

26. Your Advertising Options

Advertising is an "Investment"

A solid investment in consistent, relatively intense advertising can get your business to a weekly sales volume and client base that would otherwise take many years to achieve through lesser efforts. Actually, advertising for housecleaning clients is the easier part of the equation (it is not more difficult to attract and keep good employees). It is basically a numbers game — the more advertising you do, the more clients you get to a point where it requires you to commit the necessary financial resources to make it happen. You are in a marketing-driven business.

Client Acquisition Cost

- "Client Acquisition Cost" (CAC) is the amount of money you need to attract a client who you service on a regular basis. Our experience has been that this figure varies widely among different types of housecleaning businesses. You have seen the cost of attracting a new client run from as little as \$100 to as much as \$450 per client acquired.
- However, with the right advertising strategy, media, telephone technique and in-home presentation, our experience over many years is that you should expect to pay between \$100 and \$150 to obtain a new client. We suggest that you use this as a benchmark for client acquisition cost to budget your advertising and to determine which advertising techniques will be the success of your own advertising program.
- \$150 is not so much a high number to attract a new client. And it is not a high number if you only serviced that client one time. It is a high number if you are trying to attract clients who will stay with you for a long period of time. You can also see how important it is to invest everything you can, to literally bend over backwards to keep your existing clients happy with your service.

Even if you charge \$300 or \$450 for a first time cleaning, if it costs \$150 to get a new client, your advertising cost is 50% to 33% for that job. On the other hand, if you invest \$150 to get a client who you service every other week for a year at \$120 a visit (\$3,000 over one year) that's an advertising cost of 5%; dropping to 2.5% if the client stays with you for two years.

Obviously, there are many factors which can affect the cost of acquiring a new client:

Factors Affecting CAC

- **The cost effectiveness of the media being used:** An inexpensive advertising media or campaign which produces poor results can be a lot more expensive than putting more dollars into a more effective advertising media.
- **The efficiency of the media being used:** Advertising in a major newspaper or Yellow Pages directory which covers an area where you can efficiently serve can result in wasted dollars. However, sometimes using a media with wasted circulation can be more effective if the results meet the targeted client acquisition. Select the media which circulate largely within your ideal geographic area. Does it meet the targeted client acquisition?
- **The effectiveness of the advertising message:** If you use the right media but the wrong message, you can't assume that the ad is not effective.
- **The audience to which the media is directed:** The better you can target market to the most likely prospect for your service, the better the results. The more specific for the ad, the more dollars invested.
- **The relative income and lifestyle of the market being served:** Dual-income households, single parent households, professional couples, singles with children, and affluent empty-nesters are more likely than an affluent person to have someone else to clean their home and more likely to be spending someone else with their time are you are cleaning their homes.
- **The frequency of advertising:** The more you advertise to the target audience, the more chance you will have of gaining their attention and converting them as clients.
- **How well you are able to convert inquiries to clients:** The job of your advertising is to generate enough interest in the consumer to cause her to respond by telephone. Your proficiency in converting telephone inquiries to in-home presentations to clients, will have a great impact on your actual client acquisition costs.
- **The ability to generate referrals:** Referrals from satisfied clients can be a valuable source or nothing. The more new clients you get from referrals, the lower your overall client acquisition cost will be. However, the topic of "house cleaning" and "house cleaners" isn't one typically raised at cocktail parties or around the water cooler in the office. Don't count on referrals as a primary source of business if you're serious about growing your business as quickly as possible.

- **Competitive factors:** The quality of the competition in your market, the reputation they have, and the amount of effective advertising they do can have an impact, either positive or negative, on your cost of acquiring a new client.

Your Business Needs Exposure

- There are many factors which can have a direct bearing on your client acquisition costs. The fact is, before anyone can be a client, they must be exposed to your business and your services. Following our discussion of the advertising media options, we will provide you with us to be the most effective and efficient.

Door Hangers

- "Door Hangers" are exactly what the name implies. Since it is illegal for anyone but an official of the U.S. Postal Service to place anything in anyone's mail box (although many advertisements disregard this regulation), door hangers are a legal, cost-effective and effective alternative to direct mail.
- When you consider that an individual can physically deliver approximately 15 door hangers per hour, depending on how far a person must travel between houses in a given development, two people spreading from 8 AM until 4 PM should deliver 300 to 450 door hangers.
- If you pay \$10 per hour (including employer's contributions to FICA, etc.) for two hours of distribution, your distribution cost would be about 14¢ per door hanger, or 14¢ per 100 door hangers. This compares favorably to the standard resorted bulk mailing rate of ranging from 14¢ to 20¢ per piece (as of August, 2009). However, our experience has shown that the response rate on the same advertising piece delivered as a door hanger is better than when the identical advertising piece is delivered by direct mail.

