



# **BSB60215 - ADVANCED DIPLOMA OF BUSINESS**

**Study Support materials for**

**BSBADV602 - Develop an Advertising Campaign**

## **STUDENT HANDOUT**



## BSBADV602 Develop an advertising campaign

This unit describes the skills and knowledge required to develop an advertising campaign in response to an advertising brief, including clarifying and defining campaign objectives, preparing the advertising budget, and scheduling.

It applies to individuals working in a senior advertising management or account management role within an advertising or media organisation.

### Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
<i>Elements describe the essential outcomes.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>
1 Define campaign objectives	1.1 Clarify advertiser’s purpose and objectives from the advertising brief and use these to set objectives for the advertising campaign 1.2 State campaign objectives in measurable terms and identify nature and extent of what advertising is to accomplish 1.3 Ensure campaign objectives are feasible, given constraints of time, budget, product and market factors 1.4 Ensure campaign objectives take into consideration factors which may affect consumer responses 1.5 Ensure campaign objectives meet legal and ethical requirements
2 Prepare advertising budget	2.1 Assess and specify research resource requirements for the advertising campaign 2.2 Assess and specify resource requirements for range of media options, creative and production services 2.3 Justify resources allocated to each component of advertising campaign and ensure they are sufficient, in relative terms, to achieve campaign objectives 2.4 Ensure overall budget meets requirements of the advertising brief
3 Develop schedule for proposed advertising activities	3.1 Confirm campaign length and timing from the advertising brief 3.2 Identify service providers with required expertise and negotiate their costs and availability 3.3 Base the choice of service providers on merit and value for money and ensure selection meets legal and ethical requirements 3.4 Ensure time allowed in schedule to meet creative, media and production requirements is sufficient to achieve advertising objectives 3.5 Include milestones for monitoring progress and expenditure against budget, and for evaluating campaign effectiveness in the schedule

## How to Design an Advertising Campaign

Advertising campaigns help business owners or companies to promote a product or service, reach a new customer base, build awareness in the market and increase sales.

Developing an advertising plan/campaign assures that your dollars will be spent wisely and target the right audience. Before you develop your advertising campaign, take note of your company's position in the market and determine where you'd like it to be. Design your advertising campaign keeping the values, features and benefits of your product or service at the forefront of the campaign.

There are many steps to developing an advertising campaign. The following steps will vary depending on the type of product or service promoted and the advertising budget.

### Step 1 – Set Clear Goals

It's important to set clear goals when considering advertising, just as in any other part of your business. What measurable results do you want to achieve in the market this year, and in the longer term?

Targeting your advertising will make it easier for you to decide how and where to advertise. You may want to increase the sales of a particular product, make your customers aware of a new service, or attract regular customers away from your competitors.

For example, a men's clothing store may have as its main goal: *To create awareness of our new range of imported suits for businessmen aged 20-29, in the first 3 months of the year.*

This goal identifies what is to be advertised, to whom, and when. Knowing what you are trying to achieve is essential when planning your advertising.

### Step 2 – Set Your Budget

When deciding how much to spend on advertising, consider your costs and cash flow as well as your goals. The cost for different advertising methods differs depending on the length of time and extent to which it will be used. Some forms, such as email marketing, cost less than others, such as television commercials.

Knowing how much other businesses spend on advertising can be invaluable when setting your budget. [Benchmarking](#) is the best way to compare your business with other similar-sized businesses in the same industry.

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Because there is no single cost associated with any one advertising method, develop a budget that fits within your company's finances. There are three ways to establish an advertising budget:

1. Set a gross amount per month or year derived from normal operating costs.
2. Establish a percentage of estimated annual gross sales to dedicate to advertising based on the status of the company (new vs. established) and purpose for advertising.
3. Set aside an amount of funding from the general business operations that can be used for advertising on an as-needed basis.

Choose whatever will work best for your company and add it to your business plan. This ensures that you have the money set aside for your advertising needs and that your business can afford to spend those funds on advertising.

### Step 3 – Research Your Target Audience

Effective advertising depends on understanding the habits of your intended audience. This helps you maximize the impact of spent marketing dollars. To complete this task, review:

**Ad placements directed to the same audience:** This will tell you how the audience is commonly reached.

**Buying patterns for your product or service:** This will tell you how often and through what methods (online or in-person) the product or service is commonly sold.

**The typical location of customers:** Do your customers only live in one part of town? If so, you might concentrate your advertising in that area.

**Customer use of coupons or loyalty card:** If you anticipate them frequently using coupons, a direct mail campaign of coupons might help you obtain new customers or direct mail out to the loyalty card holders will help keep loyal customers.

**Timing:** Is your product or service mainly purchased or used during a specific time of year, such as over the holidays? If so, this may dictate when you advertise.

