

## **CHAPTER 31**

### **Billboards and Signs**

#### **Billboards**

If you want to expand your advertising reach, consider venturing into the great outdoors.

Depending on your company's market and message, you may not have to go too far--just to your local highways or town streets to find the right billboards to advertise your company's services.

Billboard advertising can be effective for small, local firms as well as big consumer companies. It can help you reach prospects, impress customers, build your image as a successful company, attract future employees, even strengthen your position as a creditworthy client at your local lending institution.

Despite the public outcry in recent years over the proliferation of billboards, and the subsequent restrictions by local governments in the number and location of signs--or perhaps because of it--billboard advertising is an effective way to get your company's name before prospects and "open doors" when the sales staff calls.

According to the Institute of Outdoor Advertising, "Outdoor advertising is ideal for product introductions, store openings, or promotional events where timing is critical. Outdoor advertising bridges the gap between the in-home message from other media and the out-of-home purchase."

## **All-Day Selling**

The big advantage billboard advertising has over radio, TV, direct mail, and newspaper advertising is that once your message is up, it's there 24 hours a day. John Selix, the owner of an 11-store graphic arts chain in Milwaukee, WI, points out, "Prospects can't shut their eyes when they're driving."

Billboards come in two forms: bulletins, which are most often 14' by 48' and can be painted on or posted with preprinted paper; and poster panels, which are smaller structures that measure 12' by 24' and contain either bleed posters or 30-sheet posters.

Bulletins have relatively high circulation compared to poster panels because they are located only on major thoroughfares. However, poster panels are more widely distributed and achieve a broader and faster market reach. While bulletins are bought on an individual unit basis, posters are bought by "showing," which means the intensity with which a various number of poster panels cover a market. Common showing sizes are #100, 75, 50, and 25.

For example, a #50 showing delivers 500,000 daily exposures in a market with one million people. A #25 showing would deliver 250,000 people in that same market. An average #50 showing will reach over 80 percent of all adults in one month, and more than half are reached the first week.

In addition, retailers benefit when manufacturers place outdoor advertising close to their stores. In return, they may give the manufacturer prime shelf space and carry higher inventory for the advertiser.

## **Location Is Critical**

As with buying real estate, location is the essential factor to consider when purchasing billboard advertising. Will more prospects see your billboard in town or on a nearby highway? Do you want to target an upscale neighborhood or a commercial district? A distinct advantage of outdoor advertising is that it can offer a more highly targeted placement than other media, since poster panels can be placed in communities of different ethnic backgrounds and levels of income.

After a year and a half of using a rotating bulletin system, Gilbert Thompson, President of Thompson Printing in Belleville, NJ, signed an 18-month contract for a billboard on a busy highway that leads into New York City. "I wanted that location because most of our clients, who are advertising and businesspeople, at one time or another go into New York," explains Thompson. "In fact, about half the population of New Jersey takes that road into New York at one time or another, so it's worth the \$2,000 a month price tag."

But for Bob Fellman, President of five consumer service stores located in four Wisconsin cities, the only good locations are city locations. "Our customers are mostly individuals who live or work close to our shops," he explains. "So I would never use a highway billboard." For the past five years, Fellman has personally selected every board, and he changes their locations every month to get the broadest exposure possible.

Other important factors to consider include reach (how many people drive by the sign) and frequency (the average number of times an individual has the opportunity to be exposed to an advertising message during a defined period of time), speed and volume of traffic at the site, height and dimensions of the sign (displays that "break above the skyline" are better, as are larger signs), the number of other signs in the area (too much clutter could cut down on the readership

your sign receives), and whether the sign is illuminated so it's visible late at night in high-traffic locations. Also, proximity to a stoplight or intersection will increase readership.

While outdoor advertising companies will provide demographics and traffic circulation statistics on various locations, common sense and personal experience are good guidelines. The president of a Connecticut company chose his bulletin location as a result of his own experience as a commuter on a major highway close to company headquarters. "The billboard was rather sizeable--about 24' square--and positioned right before the toll booths, where everyone was slowing down," he says. "You couldn't help but read that sign." Although he had to wait a year before the billboard was available, the results were worth the wait. "I've probably gotten more attention from that billboard and from advertising placards on commuter trains into New York City than from any other promotion I've done in the last 10 years," the president of the \$12 million company comments. Moreover, the placards, a cousin of billboard advertising, produced more than 30 leads during the two years the company used the promotion.

