

Radio, Television, and Newspaper Advertising  
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## **Radio, Television, and Newspaper Advertising How to Choose Between Newspaper, Radio, & TV**

“I know half my advertising budget is being wasted, if only I knew which half.”

When you advertise using more traditional means, like newspapers, radio and television, figuring out what is effective and working can be a tremendous challenge. While there are some tools that one can use to track the effectiveness of offline advertising directly (ie. redemption of coupons, calls into a specific phone number), generally you will have to infer the effectiveness of advertising from foot traffic and sales.

The best way to avoid wasteful advertising is to advertise where your customers are located. Chances are the types of people who will be new customers will have common traits and interests with you existing customers. To avoid waste, find out what your existing customers are reading, listening and watching.

Why would you want to pay for offline marketing if online marketing provides better tracking and the ability to only pay for performance (clicks)?

### **Newspapers, radio, and television are still extremely popular**

Did you know that over 60% of adults read a print version of a newspaper at least once per week. That number rises to 72% if you're interested in reaching adults over the age of 55. (Source: 2013 Survey by [NAA.org](http://NAA.org))

Radio is even more popular than newspapers, with over 92% of Americans over the age of 12 tuning in at least once per week. (Source: [Arbitron](http://Arbitron))

Newspapers, radio and TV are good at reaching a large relevant audience in a very short period of time.

When you target a specific geographic area with a focused Google or Facebook advertising campaign, your advertising may not reach the number of people that you want or need to make a difference to the bottom line.

### **How to avoid wasting your budget when using offline marketing channels:**

Know what your customers read, listen to and watch. Ask them. Know your customer type. Observe them.



## **Step 1: Know what you like**

Before you start to survey your customers on what media they consume, you should first write down what media your family consumes. Ask yourself, the same questions that you're planning to ask your customers.

Many small businesses like to focus their offline marketing in places which they are familiar. Who doesn't want to see an advertisement for one's own business! However, its important to remember that your customers are different than you. Just because you read something, doesn't mean they will. When conducting the survey, pay close attention to the answers that are different than yours.

## **Step 2: Survey Your Customers**

Survey Questions:

(You can ask these questions conversationally or take a more formal approach. The key is to get at least 15 different customers to provide feedback.)

1. **Do you read the newspaper?** Which ones? Is there a particular section you like or days of the week that you read it?
2. **Do you listen to the radio?** Which stations? Are there any particular programs or times of day that you like?
3. **Do you have cable or "dish" television?** Do you watch any local channels? If so, what local shows do you watch?

## **Step 3: Observe Your Customers**

**Customer Observations:** If you have a store or restaurant, just jot down the estimates of the following information of everyone that walks through the door for a couple days.

1. Time of day, day of week (Is your weekend traffic different than weekdays?)
2. Family group, friend group or individual, genders and ages
3. Did they have specific purpose when they came in?

After surveying your customers and doing customer observations, you will have two sets of data. Ask yourself, did I survey people that were representative of my typical customer. If not, do a few more surveys.

## **Step 4: Analyze the Data**

Were there any trends in the answers that your customers gave for newspapers, radio or TV? Can you identify a particular station or show that multiple clients watched or listened to? Write down any answers that came up more than once and then you can start researching.



## **What to do with data**

Unless your survey indicates a very strong preference for a specific local television channel over all other options, I would suggest that you start advertising with radio or newspaper. Advertising with radio or newspaper can be simpler than television, as the process of putting together ads can be simpler, less expensive and easier to change.



## **How To Get Started With TV Advertising Today**

Many local businesses stay away from television for one reason:

### **TV advertising costs too much. (False)**

In 2012, a 30 second Super Bowl commercial cost around \$3.5 million. However, if you are in a mid-tier television market like Kansas City, you can probably start seeing your ads appearing in a prime time show starting at \$1,000 per month. In New York City or Los Angeles, TV advertising costs are going to start around \$5,000 to \$10,000 per month. While in a small market, you will be able to run a campaign with a \$500 price tag.

