know what**

customers want.

So much for the idea that companies aren't responsive to customer complaints.