### **Impact On Sales**

The Institute of Outdoor Advertising claims that "dollar for dollar, outdoor advertising delivers a greater audience than any of the major media." Table 30.1 from Adweek's Marketer's Guide to Media gives cost per thousand comparisons:

Outdoor advertising has a unique target ability, in that the outdoor message is the last one potential buyers see on the way to the store. "It's the most local medium, but it can be as national or regional as you want it to be," says Andrea MacDonald, marketing manager for the Institute of Outdoor Advertising. "A lot of advertisers use outdoor as the design basis for their other ads to enforce a one-idea, one-benefit message. But it's also a very flexible creative medium-one

advertiser we know of lit up the headlights on a car featured on his bulletin, which had a dramatic effect at night. Another advertiser uses fiberoptics to create simulated lightning on his board."

Currently, there are 260,000 billboard and poster structures in the United States available for leasing. Ten thousand of that number are poster panels, the rest are billboards. In 1988, total revenues generated by the leasing of billboards came to \$1.42 billion.

Tracking sales results from billboard advertising is difficult. In most cases, determining effectiveness relies largely on feedback from customers, salespeople, and business associates. As part of a media campaign, outdoor advertising can strengthen sales results through improved audience delivery, higher frequency, and more gross rating points (the total number of impressions delivered by a media schedule as expressed by a percentage of the population) per dollar. While billboards reach every population strata, Simmons Market Research Bureau (SMRB) shows an above average performance in the younger, affluent, and working market.

TABLE 31.1. COST PER THOUSAND OF OUTDOOR ADVERTISING		
Cost Per Thousand	Men	Women
Outdoor		
(50 showing)	\$ 1.70	\$ 2.15
TV (30 seconds)		
(Prime Time)	12.90	10.25
Radio (30 seconds)	4.10	3.30
Newspapers		

(600 lines Black & White)	7.00	6.75
Magazines	7.30	4.60

Thompson notes that "a billboard gives extra punch to our sales force so when they go out, prospects have seen the name and our logo. It opens doors more easily."

Another indication of the bulletin's effectiveness, says Thompson, "is that we're getting many more requests for quotations from people we haven't contacted. More importantly, the quality of the responses has gone up. We're not interested in doing one-time projects, we want high-quality leads that translate into steady business. That's what we're getting from billboards."

To obtain a more accurate analysis of sales impact, Fellman has recently begun tabulating the results of his stores' various advertising efforts through customer reply cards that customers pick up with their orders. Although the cards only ask whether customers have seen the boards, not whether they responded to them, 70 to 75 percent of customers indicate they've seen the poster panels. That places the medium above newspapers--and about even with radio--in terms of effectiveness for the company.

Not only do billboards reach prospects, but they seem to convince customers that the advertiser is a sizeable and stable company that's good to do business with.

Says one company president, "Here's my 125-employee company out there on the billboards side by side with Coca Cola and Dewar's Scotch. That gives our buyers a sense of security. And it reinforces the message that we're a pretty big company in this area."

Thompson echoes those sentiments, noting, "We started using billboards when we moved to our present location in 1984, because we thought they would give us great exposure and help

build our image. The strategy has surpassed our expectations. Our customers have told us they're impressed with the sign. They know putting up a billboard isn't something you do if you don't have money and aren't interested in growing, and they feel good about doing business with a company that's on the upswing."

### **Short On Copy, Big On Design**

Billboards must state their message clearly and quickly, since the reader is usually in a car going 50 or 60 miles per hour and will only glance at your billboard for a few seconds. All outdoor messages are viewed at distances ranging from 100 to 400 feet. Copy must be kept to a minimum, and the design has to grab attention.

In fact, the Institute of Outdoor Advertising tells advertisers "The fewer the words, the larger the illustration, the bolder the colors, the simpler the background, and the clearer the product identification, the better the outdoor advertisement."

Thomas Lavey, President of Lakeland Outdoor in Manitowoc, WI, offers this advice on design: "Try to come up with a graphic or visual that tells the story. If you have to add copy, use a play on words--it will result in a more memorable message."