### **True, media is not your only cost. However, you can often get free commercials made!**

If you're going to use a television commercial production company, you are going to pay anywhere from \$5,000 to \$20,000 to create a 30 second commercial. However, you may be able to get your local broadcaster or cable system provider to create commercials for minimal or no cost. If you buy advertising from a local broadcaster, they will often create a commercial for between \$500 and \$2,000. If you agree to run advertising for 3 to 6 months, they will often do it for free. There is catch to having a broadcaster create a free or low-cost commercial. You can only run the commercial on their station or cable network.

What you need to know about buying local television advertising:

### **1) There Are Two Ways To Buy Local Television Advertising: Broadcast & Cable**

Local broadcast refers to your local stations for NBC, CBS, ABC, and FOX. For shows that appear on these channels, you can only buy advertising via your local station, even if the viewers are watching the channel via cable or satellite; you can only advertise on American Idol, Sunday Night Football or Big Bang Theory through your local broadcast station.

You buy local advertising via your local cable system, like Time Warner Cable or Comcast. However, in most areas cable television only reaches about a third of all homes. In other words, the potential audience is much smaller than via broadcast television.

Generally speaking, the cost per commercial spot will be much cheaper when buying via your local cable provider, but the cost for reaching a viewer is in general much higher. Overall, most advertisers end up paying an effective cost per viewer of one cent on broadcast television versus around 7 cents per cable viewer. Also, cable stations generally focus on selling "rotator" spots in which you don't know when and where your commercial will air. Broadcast tends to focus on selling commercials on specific shows at specific times.



We recommend buying local broadcast television.

## 2) You Can Negotiate TV Prices But, If You Negotiate Too Hard Your Spots Might Not Air

How much should you be paying when you buy broadcast TV advertising? It depends on numerous factors including:

- How many people watch the show.
- The demographics of the show.
- Your advertising commitment to the station.
- Seasonal factors (is the holiday season coming up or a major elections.)
- AND most importantly the demand from other advertisers.

There is a limited supply of commercials. In a half hour show, there are typically four commercials breaks, each lasting about 2 minutes, for a total of sixteen 30 second commercials. The amount of advertising inventory that a TV station can sell is limited.

Television advertising inventory is sold to the highest bidder. You could sign a contract with a television station for a certain number of spots to be aired during a specific show at certain price, and have none of your commercials air. Contracts generally allow the stations to pre-empt your commercials if they get higher price offers. Some estimate as much as 30% of commercials that are booked don't air. If you negotiate to good a deal with a television station, your commercials might not air.

### How much does TV advertising Cost?

Here's how you calculate a ballpark figure:

- 1) How many people locally watch the show that you want your advertisements to appear on? The station should be able to provide you with data from Nielsen. For data on the TV stations serving your market [go here](#) or the relative size of your local TV market [visit here](#).
- 2) What is the average CPM (cost for the TV ad to be seen 1,000 times) for that type of television program? This information is [available here](#) from TVB. For example, the average cost for a spot during the late night news is \$18.19 per CPM. The daytime news is much cheaper at \$11.15 per CPM.

Lets assume that you want to buy 10 spots over a month on an 8:00 AM news show on your local CBS affiliate. The show is watched by 20,000 people on average. You could calculate a fair price with the following formula.

(number of spots) x (number of viewers in thousands) x (average CPM for that type of show) = ballpark fair price



In this example,  $10 \times 20 \times \$11.15 = \$2,230$

### **3) Buy The Shows Which Client's Watch Or Are Likely To Watch**

The good news is that your local television station will allow you to advertise on specific shows. In our article, [Offline Marketing: How To Choose Between Newspapers, Television, and Radio](#), we suggest that you survey your clients to see what shows they watch. Also, we suggest that you do a demographic survey of your clients (age, gender, etc). You should share the demographic data that you collected with the account executives at your local television stations and ask them to suggest what shows match that demographic. If the shows that they suggest are the same as the shows your clients told you they watch, then the decision on what show to advertise is an easy one. If they suggest a different show, I would do another informal survey but specifically ask them about the shows suggested by the account executive.

### **4) Don't Spread Your Commercials Out, You want To Concentrate Them Within Limits**

- You want to first focus on one show.
- For half hour show, you ideally want to show two advertisements.
- For an hour show, you ideally want to have two or three ads.
- One way of making your TV ad dollars go farther is to use 15 second commercials instead of 30 second commercials.