If you want to use your own employees or hire people to do this job, you can obtain special door knob poly bags for distributing brochures and other materials via this method. One suggested vendor for this item is ULINE (\$22 per for a box of 1,000, or 2.2¢ each, plus shipping). Go to <http://www.uline.com/Product/ProductDetail.aspx?Model=S-2176C&RootChecked=yes>. You may be able to find a local vendor as well.

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- One drawback is that you need to find somebody willing to deliver door hangers, *(not a bad assignment to give your kids and/or other kids in the neighborhood, providing they're available and reliable)*. If you have new employees and few clients, or any teams on standby, you may not be booked for a housecleaning during a given time period. You may be willing to pick up a few extra dollars to deliver door hangers for a few hours.
 - While this a good way for employees to make a few extra dollars during the early development of a new team, we have also learned that it is a chore they learn to tire of quickly, (especially on hot, cold, rainy, or snowy days).
 - In addition to low cost, there are other benefits required. For one thing, you can get results this way far faster than any other method of this morning's distribution, rather than waiting several days for mail to be delivered. In addition, you don't have to worry about people and use the door handle to enter their homes, it's hard not to notice (and at least look at) the advertising. Your direct mail piece often goes to the waste basket along with all the other junk mail before the recipient even looks at it.
 - One drawback is that you may not be allowed to distribute door hangers in certain gated communities or condominium and apartment buildings. Also, there are some jurisdictions which require that a license be obtained to do so. Some ban the practice outright.
 - It's good to have your teams distribute a minimum 5 or 10 door hangers to each property when visiting a new client's house the first time. (You may have to pay a bonus (in addition to wages) for distributing door hangers which is why some clients provides an extra incentive to your marketing team).
 - There are companies that specialize in delivering door hangers, some of them on a regular basis. Some will deliver individual pieces (as you would be doing your own people to distribute them) and others do so only in conjunction with the delivery of other advertisers' material in the same door hanger bag. However, you may have to wait until the company is delivering in a particular area in order to participate in a door drop. There may also be a minimum number of pieces that the company will accept on a given drop or in a particular area.
- and door-hanger campaign would be the distribution of between 1,500 and 2,500 pieces a week to your target market area.** The more often you distribute door hangers into the same neighborhoods, the more effective your advertising efforts should become. Like any advertising, the long-term success of the campaign

depends a great deal on repetition, repetition, repetition, repetition, repetition.

- Response rates (the number of people who respond as a percentage of door hangers distributed) experienced over the years have varied widely. The response rate can be affected by a number of factors:

Factors Affecting Door Hanger Response Rates

- **The neighborhoods into which they are distributed:** Some neighborhoods respond better than others, depending on demographic and psychographic characteristics.
- **Whether the door hangers are distributed as a stand-alone piece, or in a package with other advertising literature:** The chance of your brochure or flyer being seen and read is higher when there is no other advertising competing for the consumer's attention, the trade-off being that distribution costs are usually lower when your advertising is covered with other advertising literature.
- **Frequency of distribution in a particular neighborhood:** The more frequently the same neighborhood is covered, the better the response rate. Generally is . . . repetition, repetition, repetition, repetition, repetition, repetition, repetition.
- **The time of year:** Response rates tend to be higher between February and April and between September and November than during other months of the year.
- **The quality of the advertising piece:** The more professional-looking the piece, the more likely the message is to the reader, the better the response you can expect to achieve.
- **Familiarity:** People like to do business with companies with whom they are familiar. The better their awareness of your company, the more likely they are to respond. This relates back to frequency of advertising and/or word of mouth (repetition, repetition, repetition, repetition, repetition, repetition, repetition).
- **Word of mouth:** Not just referring to repeating door hanger drops in the same neighborhood, but the compounding effect of other advertising you do to create familiarity, householders seeing your workers and their vehicles in the neighborhood, seeing or hearing about your company through public relations activities, and/or hearing about you servicing one of their friends.

The combined impact of all of these factors creates an air of familiarity in the mind of the consumer (something Madison Avenue advertising gurus call "mind share.")

Good Door Hangers Can Have "Staying Power"

- One curious thing we have discovered over the years is that long after delivery some consumers will retain your brochure (if the graphics, content and "look" are professional, appealing and of interest to the prospect). We have had owners report being surprised to find people who have held on to their advertising brochure for years and years before responding! That is amazing, but evidence that you have delivered handouts that not only convey the right message but it is also (no pun intended) "professional", too.

Direct Mail

- Direct mail is a powerful advertising tool and is used by hundreds of thousands of companies to market their products and services. While distribution through direct mail can be more costly than hand-delivering door hangers, you don't have to worry about whether or not your advertising will wind up in a dumpster somewhere. U.S. Postal Service may not be perfect but it's way ahead of other second-class carriers when it comes to reliable delivery!
- The key to good direct mail pieces is to design it in such a way that it immediately grabs the recipient's attention, such as the caption ***NEVER CLEAN YOUR HOME AGAIN!*** If you can't get your reader's immediate attention, the odds are good that he or she isn't going to read the rest of it. *(This is a key principle of advertising, print or electronic). A good rule of thumb for direct mail advertising is that the headline is the ad.*
- The ***NEVER CLEAN YOUR HOME AGAIN!*** brochure can be used as a self-delivered direct mail piece which only needs a label and postage. Simply place the label on the blank back panel along with the appropriate postage (*or you can use a preprinted postage indicia*) and mail as is, without the need for an envelope.

