

Radio Results

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that program—not to the entire station program schedule!

The formula:

$$\frac{\text{Time Cost}}{\text{Program Audience}} = \text{Cost-per-thousand impressions}$$

To compute newspaper's actual cost-per-thousand: Translate newspaper "net paid" circulation into "readership" by multiplying circulation by 2.3 readers per copy (this is a most generous multiplier, by the way!). Reduce this readership total to the actual readership of the specific advertisement. (Newspapers can now furnish this data. So can the hundreds of radio salesmen who have been "The Continuing Study of Newspaper Reading"). This gives you the actual number of people who have "noted" this ad. Divide this figure into the space cost. *Result:* The actual cost of making a thousand advertising impressions on readers of that ad.

The formula:

1. ABC circulation x 2.3 = total readership.
2. Readership of paper x % readership to specific ad = actual advertising impression.
3. Space cost $\frac{\text{Actual advertising impressions}}{\text{Actual advertising impressions}} = \text{cost-per-thousand impressions}$

To compute magazines cost-per-

thousand: The same formulas used to compute newspaper cost will work on magazines.

This is the only honest method of comparing the costs of these three media. When agencies and advertisers alike put these formulas to work, radio will take its proper place in the cost picture with its competitors. This is an assignment which every radio salesman might well undertake in 1950.

Here is one of dozens of illustrations that might be worked out to demonstrate radio's low cost as compared with other major media. Let's take St. Louis, as a large, fairly typical, centrally-located market. A leading St. Louis radio station is reported by BMB (1946) as reaching 616,080 radio homes in the 77 Illinois and Missouri counties comprising the St. Louis area. Using this as a base, how does *LIFE* magazine—the nation's largest—compare? Its circulation in these same 77 counties is 59,053. Radio (one station) reaches ten St. Louis homes to every *LIFE* copy sold.

But *LIFE* claims a total "audience" far greater than its circulation. It uses a 5.1 multiplier to produce its total readership. Let's project *LIFE*'s 59,053 copies into "audience." Result: 301,170 readers. How about the radio audience? Using the normally-accept-

ed figure of 2.9 persons per family, radio reaches a total of 1,786,632 people in this same area. In terms of people reached in this area, one radio station outreaches *LIFE*, six to one!

Now how does a newspaper advertiser fare in St. Louis? His space bill for a 525 line advertisement in a leading St. Louis newspaper would total \$315, for which he could expect 54,209 readers to his advertisement. Cost per thousand—\$5.83. A little more spent in radio—\$337.50 on a leading station, to be exact—would bring him 470,771 listening impressions. Cost per thousand impressions—72¢.

Costs of Preparation

Omitted from these formulas are the costs of preparing the advertising itself. Some day radio's selling force will sit down with advertisers and persuade them to compare the soaring costs of simply preparing printed advertising with that of getting radio advertising on the air. In the nation's dry goods emporiums alone, literally millions of dollars charged against advertising are frittered away on specialized help in the preparation of copy that is read far more lightly than most graphic advertising experts dare to dream. The same facts apply to other local advertisers and equally well to the regional, the national spot, and the truly national advertiser.

5. *Results.* Every medium has its catalogue of astonishing result

stories. The fact that all media men make such a fuss over good results is a pretty good indication of their concern with the possibility that there will be no results. This fear rarely stems from a lack of confidence in the medium; rather, it arises from a lack of confidence in their ability to use the medium correctly.

Newspapers have been selling advertising in this country for 245 years—magazines even longer. Yet neither are known for their contribution to the techniques of successful advertising. It's a fact that printed media men leave this function to the agency, the advertiser's own staff, the mat or "idea" service. They are content—and this only at the local level—to translate the advertiser's message into the tired, long-used, stereotyped forms characteristic of their media. Beyond this, the printed media go only as far as offering—at a premium price!—to deliver a clumsy association between editorial matter and advertising known as "position." When an advertiser has paid an additional 25% for the privilege of placing his soap advertisement on the woman's page, he has squeezed the last ounce of technique available to him from the newspaper end of his contract.

When you compare this to radio, where the advertiser assumes that the selection of position, time, audience composition, editorial,

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We gotta NEW one!
Wanta hear it?

Raymond R. Morgan