These considerations help you narrow down how, when, and where to reach your target audience.

### Step 4 – Develop an Action Plan

Developing an action plan and a timetable will give you plenty of time to meet advertising deadlines. Many advertisers are very strict with bookings and often work months ahead (e.g. to advertise in the April issue of a magazine you may have to supply artwork in January).

Make sure you give yourself enough time to create effective advertising for occasions such as Christmas, Easter, Mother's Day and other seasonal events.

What you say and how you say it in words, sounds or pictures can be vital to your advertising success. Aim for your advertising to:

- be noticed
- be understood
- stimulate action (such as an enquiry or visit to your store)
- achieve an outcome (such as a sale).

The following tips will help you to meet these goals:

#### General Tips

- Create a distinctive and recognisable format for your advertisements. Be consistent in using this style.
- Feature your branding prominently.
- Ensure that your advertisement is well organised and easy to follow.
- Always include relevant information your potential customers may want to know. E.g. opening hours or your shop address.
- Make it easy for customers to contact you - do you want them to visit your website, phone or email you, or come into your store?
- If you include your prices, make sure they are easy to find and remember.
- Ensure that all contact details, product information and prices are up to date and accurate.
- Use simple and direct language with everyday words that are easy to understand.
- Tell your customers how you can help them with their needs or wants.
- Make your unique selling proposition clear.
- Tailor your message, style and format to your target audience.

After setting a budget and researching your customer base, it's time to craft your advertising plan. The advertising methods you use depend on your audience and funding. There are several different methods available, including:

#### Newspapers, magazines, directories, direct mail and billboards

- Use a headline with powerful wording or a memorable graphic to capture attention.
- Make sure graphics are high quality so they look good both in colour and black and white.
- Do not include too much text, as most readers will only scan your advertisement for the key information.

#### Television

- Show the idea on the screen and back it up with more information (e.g. a print advertisement or brochure delivered directly to the viewer's home).
- Don't try to cram every product onto the screen - aim for an advertisement that is memorable, not overwhelming.
- Use professional actors (or acting students) or voice over artists instead of family and friends.

#### Radio

- Keep it simple and don't try to communicate too many ideas in a 30-second spot - one central idea is more likely to be remembered.
- Repeat the benefits of a product, the price and the name of your business so listeners will not forget it.
- Use a professional voice-over artist (or student) rather than trying to do it yourself.

#### Online

- Think about what will work best online - don't just take a print advertisement and upload it. You may just want a headline and a hyperlink to your website.
- As reading onscreen is not as easy as in print, make sure your advertisement is clean and uncluttered.
- Use the language of your target audience to keep them engaged

#### Step 5 – Implement Your Plan

To reach customers through advertising, you must actually advertise. This means that once you've developed a plan and chosen the means to advertise, it's time to purchase the products and set aside the time you need to engage in your advertising campaign.

#### The Final Step – Measure Results

You should measure and analyse the results of your advertising. This will help you assess whether you are receiving a return on investment, and achieving your advertising goals. Knowing what types of advertising work best will allow you to improve your approach for future advertising campaigns. The final step in any advertising plan is to measure how well the plan worked. This requires considering:

#### Monitor your business

Assess the results to understand the results of your advertising, you must first monitor your business before a campaign begins.

If you know roughly how many customers visit your store each day, you can compare the numbers once your advertising begins. If you see a significant increase in customer enquiries, it is likely your sales will increase as well.

Monitoring how many enquiries you receive by email, website or phone can also tell you how your customers prefer to contact you. As an example, you may discover that customers prefer to visit your website first and print out an advertisement with a discount coupon, before coming into your store. This is invaluable information to use in your next advertising campaign, as you can make sure you heavily promote your specials on your website.

Remember, advertising may take time to generate results. If you advertise in a magazine it may be kept around the house for a couple of months before a customer visits your store to act on the advertisement.

There are many simple ways that you can assess which types of advertising generate the best results for your business. You can:

- ask your customers how they found out about your business
- motivate customers to mention/bring in an advertisement for a discount
- use a separate phone number or email address for specific advertisements to track the response
- monitor the enquiries from customers just after a new advertisement is published - for example, you might advertise a new product on the radio on Friday and find that you have an increase in customers the next day
- capture customer postcode information to determine the best locations for advertising.

#### Review your goals

Comparing the results of your advertising with your initial goals will tell you whether your advertising has reached or exceeded your expectations. For example, you might research whether:

- enquiries and sales have increased
- your business image has improved
- your marketing goals have been met
- feedback from customers has been positive.

After reviewing your goals and results you are in a strong position to set new goals and strategies for your next advertising campaign

#### Advertising Costs - References

Advertising costs vary below are a list of references you can use to help set your advertising budget.