From our experience has been that door hangers generally get a better response than direct mail (likely because of the way a lot of the direct mail advertising goes into File 13 before even being read), there are communities and residential buildings which you simply can't reach using door hangers. Furthermore, you may not be able to find anyone to deliver door hangers when or where you want to advertise. This is where direct mail can be an effective alternative to door hanging ***"NEVER CLEAN YOUR HOME AGAIN!"*** or other literature.

- Bulk mail is much less expensive than first class postage. If you mail at least 150 pieces into the same 5-digit ZIP with automatic bar coding and delivery information, you can do so for 24.3¢ (and perhaps even less). If you do a saturation mailing to every household within a zip code you can get the cost down to at least 21.3¢. All pieces must be identical in size and weight and may not be any smaller than 5 1/2" or 3 1/2" in height. To do your own bulk mailing you will need to obtain a Standard Mail permit from the post office for a fee of \$100.
- For more current information on Standard Mail rates and procedures, visit <http://bulkmail.info/presort.html?gclid=CLCL-1v5xpwCFQk1swodQhcCOW>.

Mailing List Companies

- There are companies who you'll generally find in the Yellow Pages under "Mailing Lists." Some companies provide a mailing list in addition to looking after the physical mailing for you, so you have to do is deliver the direct mail literature to the post office and they do the rest.
- The cost effectiveness of direct mail campaigns has a great deal to do with the quality of the list you obtain. A mailing list which has not been updated in 6 months will have a high rate of non-delivery. In fact, you should avoid using a list which has not been updated in more than 90 days.
- You can specify names (such as a specific ZIP code or ZIP codes) into which you want your mail to go, as well as several different demographic characteristics. You can select income groups (such as \$25,000 to \$50,000 annually), and choose age groups and other criteria. Generally speaking, the more criteria you select, the more costly the list (usually about 1¢ a name for each additional characteristic).

There are many companies both locally and nationally from whom mailing lists can be obtained. You will want to ask about their HOUSEHOLD CHARACTERISTICS list from which you can select the demographics to whom you want to mail. Some of the criteria you may wish to select include:

WHAT YOU SHOULD SELECT:

- ✓ **Age:** 35 – 65
- ✓ **Income:** Select the income level in your market which represents the upper half of income earners. For example, you can choose only those

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households with annual incomes \$75,000+ in small cities and towns and \$100,000+ in larger urban centers.

- ✓ **Home Ownership:** Choose households which are (a) Home owners only or (b) both home owners and renters.
- ✓ **Estimated Home Value:** You can select the price range of homes most likely to utilize your service (for example, \$150,000-\$1,000,000+)
- ✓ **Mail able leads only** (unless you're going to be telemarketing (which is not recommended), you won't need phone numbers, which will increase the cost)
- ✓ **One lead per mail able address** (you don't want to mail to multiple people in the same household)

CRITERIA YOU MAY WISH TO CONSIDER

- ✓ **ZIP + 4 Only:** (You can get better postal rates. If you're doing a mailing you will want to use a program like *US Word* to convert ZIP+4 to bar coding for automatic mail sorting to reduce the cost further. The company may be able to provide leads with this feature.)

- ✓ **Omit all P.O. Boxes**

- ✓ **Omit all rural areas**

- There are several mailing list services. One we have used and recommend is www.infousa.com depending on the quantity you rent and the cost you'll pay, you'll pay anywhere from 5¢ to 15¢ per name. The cost of renting a list usually starts at about 5,000 names.

Most postage is set standard throughout the industry. What you should know is the age of the list. Any list that is older than 90 days is stale. Even with a list fresher than 90 days you can expect a delivery rate as high as 15%. Whichever company you choose to rent a list from it's important to find out how current the list is and what the anticipated delivery rate should be.

You can usually obtain your list on a diskette, Cheshire labels or on pressure-sensitive labels. It may add 2¢ or so to obtain them on a diskette or pressure sensitive labels from some vendors.

You should note that we referred to obtaining the lists as "renting" them. Usually, you may only use them one time. In some instances you can buy them outright for a few cents more or rent them for multiple mailings. However, as we mentioned, any list that is over 90 days old is out of date so it's not really worth purchasing a list outright or renting it for a longer period of time.