You want the viewers of a show to think you're a major advertiser and remember your ads. By delivering two ads in 30 minutes or 3 during the course of an hour, you dramatically increase the chance of viewer noticing your ad. Off course, too many ads becomes a wasteful spend.

Lets say you only have enough money to buy 5 spots per month. In this case you would want to concentrate those ads over the course of 3 days. By concentrating the ads over a shorter period of time, you will increase their impact. If the advertising works, you can expand your TV advertising out into another week of the month. When you have the month saturated, you can jump into advertising in another program on the same station.

### **5) Good Television Commercials Have Common Elements**

We recommend that you use a local television station to help you create commercials. They should assign a producer to work with you. Your commercial should have the following elements.

- Tell them who you are – The name of your business should be very clear
- Give them an offer or reason to visit your business (ie, we have best Cannoli's in all of (insert your city here), or mention this commercial and get your free soft drink with every sandwich)
- Let them know how to find information about your business (Give them your website address, in fact leave up your website address throughout the entire commercial.)





- If your business is about getting foot traffic, tell them where you're located (which is not the same as telling them your address, say by the mall or around the corner from)

You might ask why not include your phone number or your address with a commercial but, feature your website. Thirty seconds is a really short time, fifteen seconds is even shorter. The more time you spend on presenting this type of information, the less time you will have to promote your company. Also, many people have trouble remembering numbers presented to them quickly. A web address can be easier to remember and by going to your website they can get your phone number and address. For more on how to build a website for your small business [go here](#).

### **Made For TV Offer**

I have an offer you can't refuse. If you are a local business interested in learning about how television advertising can help your business, with specific suggestions based on your business, industry and location, you can get a free consultation with Brad Seiter of [TVB](#). TVB is non-profit funded by local broadcasters. While Brad's job is to promote television in general, he is not paid to promote a specific station and program. His job is to help you use television advertising effectively. E-mail him at [brad@tvb.org](mailto:brad@tvb.org)

### **Additional TV Advertising Resources**

**The Rise:** [Misconceptions About TV Advertising](#)

**Cheap TV Spots:** [How Much Does TV Air Time Actually Cost?](#) (you will need to scroll down but, take a look at their example campaigns)

**Chron:** [How To Buy Local TV Ads](#)



## Newspaper Advertising Guide: How To Get Started Today!

If you talk to a sales representative from a radio station or TV channel, they will tell you that print newspapers are dead. While print is down and some newspapers have ended or limited their print editions, tens of millions of people still read newspapers every day, and even more so on Sunday. Leaving aside the national papers, there are many local papers which are read by several hundred thousand people each day.

### Average Daily Circulation (M-F) Of Major Daily Local Newspapers (Alliance For Audited Media)

- Denver Post 213,800
- Houston Chronicle 231,200
- San Diego Union-Tribune 192,800
- Philadelphia Inquirer 184,800

While your local newspaper might not be as popular as the papers listed above, the paper is probably read by tens of thousands of people a day.

### Who should use newspaper advertising?

**Is your audience middle aged or seniors?** Print newspapers do tend to be read by those over 35 years of age. According, the [Newspaper Association of America](#) 66% of adults over 35 have read a print newspaper during the last week. This compares to 49% of adults between the ages of 18-34.

**Does a large portion of your traffic come from mega-sales?** A newspaper can get the message out to a large number of potential customer in a small amount of time.

**Is couponing an important component of your business?** Newspapers are the perfect medium for the distribution of coupons. The physical act of tearing out a coupon creates a strong level of engagement with your message, increasing the probability of them coming into your store.

### How frequently should you run and what size newspaper ads should you use?

The larger your newspaper advertisement the more likely people will notice it. Starch Research does [studies](#) on how many newspapers remember seeing your advertisement. Here are the numbers based on the size of the ad:

- Full Page 42%
- Three Quarter Page 38%



- Half Page 34%
- Quarter Page 26%
- One Eighth Page 23%

As ads cost in direct proportion to the ad space bought, an eighth of a page is a big bargain compared to a full page ad; 1/8 page gives you 55% of the attention of a full page ad for 12.5% of the cost. Plus, 1/8 th of the page provides enough space for the ad to have big headline, a couple sentences of text, and a coupon or photo. Going smaller than 1/8 page in my opinion impacts your ability to communicate your message.

