

Smart Advertising: What Will an Advertisement or Commercial Cost?

Activity: Study samples of different advertising media materials.

- What makes them appealing?
- Would they be a good way to increase sales of the product?
- What would the advertising cost?
- How much advertising could be afforded to sell the product and still make a profit?
- Persons from local newspapers, radio stations, or television stations could be brought into the classroom to speak about advertisements and the rates they charge.

There are traditionally four main types of media, but since the 90's, the Internet has quickly become a much-used advertising component.

1. **Print:** Advertisements in magazines, newspapers, Internet
2. **Broadcast:** Advertisements on radio, TV, Internet
3. **Outdoors:** Signs, posters and billboards
4. **Direct Mail:** Sometimes called “junk mail”

Sample Advertising Rates for 1985:

1. **Magazines:** One full page advertisement in one issue.
 - * Newsweek.....Each full page advertisement costs \$8,000.00
 - * Sports Illustrated.....Each full page advertisement costs \$45,050.00
 - * Time.....Each full page advertisement costs \$31,925.00
 - * Rolling Stone.....Each full page advertisement costs \$13,740.00
 - * People.....Each full page advertisement costs \$8,180.00
2. **Newspapers:** One full page advertisement (not ads for the classified section).
 - * Minneapolis Tribune.....Each full page advertisement costs \$3,837.75
 - * Fargo Forum.....Each full page advertisement costs \$1,517.25
 - * Bismarck Tribune.....Each full page advertisement costs \$812.70
 - * Minot Daily News.....Each full page advertisement costs \$577.92
3. **Broadcast:** 30 seconds on the local news broadcast.
 - * KXMC.....\$75.00
4. **Outdoor Billboards:** Contract for 12 billboards statewide in North Dakota.
 - * One year contract.....\$20,160.00

What Will an Advertisement or Commercial Cost? Continued...

1. Why do you think the costs are different? _____

2. What is the intended audience of the different media? _____

3. What would these ads costs this year? _____

4. What other ways have advertisements changed over the years? _____

5. **Create an advertisement for your product or invention and decide on an advertising budget. Templates are available below and on the next page to get you started.**

| | Month 1 | | Month 2 | | Month 3 | |
|-----------------------|-------------------|-------------------|---------------|---------------|---------------|---------------|
| | Budget | Actual | Budget | Actual | Budget | Actual |
| Income 1 | \$3,000.00 | \$3,600.00 | | | | |
| Income 2 | \$800.00 | \$1200.00 | | | | |
| Total Income | \$3,800.00 | \$4,800.00 | | | | |
| | | | | | | |
| Expenses | | | | | | |
| Radio Ad | \$1,500.00 | \$1,500.00 | | | | |
| Local Magazine | \$600.00 | \$600.00 | | | | |
| Newspaper Ad | \$812.70 | \$812.70 | | | | |
| | | | | | | |
| | | | | | | |
| Total Expenses | \$1,912.70 | | | | | |
| Difference | | \$2,887.30 | | | | |

This page is an example of an ad you may see on the Internet, or on a store front. Look for what it tells you about what is for sale and how it applies to your own project.

SALE!

All Decorative
Items 25% Off!

Specially Marked
Housewares 30%
Off!

10' Potted
Sunflower Plants
Only \$3!!

Special Garden
Variety Vegetables
\$2 Each!

Sale Good Thru
August 30, 2010

STORE HOURS:

Monday – Friday 8:00 AM – 6:00 PM

Saturdays – 7:00 AM – 4:00 PM

Sundays – Closed

Sunvalley Flowers
and Garden

1809 Sunvalley Road
Sunvalley, North Dakota

701-Flowers or
1-800-Flowers

Other Costs to Consider:

- Creating the Ad
- Artistic Work for the Ad
- Radio/Television Costs
- Proofreading for Errors
- Other Materials