"Marriage" Mailers

- There are also companies, such as Valpak and ADVO that specialize in what is referred to as co-op mailings or "marriage mailers". They will contract with several advertisers to mail out coupons and other advertising literature to a given "drop zone" on a periodic basis. In this instance, your advertising literature is inserted into the envelope along with ten or fifteen other local advertisers (and usually, many competing businesses are included within any one drop zone).
- The theory is that the cost of distribution via mail is less for all participating advertisers and therefore can be less than direct delivery. Than mailing an individual piece you can *probably* save money. *distribute about 10,000 pieces, or about 100,000 pieces*
- The negative to marriage mailers is that your advertising is lost in the clutter of all the other literature and coupons. The odds are, if the customer doesn't first throw the envelope away without looking at its contents, your experience will be a much lower response rate from marriage mailers is much lower than that of standing door hangers or other direct mail.
- Many companies who offer this service include printing of the advertising as part of the package and will not allow you to insert your own message. They will also try to persuade you to offer some type of discount, offer, claim, or other incentive that you will get a better response.
- **We have found that some discount offers generally do not attract long-term clients we're looking for.** It works well if you are promoting pizzas, cleaning or promoting other periodic or one-time services, but a 10% or \$20 discount doesn't mean much to someone who is spending \$3,000 or more a year with you. In fact, many companies want to attract consumers who will make a decision to purchase you based primarily on price.

If you do choose to use co-op advertising, if you have a brochure or other literature that you know works, try insisting that the company use your literature or brochure or other literature (or reproduce your literature for them).

When making any advertising decision, always ask yourself if the investment is likely to return a reasonable client acquisition cost. If a \$750 investment results in 5 new clients, then it is worthwhile.

Factors Affecting Direct Mail Response Rates

- **Competition — the ability of your advertising message to stand out in the crowd:** We're not simply talking about competitive advertising from other housecleaning services. We are referring to competition with other direct mail advertisers. "Freestanding" direct mail generally has a better chance of being noticed and read if distributed in a marriage mailing with competing advertisements. However, even freestanding direct mail is competing with other direct mail advertisers whose literature may be in the mailbox of the day your day yours arrives.
- **The market to which your advertising is directed:** The more direct mail piece cannot be expected to get a high response rate if mailed to the wrong audience. The more specific you are about the target audience response you can expect to achieve.
- **The quality of the mailing list:** There are many types of lists available to most direct mail list companies. However, it is those lists are managed therefore that make a big difference. Good list companies will continually weed out bad information (people who have moved, or to which mail is undeliverable for one or more reasons) and update their lists. A list which has not been updated for 90 days may only have a 50% mail delivery rate.
- **The message offer content:** The effectiveness begins with the headline. If the headline does not capture the reader's attention, the message will not be read. The message needs to offer a benefit which the recipient deems important to him or her — and that benefit needs to be clearly "sold out" at the reader quickly and successfully.
- **The visual appearance of the message:** The quality of the direct mail piece will influence the recipient's perception of the substance of the product or service. The same message delivered on cheap 100# paper generally does not have the same impact as it does when delivered on 80# coated (glossy) stock. Visualize the same person soliciting your insurance or banking business dressed in blue jeans, t-shirt and sneakers, versus wearing an impeccable dark striped suit, dress shirt, tie, and wing-tip shoes. Get the point?
- **Timing:** If the recipient is thinking spring or fall cleaning, is moving in or out of a residence, wants the house cleaned before or after major holidays, or has just lost or fired their housecleaner when your advertising is delivered, the odds of their responding increases dramatically. The thing to remember, though, is that advertising directed at onetime events may attract onetime cleaning customers. If your efforts are not likely to attract people who may be candidates

as regular repeat clients, your campaign is unlikely to be cost effective.

- **The staying power of your literature:** If the time is not exact right or your message does not create a sense of urgency, a quality direct mail piece with the right message is often kept for future reference (something that is not as apt to happen with other advertising media, such as newspaper).
- **Frequency:** Again, that old rule applies. Repetition, repetition, repetition, repetition, repetition. The more times you're likely to get as good a response on your first mailing as you are on the seventh. However, "frequency" also includes the total impact and frequency of delivery of your message in all media. Your direct mail response may increase dramatically if the consumer has seen your newspaper and other (media) advertising, or has heard of you from friends, neighbors, and feels a sense of familiarity with your business.
- **Reach:** Obviously, the more the number of quality households that your campaign reaches, the greater the number of prospective clients you stand to acquire. However, since tight budgets are imperative, it's critically important to plan your mailing so that you are reaching prospective clients that you can efficiently service.

Yellow Pages

- There is no question that consumers' reliance on the traditional Yellow Pages telephone directory has been dramatically changed due to the Internet. For example, when was the last time you turned to your trusty Yellow Pages to find a business listing? When you want to order a product, you most likely Google those keywords into your browser. For this reason, the school is out on the continued wisdom of spending a lot of money in the telephone company's traditional Yellow Pages directory. However, we will nonetheless discuss this media for whatever its worth.

If your timing is extremely fortunate, it may well be some time before your ad can appear in the Yellow Pages of your local telephone directory. **If you haven't already done so, place this on your "Immediate To-Do List" and get on it right away.** Find out when the next directory is due out and what the deadline for placing an ad is.