For certain businesses, there is an argument for larger size ads. If your customers are not necessarily frequent shoppers and are buying big ticket items, having more potential customers notice your advertisement may be more important than the efficiency of the spend. This point of view is well articulated in this article "[How big do you need to run?](#)".

All else being equal, a smaller ad size will enable you to stretch your budget farther and run with greater frequency. When running in a newspaper, you should run your ads at least once per week.

## **Newspaper Advertising Location, Placement, & Timing**

You will have several choices when you buy newspaper ads. You can buy run of paper, which is the cheapest option, or specific sections. The most read section in a paper is the main news section ([80% of readers look at this section](#)) followed by the local news section (at 75% readership). After these two sections, there is a sharp decline in readership with sports coming in at 55%.

If your product or service has broad appeal, I would generally suggest that you advertise in the local section. While the main section gets a few more readers, you risk your advertisement being next to an article about a horrible human catastrophe. By placing the ad in the local section, you emphasize that you're part of the community. There are exceptions to this idea. For example, a paper may have a health section which might be good section for a medical practice to advertise.

### **Where do you want your ad to appear?**

1. Above the fold (the top half of the page)
2. On the right hand page, right hand side of that page is even better.
3. Next to an article; not surrounded by other ads.

Points 1 and 2 will help your ad be seen by readers flipping through the paper. While point 3 will keep reader eyes near your ad for longer periods of time.

### **Which day of the week should your ad appear?**

Depends on the type of service that you offer and how attention catching your ad is.



- **Monday & Tuesday:** There are less ads during these days. Your ads may get more notice during these days, however, circulation (the number of people receiving the paper) can be low on these days.
- **Wednesday & Thursday:** Grocery stores tend to like to advertise on these days, as this is when many people plan shopping trips.
- **Friday & Saturday:** A good day for restaurants and providers of entertainment.
- **Sunday:** The day with the highest circulation and most the ads. The paper is full of coupons.

## How much does newspaper advertising cost?

Newspapers have rate cards which will tell you exactly how much advertising will cost. Here is another great article from design your ad which shows you [How To Read A Rate Card](#).

The basic math involves the following components: the average circulation of the paper, the size of the newspaper advertisement, and the cost per thousand people “reading your ad” (really, receiving a paper that contains your ads)

Circulation Of Paper in Thousands x Size Of Ad x CPM = Cost Per Running On Advertisement

- **Circulation of Paper:** Newspapers should provide you audited circulation numbers from The Alliance of Audited Media. Don't be fooled by readership numbers provided by the paper. Some newspapers claim that their paper is read by several people per each physical copy distributed. While it may be true, advertisers pay based on circulation.
- **Size Of Ad:** A full page ad equals 1, a half page 0.5, an eighth page 0.125 etc.
- **Cost Per Thousand:** For a full page advertisement, the cost per thousand typically ranges from \$80 to \$130 for a full page advertisement. For a simple estimate, \$100 is good estimate.

Lets use these numbers to estimate how much running a ¼ page ad in the largest circulation paper in Vermont, The Burlington Free Press, would cost. The paper has a circulation of 31,000.  $31 \times 0.25 \times \$100 = \$775$

Please note that the paper is not going to reveal their CPM rate. Instead, they will list the cost to buy a certain amount of space.

## Discounts & Extras

Newspapers often have introductory rates for new advertisers. If you are going to be a regular advertiser or think you might be, newspapers have volume discounts (ie, if you run the equivalent of 10 full pages of ad space over a year), you might be able to get a discount ranging from 10 to 30%. With these volume deals, if you don't complete the full volume commitment, the newspaper will bill you for the advertising that you run at a higher price based on the rate card.

Newspapers will try to charge you for all the preferred positions: choosing the section and the placement on



the page. This charge will vary from paper to paper, however, 25% extra would not be surprising.

## **Creating The Newspaper Ad**

There are three basic parts to creating a newspaper advertisement: 1) Writing the copy. 2) Producing the ad. 3) Approving The Proof.