<http://www.radioresults.com.au/radio-advertising-costs>

<https://www.savvysme.com.au/question/9-how-much-does-tv-advertising-cost>

<http://lokomotion.com.au/tv-commercial-costs-part-one/>

[http://www.billboardsmelbourne.com.au/billboard\\_prices.html](http://www.billboardsmelbourne.com.au/billboard_prices.html)

<http://www.brandstrategytelevision.com.au/tvcommercialsmelbourne-tv-advertising-rates-sydney.html>

<http://www.newscorpastralia.com/brand/australian>

<http://www.afr.com/leadership/what-500-will-buy-you-in-social-media-advertising-20140124-jy87q>

<http://www.adcentre.com.au/wp-content/uploads/Financial-Review-Media-Kit-rates.pdf>

<http://www.google.com.au/adwords/?channel=ha-ef&sourceid=awo&subid=au-en-ha-rhef-skmp0~107983925479&gclid=CICZgIPs5cwCFdgmVQodO18PuA>

<http://www.newscorpastralia.com/sites/default/files/The%20Australian%20Ratecard%202016%20V7%20-%20June%20External%203.pdf>

<http://www.womensnetwork.com.au/adrates>

<http://www.womensnetwork.com.au/adrates>

<http://www.qadvertising.com.au/media-buying/>

Best campaigns

<http://blog.hubspot.com/blog/tabid/6307/bid/32763/The-10-Greatest-Marketing-Campaigns-of-All-Time.aspx#sm.00001y8680dl2zeisrp8k47h4chie>

### Advertising Regulations

Your advertising must give customers the 'whole picture'. It must be factual, all discounts must be genuine and the overall impression of your advertising must not be misleading. You must also be aware of laws about running competitions and promotions.

You must understand the regulations and laws relating to advertising before you begin advertising your products and services. Knowing the law will help you to avoid the severe penalties that apply to businesses that mislead customers.

#### The Australian Consumer Law (ACL)

The ACL was introduced on 1 January 2011 to protect consumers and ensure fair trading across Australia.

[Avoiding unfair business practices](#) is a handy guide that explains the ACL in simple language with easy-to-understand examples. The guide also explains the penalties for businesses that break the law.

#### What the ACL covers

The ACL covers key areas that relate to advertising, including:

- misleading or deceptive conduct
- including puffery; silence; disclaimers and small print; predictions and opinions; exceptions for information providers
  
- false or misleading representations
  - including testimonials; consumer guarantees; sale or grant of an interest in land; employment and business activities; offering rebates, gifts, prizes and other free

items; misleading conduct - nature of goods and services; bait advertising; wrongly accepting payments for goods or services; exceptions for information providers

- unconscionable conduct
- representations about country of origin
  - including criteria for country of origin claims; 'made in' claims; substantial transformation; costs of producing or manufacturing goods; 'product of' claims; claims or origin based on use of prescribed logo; 'grown in' claims; certification trademarks
- information standards
  - including business responsibilities.

The ACL is contained in the *Competition and Consumer Act 2010*. It is a national, state and territory law. Across Australia, consumers have the same protections and businesses have the same obligations and responsibilities.

#### Regulators of the ACL

- the Australian Competition and Consumer Commission (ACCC)
- the Australian Securities and Investments Commission (ASIC)
- each state and territory consumer protection agency (in Queensland, this is the [Office of Fair Trading](#)).

#### Related links

- Learn more about [advertising and selling](#) on the Australian Competition and Consumer Commission website.
- Read about the [regulations and ethics of your sales practices](#).

#### Legal and Ethical Selling

Selling ethically allows you to:

- build a reputation for fair and professional conduct
- foster repeat business and higher sales over time
- develop a loyal, lasting customer base
- earn the respect of peers, competitors and customers
- minimise complaints about your business
- remove legal and consumer-rights risks
- develop peace of mind.

This guide explains some of your business's legal and ethical sales obligations and helps you maximise the benefits of ethical selling practices.

<http://www.accc.gov.au/>

#### Other Resources

Refer to various websites covering well known campaigns as proposed in tutorials

<http://www.wikihow.com/Write-a-Basic-Advertising-Plan>

[http://business.lovetoknow.com/wiki/Developing\\_an\\_Advertising\\_Plan](http://business.lovetoknow.com/wiki/Developing_an_Advertising_Plan)

<https://www.business.qld.gov.au/business/running/marketing/advertising/planning-advertising>

[Australian Competitor and Consumer Commission \(ACCC\)](#)

[http://www.accc.gov.au/Office\\_of\\_Fair\\_Trading](http://www.accc.gov.au/Office_of_Fair_Trading)).