- Remember that the job of your Yellow Pages representative is to sell you advertising space. Your job is to purchase the type and size of ad that you want to run and one that you can afford. After all, you are

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committing to a fixed 12-month expense and you don't want to undertake a financial obligation larger than you can afford.

- The only way to terminate the obligation once the book comes out is to cancel your business telephone number...an option you probably don't want to be faced with. In major urban markets the cost of a **bold** ad may be prohibitive.
- Before placing your ad, review your local Yellow Pages directory to see what type of advertising existing competition is running. **Bold** listings generally under the headings "Maids and Business Services" or "Cleaning Services". You'll probably find that most of the ads use **bold** listing, with no accompanying display advertising.
- Provided the cost is affordable, you should purchase color ads that are larger than your competitors. Large ads are usually placed at the beginning of each category heading and do attract more attention. They therefore tend to generate greater response. Adding color also tends to increase readership of your Yellow Pages ad, but the advantage can be lost if most of the other ads use color as well.
- Since most large cities may have several Yellow Pages directories covering adjacent towns or counties, we recommend that you concentrate your efforts and Yellow Page advertising efforts in your primary target market rather than trying to run a lot of small ads in each area. You may be able to purchase a **bold** listing in some of the other areas but channel most of your dollars into the largest and you can handle most effectively in your primary market. Yellow Page advertising wherever you do, don't spend money in Yellow Pages advertising in markets or those too far away to handle quality service consistently.
- Ask yourself "for every \$100 a month my advertising is expected to generate one new client?"
- **NOTE:** Consumers tend to use the Yellow Pages like a directory; they'll use it to find a number and call numbers until they get to talk to the first real person. A substantial investment in Yellow Page display advertising means someone should be available on the phone most of the time.

Factors Affecting Yellow Pages Ad Response Rates

- **The size of your display ad:** Unless the consumer is specifically looking for your company in the Yellow Pages, there is a tendency to look first at the largest display ads. Think of times you've looked to the Yellow Pages to hire a taxi without a specific cab company in mind.

Sometimes you can afford to play the "size game"; but very often the game is too expensive to play.

- **Color:** Very often adding one color can improve the response rate on your Yellow Page advertising. Red is usually the extra color offered, although some directories may offer other colors. This does increase its effectiveness if most of the other ads appear in color as well.
- **The Internet:** As we discussed, the value of the Yellow Pages has been greatly diminished by the ease and convenience of finding products and services on Google and other search engines. We have seen continued erosion in return on investment by clients and business owners who have used this media over the past several years. Our current recommendation is not to make any substantial commitment toward this media.

Newspaper Inserts

- Newspaper inserts can be an efficient and cost-effective method of getting the message to potential clients in your target market. Most major and city newspapers will offer insert advertising, based on a minimum distribution in selected circulation areas.
- For example, you choose a distribution area served by the newspaper, a neighborhood which has the demographic customer profile which most closely fits your target market. The minimum run may be 5,000 pieces, or some may require a minimum required distribution number.
- The advantage of using newspaper inserts is that you get guaranteed distribution to reach your target market for the cost of the paper's entire circulation. If you choose a distribution to selected areas, you can target your advertising to specific neighborhoods in the paper's circulation area, and you will get far more sell copy on an insert than you can for the same amount of money on a standard newspaper ad.

Classified Newspaper Advertising

- Many consumers look to the classified section of the newspaper for a variety of goods and services. Usually the paper will have a "Service Directory" within its classified section where you will find all types of advertisements for such services as Accounting, Bathtub Refinishing, Carpentry, Painting, Plumbing, Plastering, Wall Paper Hanging, etc. It is also under this section that you will normally see ads under "Cleaning Services" or "House Cleaning" or some similar heading.

- Classified newspaper advertising can be a relatively inexpensive media. However, like Yellow Page advertising, your ad is only going to be noticed by readers looking through this section for a particular service and, unlike display advertising, your ad is not likely to catch the attention of the person browsing through the paper. As with the Yellow Page directory, your ad under this column will be grouped with other ads grouped under the same heading. These factors mean that classified advertising shouldn't be considered a part of your overall promotional mix but, rather, that you should take into account these considerations. Obviously, if classified advertising didn't work, there wouldn't be any advertisers spending money on it.
- Advertising space in the classified section is measured in "lines per line". The "line rate" is priced based on the number of consecutive days in which the ad is run. Newspapers generally offer a variety of "packages" such as a 1-day rate, 3-day rate, 7-day rate, 10-day rate; 14-day rate; etc. The more consecutive days the ad runs, the lower the rate per the line rate.
- In some cases, classified advertising is measured in "column inch". A column inch is usually 1" deep by 1" deep. There are usually 4 lines of copy in a 1-column inch. In other words, an ad with 7 lines of copy, including a 1/2" space above and below, or in the body of the ad, would be a half-inch.