### **1. Writing The Copy:**

The most important element of your ad is the headline! If those 3 to 8 words don't interest the reader, the advertisement will fail. Here are a few resources that we like for writing newspaper ads:

[How To Succeed In Newspaper Advertising](#) from ProfessionalAdvertising.com

[Effective Newspaper Ads](#) from TheStar.ca

#### **When writing your ads you should do the following:**

1. Look at ads from competitors.
2. Get suggestions from your newspaper account executive. They will often come up with sample ads when trying to initially get your business.
3. Brainstorm ideas with your employees and customers.

### **2. Producing your ad**

Newspapers will have “ad builder” programs which can create a professional looking ad based on detailed instructions. However, you are going to have to be very clear for the ad to look the way you want. To learn how to communicate with the production department of a newspaper, [click here](#)

You don't need to use the production department of a newspaper to create the ad. However, you will need to find out their technical specifications to provide a designer. Working with a professional designer will enable you to give feedback and make changes to the ad. Creating a good looking newspaper advertisement should cost around \$150 to \$500.

### **3. Requesting and approving the proof**

You should always request the proof for a newspaper or magazine advertisement. A proof will show you exactly how the ad will look in the publication. For a variety of reasons, something can go wrong when you give creative direction to a newspaper or hand over files from a graphic designer. A proof gives you an opportunity to check something did not go wrong before the ad is published.



## How To Get Started With Radio Advertising Today

### Why Radio Advertising?

- **You can reach most people using radio as a medium.** To be precise, around 77% of adults tune in to an advertising supported AM/FM station. The average listener, spends almost 2 hours (109) minutes per day listening to AM /FM radio. Source: [Nielsen Report](#)
- **You can reach people when they are driving to do shopping.** Peak radio usage coincides with when people are driving to work, lunch time and leaving work. Listening is much lower between 8:00 PM and 8:00 AM than during daytime hours. ([Nielsen Report](#))
- **You can target your advertising very effectively.** In the United States, there are over 11,000 commercial radio stations. While there are 50,000 Watt stations which reach large geographic areas. Many stations reach relatively focused geographic areas. By picking the right station, you won't be reaching people that aren't potential customers. Furthermore, certain formats (talk, country, pop, easy listening) tend to reach specific demographics, enabling advertiser to target the types of customers that shop with them directly.

### What are the challenges with radio advertising?

- **They are listening to the radio and doing something else.** When listening to the radio, the listener may be driving a car, doing dishes or talking to friends. Often radio is not the primary focus of their attention. This makes communicating information like a phone number very difficult.
- **To reach the entire audience of a radio station requires more spots than television.** Television is sometimes called appointment viewing. Viewers generally have the intention of watching an entire show from beginning to end. On the other hand, radio listeners can tune in and out at different intervals. For example, two people that listen to the same show while driving to work, may never listen at the same time. Thus, a small business advertiser will have to advertise more often to reach everyone listening.

### Should you advertise on radio?

Retail stores and restaurants can use radio advertising very effectively . You can reach a potential customer when they are on their way to go shopping or thinking about where to eat that night. In short, radio can be very effective at driving traffic (pun intended) to your business.



If you are currently already advertising on other mediums, such as [television](#) or newspaper, radio can be a very powerful one-two punch. The potential customer hears a television commercial at night and in the afternoon, and in the morning a radio ad reminds them about your business.

However, if you have a complex message or the benefits of your offering are not easy to describe with words in a compelling way, radio may not be the best medium for you.

## Where should you advertise?

With over 10,000 stations, you may not know all the stations that are located in your area. [Radio Locator](#) allows you to find stations by the zip codes in which their signal can be heard. Narrow this list down to stations that primarily serve the region which you are interested in.

You should contact the radio stations to find out which demographics they serve. For example, generally speaking men listen to talk radio formats (in which sports and politics are the primary topics) much more than women. Here are some general guidelines for targeting based on age from the direct response radio advertising agency, [strategicmedia](#).