The vivid colors that can be used on outdoor displays are a distinct advantage of the medium. Outdoor advertising professionals recommend using colors that are dissimilar in both hue and value--such as yellow and purple. White will work with any dark--value color, and black is ideal for colors of light value.

"Hire a top designer," advises one company president, whose company billboard won an award from the Printing Institute of America. "It will pay off."

Outdoor advertising companies will give you the specifications to contract out the design work, or in some cases, they have art departments that will help you design your billboard. Bulletins are either hand-painted in an artist's studio, and then put up in sections on location, or painted directly on-site.

Ninety percent of bulletins today are hand-painted on poster board, but messages can also be applied by posting pre-printed paper or using computer-generated painting. Poster panels are lithographed or silk-screened and then shipped to the outdoor company. "The industry is moving towards high-technology, computer-aided design systems," says Lavey. "They speed up the design process and make it easier."

Gannett Outdoor, the nation's largest outdoor advertising company, hopes advertisers will switch to a new material it has developed called "Superflex," a combination of canvas and plastic stretched over a billboard frame. A computerized painting system sprays the design directly on the material, eliminating individual variations in execution. The new material costs about 25 percent more than paper, but provides brilliant color and a consistent, high-quality reproduction for advertisers who want to use the same design on more than one billboard.

### **Purchasing Outdoor Advertising**

There are hundreds of outdoor advertising companies in the United States. Once you have selected the markets for outdoor advertising, you can look up those markets in the Buyer's Guide to Outdoor Advertising. It will identify the outdoor company in each market and the cost of poster panels and bulletins in those markets. For more information on the Buyer's Guide, contact: Leading National Advertisers, 136 Madison Avenue, New York, NY 10016; telephone 212-696-4533. Or, if you're interested in using a particular board, you can usually find the outdoor



advertising company's name posted at the bottom. Another option is to look in the yellow pages under "Advertising: Outdoor."

Contracts generally run on either a 12--, 24-- or 36--month period for bulletins, or on a monthly basis for poster panels. You should contact the outdoor advertising company at least 90 days before you would like your ad to appear. While poster production takes from 21 to 45 days, artwork for painted bulletins must be sent to the outdoor company 60 days in advance.

Costs vary tremendously, according to region of the country, specific billboard location, number of billboards leased, designer, complexity of the design, whether the sign is illuminated, whether the billboard is a bulletin or a poster panel, and whether the billboard is hand-painted or computer-printed.

Average costs for poster panels are \$200 to \$400 per month, plus about \$80 each to produce. But the average cost of a bulletin is typically \$1,000 to \$3,000 per month, plus about \$1,000 each to produce.

You can keep down production costs by agreeing to let the outdoor advertising company rotate the location of your billboard every 60 or 90 days. For the outdoor company, this kind of agreement can take advantage of unrented space. The plus side for the advertiser is that balanced coverage of the market can be achieved with just one billboard. Some companies also give discounts based on volume and length of contract, so that if you rent four or five billboards for a two, three' or even one-year period, 10 to 30 percent may be knocked off the price.

Even without such discounts, cost efficiency can be high. As promotional literature published by the Institute of Outdoor Advertising notes, "Outdoor is seen all day, every day. It cannot be turned off like television, tuned out like radio, or discarded like newspapers and magazines. And the mere size of your ad makes it difficult to ignore."

For more information on outdoor advertising, or to request the "File Cabinet" information kit that charts cost comparisons between billboards and other media and explains how to buy and design outdoor advertising, contact the Institute of Outdoor Advertising, 12 E. 49th Street, New York, New York 10017. Telephone: 212-688-3667.

### **Signage As A Promotional Tool**

Signs are one of the most efficient and effective communication media. Most businesses depend heavily on signs to help people find them, advertise their business, and present an image of their business. In short, signs tell people who you are and what you are selling.

Signs are such a powerful communication medium that it is difficult to estimate the extent of their influence. Other media require the directed attention of the person receiving the message. Signs, however, can convey a message while creating a mood or feeling of atmosphere. It is not necessary for people to give full attention to your sign in order to derive meaning from its presence.