Newspaper Display Advertising

- "Display" advertising is a form of the conventional advertising which appears throughout the newspaper. Display advertising is what the advertising and typesetting companies utilize when they include newspaper advertisements in their designs. In addition to stylized headlines, display ads can include art and logo reproduction not generally used in classified ads (*unless it is what is called a "Classified Display"*).

Display ads are far more apt to be seen by more readers since they are embodied along with news, sports and other articles in various sections. More people read these sections of the paper daily than they do the classified section.

You can request, generally for a premium, that your display ad run in a particular section of the newspaper and, in some cases, you can even request a particular page within that section. For example, since the woman of the home is the most likely to initiate a call to a residential cleaning service, placing your display ad in the Women's section (*such as "Life-styles"*) might be good placement.

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- Rates for display advertising are usually quoted by the column inch (*which is generally 2" wide for display ads, by 1" deep*). When being quoted by page size, always remember that a 1/8 page ad in a large-size newspaper (*like the Wall Street Journal*) is a lot larger than a 1/8 page ad in a tabloid-size paper (*like the National Enquirer*).
- Newspaper advertising, like other media, works best in a sequence. In other words, generally speaking, the more often the ads run, the better the cumulative effect. Consistency is the key to running a successful newspaper advertising campaign.
- One of the problems with a lot of newspaper advertising is that the newspaper's circulation often exceeds the geographic area you want to cover or concentrate on. Not only may you be inundated with calls from potential customers you don't need, but you're also paying an advertising rate based on the paper's entire circulation. Therefore, you wind up paying for a circulation that is not your target.
- Unlike newspaper inserts, you can't select a target circulation area for your print ad to appear in. Major metropolitan newspapers, except in those instances where the paper has several editions distributed to various parts within its greater metropolitan coverage area.
- Of course, one downside of this is that if your newspaper ads pull sufficient interest from people in your target market area to justify the cost of the advertising, you're paying for circulation in areas you aren't prepared to do business in, as well as the expense.
- As with classified advertising, there is usually a break in your cost of display advertising based on frequency and/or cumulative lines or columns. If you plan to place several display ads throughout a month period, you can save substantially by signing a contract for "line-rate" contract with the newspaper. "Contract" rates can often be obtained by agreeing in advance to run a minimum amount of ad space throughout a one-year period. Doing so can save you 20% to 30% on the cost of each ad, even more, depending on the policy of any particular newspaper's advertising department. When you do so, the only penalty you might receive if you fail to meet your minimum contracted commitment for ad space is that you will be billed at the higher rate for the space you did use. But you would have paid that higher rate up front anyway, so why not take advantage of the savings you can realize by entering into a "line rate" contract at the beginning.

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- For example, if you planned to run, say, three display ads per week the size of two column widths (4") by 2" inches deep, that would amount to a total 12 column inches (168 lines) per week. Over a year, that would equate to 624 column inches (8,736 lines). To establish your potential savings by entering into a line-rate contract, simply study the newspaper's "rate card" based on its onetime rate versus the contract rate for the lineage you like to buy. The savings could be so substantial that even if the onetime rate might be a little short, it might be cheaper to place additional ads at the end of the year than to pay the paper's "standard" rate.
- Some newspapers, instead of offering contract rates, will give a discount for cumulative advertising you do based on a commitment for a year without offering the up-front discount described above.
- In addition to regular daily newspapers, you will find other print media as well. One example is a weekly "community" newspaper, and there are various "shopper" papers which are distributed free. One limitation with these papers is that you're usually limited to once-a-week advertising, and your "frequency" level is limited to four times a month, versus the daily newspaper's two, three or more times a week. Of course, if you're only planning one ad a week, then this drawback is irrelevant.
- A word of warning in order to reach the readership of local daily newspapers or "shopper" papers, these newspapers or "shopper" papers do not have the same readership as local daily newspapers, and those which are distributed free even less.

Factors Affecting Newspaper Advertising Response Rates

Generally speaking, if your ad appeared on page one of the front news section, the response rate would be higher than on any other page. The next best position would be page two or three of the front news section. And the next best position would be the back page of the front news section. You're not likely to be able to obtain or afford any of those positions in most daily newspapers. If you can specify and afford to buy a particular position for display advertising in your paper, ask for an upper right-hand placement in either the front news section or alternative sections with high readership by upscale females (who tend to be the ones to use the family's housecleaning service).

Frequency of advertising: You're going to hear it once again: repetition, repetition, repetition, repetition, repetition, repetition, repetition! And, again, advertising you do with door hangers, direct mail and other media to essentially the same audience counts here and can have an impact on the response rate from your newspaper advertising. Generally speaking, a smaller ad appearing three times a

week is usually more effective than one larger ad appearing only once (depending on placement).