Age Target	Format(s)
Teens 12-17	Primarily Top 40, some Urban, Alternative
Adults 18-24	Top 40, more Alternative, Urban preference
Adults 25-34	Alternative, Rock, Top, some Urban, Adult Contemporary
Adults 35-44	Rock, Adult Contemporary primarily
Adults 45-54	Oldies, Adult Contemporary
Adults 55-64	Classical, New Adult Contemporary
Adults 65+	Adult Standards, Classical, News Talk

However, these are generalities and your local station will be able to give you the specifics of their audience based on data from Arbitron or Eastlan ratings. Once you have data from the radio stations, figure out which stations have an audience which matches up with the customer base of your business. Asking your customers which stations they listen to can also very helpful.

## Picking Time Of Day (weekdays)

Radio ads are generally sold by daypart:

- **6 AM – 10 AM** also known as Morning Drive or AM Drive – Considered to be one of the two most desirable time slots for radio advertisers because of the high engagement of listeners.
- **10 AM – 3 PM** also known as Midday – Many talk stations tend to lose audience during this period, however, the shows of major talk personalities such “Rush Limbaugh” are located in this daypart as well. Some music stations gain audience as listeners use radio for background noise during work.



During this period, the percentage of women listening tends to increase.

- **3 PM – 7 PM** also known as Afternoon Drive or PM Drive – A coveted time for advertising. Food and entertainment advertisers tend to seek this time out for advertising.
- **7 PM – 12 AM** also known as Evening – Listeners are thought to be less responsive to radio ads during this time frame. With the exception of 7 PM – 8 PM, the audience tends to be much smaller than the daytime. However, there is an opportunity to get “bargain” rates.
- **12 AM – 6 AM** also known as Overnight – Considered the worst time to advertise. Unless you’re running a 24 hour diner or some other business that caters to people that work at night, this time period should generally be avoided.

Weekend advertising is considered its own timeslot. Weekend audiences tend to be much smaller than weekday audiences during similar time periods.

The information on time slots above comes from Bid4Spots’ [Radio Daypart Descriptions](#).

### **Should you buy Run Of Station?**

Run of station allows the radio station to place you in any time slot that they want. The cost per ad spot, for each time your ad runs, can be very, very low in terms of dollar costs. However, this may not be a bargain! Often times, this will result in your ads running in the evening or overnight time slots where the audience is small and less responsive.

### **Radio Advertisements Are Typically Sold in 60 Second Spots**

Traditionally, radio spots are sold and priced based on 60 second commercial spots. However, you can buy 30 second or even 10 second spots (called billboards). Unlike television, a 30 second commercial doesn’t necessarily cost half as much as a 60 second commercial. For example, a 30 second commercial might be priced at 80% of the rate of a 60 second spot. This is because radio listeners tend to get less annoyed by the amount of time which commercial messages take than the number of different commercials that are aired. (Here is [good video explanation](#) by Dan O’Day)

There is a study that indicates that 60 second commercials are more effective than 30 second commercials. The longer commercial gives the advertiser an opportunity to tell a story and repeat their brand name and call to action more often.

**Our suggestion:** Go with the 60 second commercial.

### **How To Choose A Schedule for Your Radio Advertising**

In a choosing a schedule, an advertiser must decide between reaching the most people (reach) and the number of times each person listening will hear the commercial (frequency). There is an excellent article on this topic by the Portland Radio Group, [The Radio Advertiser’s Toughest Choice: Reach Versus Frequency](#).





I am going to sidestep this entire discussion. If you are new to radio advertising, the biggest question which you want to find out the answer to is “Does this work?” and if so, “What shows (daypart) are working?”

You want to run enough radio ads for your business that you will see noticeable results if it works. The problem with running a broad schedule, meaning commercials on multiple dayparts, is that you might not be able to tell if the campaign is producing good results. There may be an increase in business, but not enough to tell if its from your radio advertising or just a normal fluctuation in sales. By focusing your advertising in one daypart and advertising with good frequency (for example three spots per day Monday thru Friday) you should be able to tell if radio advertising is working for your business. The risk of course of this strategy is that you might accidentally pick a daypart which doesn't work for your business and get a misleading reading as to effectiveness as a result.

**Suggestion:** Pick the daypart that will be most effective for your business, and try a schedule of 3 ads per day, Monday Thru Friday.