### **What is a Sign?**

A sign is the most direct form of visual communication available. In fact, so many people use signs without a second thought that it is easy to overlook their importance. When we cannot talk to other people directly in a given location, we put up signs: wet paint, beware of dog, enter here, garage sale, et cetera. Signs are the only form of mass communication directly available to everyone—they are the people's street communication system.

### **What Signs Can Do For Your Business**

Signs perform three major communication functions for your business:

1. Signs give information about your business and direct people to your business location. Signs index the environment so people can find you. This is especially true for travelers, new members of your community, and impulse shoppers who may be on a journey to purchase the particular goods or services that you sell. Americans are mobile. Each year 40 million of us travel over 1.7 trillion miles by automobile and approximately 19 percent of us change our place of residence. A primary source of customers for your business is the large number of people who are new to your community or who may be just passing through. Your sign is the most effective way of reaching this mobile or transient group of potential customers.

Signs can help correct a poor location by substituting effective communication for poor site characteristics. If your business is located on a site which is not visible or in a building which does not correspond with the goods or services offered, your sign can overcome this disability. For example, most buildings are not built to conform to the design needs of any particular type of tenant. Without an effective sign it is often impossible to determine what type of business is being conducted in a given building. In addition, when your site is located off a busy traffic artery or in an area which is not easily accessible, your sign can communicate to people who are passing on a busy street several blocks away. If you are located off a busy freeway but far from an exit, your sign becomes your main device for directing people to your business. High-rise signs are used when a business is located away from potential customers' normal pathways of travel.

2. Signs are street advertising. Your sign provides an easily recognizable format for the goods or services you are selling. For most businesses, the street is where potential customers are. The message displayed on the street reaches people who are close enough to make a

purchase. Street advertising also helps people develop a memory of your business name and the products and services you sell. People tend to buy from businesses they know.

3. Signs build image. Signs can build an image for your business and help you identify with the market segment you are trying to reach. Through materials and design, a sign can appeal to a given group of potential customers. For example, some firms attempt to capture the youth market, other senior citizens, other unmarried single people and so forth. If you have a particular market segment that you wish to attract to your business, your sign can be an important means of bringing these people in.

### **The Advantages of Signs**

On-premise signs are your most effective and efficient means of commercial communication because they are inexpensive, available, practical, easy to use, always on the job, and directly oriented to the trade area of your business.

Your sign is an integral part of your advertising program along with the other forms of commercial communication such as television, radio, newspapers, magazines, and billboards. There are four basic criteria used to judge the effectiveness of these advertising media: (1) coverage of the trade area; (2) repetition of a message; (3) readership of a message; (4) cost per thousand exposures of a message. Two other criteria important for the small business owner are (5) availability and (6) ease of use. Here's how signs measure up to these criteria:

1. Signs are oriented to your trade area. Signs do not waste your resources by requiring you to pay for wasted advertising coverage. The people who see your sign are the people who live in your trade area.

2. Signs are always on the job repeating your message to potential customers. Your on-premise sign communicates to potential customers twenty-four hours a day, seven days a week, week after week, month after month, year after year. Every time people pass your business establishment they see your sign. The mere repetition of the message will help them remember your business.
3. Nearly everyone reads signs. Signs are practical to use, for nearly everyone is used to looking at signs and using signs, even small children. Studies have shown that people do read and remember what is on signs. When special items are displayed, sales increase for these particular items within the store.
4. Signs are inexpensive. When compared to the cost of advertising in some other media, the on-premise sign is very inexpensive. Unless your trade area encompasses an entire city or region, where you must rely upon broad-based media coverage, there is no better advertising dollar value than your on-premise sign.
5. Signs are available to each and every shopowner. There is no need to schedule the use of your sign. Your sign is available to you whenever you need it and to be used however you please.
6. Signs are easy to use. No special skills or resources are needed to operate a sign once it has been installed. If it is an illuminated sign, all you need to do is flip the switches and that may not be necessary with timing equipment. Once the initial expenditures are made, no special resources or professional services are needed. You need only operate and maintain your sign.

### **Checklist for Ordering a Business Sign**

Before you select a sign for your business, there are several things you need to consider. A competent sign company in your area can help you with the answers to some of these questions.