- **Visibility:** No ad, no matter how good, can be expected to generate a good response if it is not seen by readers. How well your ads stand out among the clutter of other ads depends on the page where it is placed on that page, the number of other ads on the page, and the relative size of your ad compared to other ads on the page, and the ability of the headline and/or graphics to catch the reader's attention within a fraction of a second.
- **Actual readership of the section or page:** Some pages of even the most popular newspaper have very low readership, or very low readership in the places you'll want to reach. If you simply let your ad appear on any page (anywhere they choose), you might find a page with a readership with very low readership by your target consumer. In fact, weekly neighborhood papers or free shopping guides often generate an actual readership much lower than their circulation figures might indicate.
- **The headline of the ad and the copy/message in the ad:** It's said that you have about 3 seconds to grab a newspaper reader's attention to your ad when she's skimming through the newspaper over morning coffee. You have to think of the ad's headline as the "Ad for the Ad." The more eye-catching the better the chance your ad will be read. Are there any action words in the copy? What is there to inspire the reader to act on your information? Since you can provide a lot more information on your Web site than you can in a newspaper advertisement (and all your media for that matter) should direct readers to your company's URL. In fact, this is one way to get a lot of traffic without the expense of classified advertising, too.
- All the other factors already discussed with respect to other media apply as factors influencing the response rate from newspaper ads (timing, headline, message, etc.).

Web site

- **Your Domain Name:** One of the first things you need to do if you haven't already done so is to register a domain name for your cleaning company. You can search availability and register your domain name at www.godaddy.com for under \$15. If you don't have a Web site yet, you should still choose and register a domain name which you can "park" at godaddy.com until you're ready to launch it.
- **If the name you want is already registered:** Check to see if your company's name is available. GoDaddy will alert you to alternative domain name options, including versions with web extensions such as

.com, .net, .biz, .us. and so on. If your first choice and close alternatives are already registered, think of other domain names and check their availability. This could include your company name merged with a phrase, such as "jvscleaning4you" (if your company dba is "JVS Cleaning", for example).

- **Check out other Web sites:** To get some ideas as to how you might want your Web site to look like and information you should include, do some surfing on search engines such as Google or Yahoo under "house cleaning services" in your area as well as other cities. Since you probably want to peruse Web sites in your area you'll need to type in the name of a town or city. Otherwise, your search results may only return search results for your home area.
- **Find a Web developer:** Now you need a Web site developer to create your Web site for you. There are more than a million Web developers and you shouldn't have any trouble finding one who will be a good fit for you. Just make sure you hire a Web developer to create the site that you can make modifications to yourself if you want to add a client testimonial, staff photos, or a company logo. You really don't want to have to track down and wait for a developer to modify the site (which will also charge that you have to pay).
 - You might want to check out <https://secure.elance.com/php/landing/main/logout.php> which is a Web site that connects Web developers and clients from countries such as India, China, and the Philippines. You can find individuals and companies from India, Pakistan, Russia and other countries who will show you a portfolio of their previous work at a price that is much lower than what you might pay a North American developer.
- **Content of the Web site:** You will want your Web site to have at least:
 1. Home page
 2. Services offered
 3. Frequently asked questions
 4. Employment opportunities (see chapter 6)
 5. Services offered

About Us

Testimonials from satisfied clients (when you have a few to post)

When you're surfing the net looking at other house cleaning Web sites you will notice that these primary pages often have links to other sub-pages containing expanded or related information.
- **Pricing:** During your research you're going to run into Web sites that either (a) quote prices on their site based on criteria such as size of the home, number of rooms, etc. or (b) offer to provide a quote if the visitor fills out a questionnaire responding to questions about their

residence. We strongly urge you not to follow this practice. You want to create enough interest for the prospect to call you to arrange an in-home presentation to survey the situation before arriving at a

- **Market your Web site:** Once you have your Web site up and running which can happen in as little as a couple of weeks, you need to drive traffic to it. In addition to making sure your Web site is listed in all your stationary and printed materials (including newspapers, etc.), you want to make sure it appears on search engine results where your market are looking for a cleaning service. If you hire an individual or a company who built your Web site does not do search engine optimization, they should be able to refer you to a company that does.
- In addition, you can subscribe to **Google AdWords** for your cleaning business at http://www.google.com/intl/en_us/ads/ads_2x.html. You can identify the local market area you wish to reach and set a limit on how much money you want to spend. You can only receive traffic from the market area you specify and it goes directly through to your Web site and it can be as little as a few cents per click.
- **A word about Web hosting:** There is a cottage industry of companies willing to host your Web site on their servers for a monthly, quarterly or annual fee. Some you could expect to pay \$100/month or more to have your Web site hosted just a few years ago, the price has dropped dramatically since then. However, we don't recommend that you go it alone. Reliability and uptime is critical and you want to be sure you can access your Web site while they're surfing without getting a "page not found" notice if the server your site is on goes down. A very reliable company we have used since 2001 is <http://www.appliedi.net> and their support is outstanding.