## How much does radio advertising cost on average?

While the answer depends on many factors, the primary one is how many people will be listening. Below are ballpark figures for weekly advertising costs, based on advertising with a top performing radio station using a schedule that includes 15 Monday – Friday spots and 4 weekend spots. Estimates are taken from the article [How Much Does Radio Advertising Cost?](#) from localmarketingideas.com.

- **New York City, Los Angeles, Chicago:** from \$4000 to \$8000
- **Dallas/Ft.Worth, Houston, Phoenix, San Diego:** from \$2000 to \$5000
- **Denver, Cleveland, Kansas City:** from \$1000 to \$3000
- **Akron, Wichita, Baton Rouge:** from \$800 to \$2000
- **Myrtle Beach SC, Green Bay, Topeka:** from \$500 to \$1500

## What is the thinking behind the pricing?

There are many fancy words and terms that are used when discussing radio advertising. You may hear terms like Gross Rating Point (GRP), Cost Per Point (CPP), Average Quarter Hour Rating (AQR rating) and many others. There are some clear, concise definitions [here](#).

However, pricing comes down to the following equation:

Number Of People Listening x Cost To Reach 1,000 listeners (CPM) = Cost of Advertising Per Spot

Number Of people listening in my opinion is best measured by Average Quarterly Hour Person (AQH Persons). The radio station can provide this data from Arbitron for the daypart you're interested in. The CPM rate can vary greatly from station to station, and market to market. The average daytime CPM rate is typically in the [\\$12 – \\$16 range for adults between 18 – 49](#). If the audience that listens to the broadcast tends



to be older than 50, a CPM of \$8 – \$12 is reasonable for daytime. Evening and particularly overnight should be lower.

## **Cost Of Producing Radio Advertising Spots**

Often, a radio station will offer to create a spot for free. These spots can range in quality from poor to excellent depending on the people working on the spot. When a station creates a spot for you, you can only run that spot on their channel(s). If a radio station offers to create a free spot, I would suggest you take advantage of the offer as it will give you more options.

When negotiating your advertising deal with the radio station, find out if live reads of ads are available. Instead of playing a pre-recorded commercial, the host or disc jockey will read from a script. This option has several benefits:

1. Listeners tend to tune out commercials. As the host is reading, that response is less likely to occur.
2. The DJ / host will often add lib a bit with the commercial, taking more than the 60 seconds that you bought.
3. Live reads often provide credibility to a product, implying that the host endorses the product. If you go with the live read, provide the on-air personalities with a free product and/or service so that they can speak from personal experience.

If you are going with a produced commercial, I would use a professional radio commercial production company and make at least two commercials. They can help you with the script, selecting a voice, music, recording and effects. Have them produce two different ad spots so that you will be able to test the effectiveness of different messaging / approaches. You should be able to get a great radio ad made for around \$800 to \$1200 per commercial.

## **The Elements of a Good Radio Script**

I found a number of good articles on what makes a good radio script which I will post below. However, I want to make a point that is sometimes not explicitly stated.

Radio listeners will not be listening to your advertisement in same way that you will. When you listen to your radio commercial to give your approval for it to be used, it will be in a quiet place with your entire focus on the radio ad. However, the audience for the commercial may only be partially listening to it or may hear only part of the radio advertisement. Additionally, real listeners will likely also be engaged in another activity, which means that you cannot ask them to use their brain to think about your content.

This has two important implications:

1. Anything that is important, you need to repeat several times throughout the advertisement.
2. If you want the listener to remember anything specific, like a promo code or phone number, you need



to make it very easy. For phone numbers for example, a vanity number will work best.

**Here are some other great resources for creating radio ads.**

**StrategicMedia:** [The Top Ten Keys To Creating Great Radio Ads](#)

**Michael Holmes:** [Radio Commercials: Tips, Tricks and Tutorials](#)

**The Radio Advertising Bureau:** [A representative of the RAB was interviewed for this article and provide helpful information.](#)

Thanks for reading our free guide to Television, Newspaper, and Radio advertising. If you have any questions after reading this guide we would be glad to help answer them, simply email me at [dwaring@fitzsmallbusiness.com](mailto:dwaring@fitzsmallbusiness.com).

Best Regards,

Dave Waring

Editor

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