Cross-promotion

- Cross-promotion is essentially, "I'll pat your back if you pat mine." A classic example of cross-promotion is when two nonaligned companies or entities promote each other, either directly or indirectly. It can be as simple as a mail change shop having a display of business cards for a muffler shop at its service counter, and vice versa. It can also involve major advertising campaigns between two or more companies, such as the one used effectively by American Express and hotels, airlines, restaurants and upscale retailers.

Another great cross-promotion opportunity for you might be with a company that specializes strictly in commercial janitorial services and who does not handle residential housecleaning. Another might be with a local dry cleaner. What about residential and commercial carpet cleaning companies? For moving-day cleanups, who knows more about who might need these services than real estate agents and moving companies? What about building contractors and even the part-time

handyman whose customers may need a good cleanup when they're done?

- If there is a local automobile detailing service in your area, many whose customers certainly fit your own ideal demographic target profile, leave some of your business cards and "**NEVER CLEAN YOUR HOME AGAIN!**" brochures (or other literature you use) with them in return for offering to refer some of your clients to them. They are willing and able to spend \$50 to \$200 having their car cleaned and polished every few months could also be a qualified candidate for your service.

Free Advertising: Referrals

- What's the best way to get referrals from your customers? **Easy: you ask for them!**
- You can begin simply by passing around a few copies of "**NEVER CLEAN YOUR HOME AGAIN!**" to friends, relatives, neighbors, business associates, your doctor, your dentist and other professionals with whom you come in contact with. Your approach should be that you've started a new business and you'd like them to take a look at the brochure and perhaps recommend anyone they know who might be able to use your service. "I'm looking for referrals. Yes. I could!"
- Explain to them you'd like to send a copy of the brochure to anyone they think might appreciate the information. Then, send the referral a copy of the brochure with a brief cover letter.

Use the handyman as a source of existing clients for referrals either. There are many opportunities for you to do so throughout the course of your business. For example, even before you leave the home for a quotation visit, you can ask the customer if she knows anyone who might be interested in learning more about your service and how they would appreciate receiving a copy of the booklet.

Subsequently, you can have your cleaning team periodically leave two or three "Referral Postcards" to be filled out by your client and either mailed back or picked up on the next cleaning. Further opportunities for referrals can occur when you periodically call your customers to follow up on their satisfaction with your service.

Sometimes people feel insulted if you offer any type of reward for referring a friend. On the other hand, they don't usually mind doing their friends or associates a favor by helping them solve a problem, such as help with housework chores, for example. However, when you

Your Advertising Options

do receive a referral which results in a new customer, always call or write your client and thank her for the reference.

- You might even consider having your cleaning team leave a bouquet of flowers the next time they arrive to perform their weekly or monthly cleaning. It shows you appreciate her help in getting a new customer and only serves to encourage her further referrals in the future. The cost of a flower arrangement is a very small expense with a return for an account which could be worth hundreds or thousands of dollars in annual revenues.
- While you're bound to get passive referral business from clients and others, by getting in the habit of asking for referrals, you can accelerate the process and add to your customer base more quickly.

Sample Referral Letter

October 11, 2002

Mrs. Arlene Smith,
1234 Somestreet, Apt 567
Somewhere, FL 33487

Dear Mrs. Smith:

Your friend (neighbor, former, etc.) has called me, thought we might be able to help you and she has given me some information about our services.

Please find enclosed a copy of our brochure which contains information which might help you. We are interested to know if you'd rather be doing than cleaning house.

If you'd like more information on our services we might be able to help you, please give me a call.

Sincerely,

ABC Cleaning Service

Johnson

Mrs. Johnson has been a satisfied client of ours for sometime now. Please feel free to ask her about our service.

The Importance of Consistency

- It is important to plan and implement some form of advertising each and every week. Upon implementation, it is important to begin tracking the results from each media as accurately as possible. If one

Your Advertising Options

media appears to be more fruitful than another, you can adjust your campaign as it proceeds. However, it's important to give each media a fair run in order to accurately measure the results. Always remember that each media supports the other. Your direct mail works better when supported by newspaper advertising, and vice versa.

- As you determine a higher rate of return from a particular part of your trading area, don't be afraid to repeat your marketing periodically within that district. There is a saying in direct mail that, for maximum impact, a minimum of 7 impressions is needed to achieve optimum results. Of course, we have seen the need for frequency of "impressions" in our various districts of media advertising.
- The important thing to remember is to use direct mail as something going every week and complement it with periodic supplemental campaigns.
- It's going to take a little experimentation as you try to learn which methods work best, and what combination works in your market. Just remember that advertising and marketing are very important to the growth of your business. You can have the best service in the world but...if nobody knows it exists...you're still not going to do very much business. It's a simple as that!

Documents relating to
Your Advertising Options

Never Clean Your Home Again Brochure

Newspaper Display Ad

Yellow Page Ad

Newspaper Insert/Flyer

Flyer

Referral Program

Referral Letter

DO NOT COPY