1. Who are your customers? Potential customers for your business are people who reside in your trade area. Most of your customers come from the immediate area within a half mile to a mile of your business location. Trade areas come in assorted shapes and sizes depending upon the business. Trade areas may also vary seasonally.
2. How do you get information on potential customers? Plot a dot map of your customers as soon as you begin business. This is easily done by plotting the addresses of people who shop in your store as a dot on a street map of your city. Within a few months time you will have a fairly clear idea of the trade area from which you are drawing your customers. You will then be able to decide what type of sign would best meet the needs of the people in that trade area. For example, if your customers can only reach you by automobile or if you are located on a very busy street, the type of sign that you use will be very different than if you have a shopping center location and people must walk to your store from parking lots.

Obtain your street profile from a city traffic engineer. Since your sign communicates to people who pass your business establishment, you can direct your message to potential customers if you know what type of traffic passes your door. Your city traffic engineer can provide information which will tell you: where people begin and end their trips, how people travel, when people travel by time of day, why people travel, and where they park when they reach a destination. Even small cities and towns have traffic volume maps available to tell you how many people pass by your business every day.

Know how many new people move to your area each year. This is a potential market for your business. This type of information can be obtained from any board of realtors, chamber of commerce, or police department.

3. How are you going to communicate with customers? In order to communicate effectively, a sign must be noticeable and readable. After a while a sign becomes part of the landscape. It loses some of its ability to attract attention. By periodically changing some small design element or by using changeable copy, a sign can continue to attract interest. Time and temperature devices or rotating and moving parts can be used to maintain interest in a commercial message. Time and temperature displays also provide a much-needed public service.

A sign needs to be large enough to read. How far will someone be from your store when he first sees your sign and what is the real speed of traffic on your street? With this information, a competent sign company can use a formula to calculate the necessary size for your design and build you an effective sign.

4. What are you trying to say? Decide on a message that is clear and simple. First, focus on key words. Choose one or two words which describe your business. Clever or strange names may attract only certain customers.

Second, be brief. The cleaner and clearer the message, the more impact it has. Listings of names or unclear symbols confuse rather than communicate.

5. What image are you trying to portray? Design of your sign is important. Your sign tells people a lot about your business. Stark, simple design and materials may suggest discount prices and no frills. Elegant and expensive sign materials may suggest luxury goods and

services. Two basic design considerations are important when ordering a sign--physical elements and graphic elements.

Physical elements include considerations such as size, placement, materials, and structure. The size of the sign is an important consideration for your business. The biggest sign that you can afford may not necessarily be the best one for your needs. A sign should go with its surroundings. A sign which is either too big or too small will not communicate your message effectively.

The number of signs is also important. Too many signs compete with one another and reduce the effectiveness of your message by presenting an image of confusion to potential customers. The materials used by your sign determine its appearance and performance. For example, differences in cost, appearance, color, durability, flexibility, and reaction to extreme weather conditions can be found in the many types of plastics available. The structure of a sign also contributes to its effectiveness. Pole covers and cantilevered construction (signs displayed at right angles to a vertical surface) help portray an attractive message.

Graphic elements include layout of the message, colors, lettering, shape, symbolism, harmony, and daytime versus nighttime lighting conditions. If your sign is well designed, it will be easy to read. Legibility means that the letters or characters on the sign are distinct from one another. Certain color combinations of background and letters are much more legible than others. To test your sign's legibility, drive past your business and see if you can read it from a distance. Look at it both day and night. Some signs are difficult to read because of illumination problems such as glare from street lights, signs on nearby business establishments, or shadows caused by buildings. A well-designed sign blends with the environment, has a message impact, and overcomes viewing problems.



6. How much should your sign cost? You should consider several factors when determining the cost of your on-premise sign.

A sign is an investment. Your sign is one of the most permanent parts of your business and is exposed to weather and constant use. The average life of signs varies from five to eleven years, depending on type of materials used, construction, and other factors. Find out how many years of service to expect from your sign. It pays to purchase good materials if you intend to use the sign over a period of years.

Don't forget maintenance costs. No business can afford to have its sign fall into disrepair. A dilapidated sign tells the public that you are not concerned with your business image or their visual environment. Some types of signs are virtually maintenance-free while others require more attention. Find out how to replace burnt-out bulbs or tubes in your sign. Determine who is responsible if the wind blows your sign down and someone is injured.

Consider all energy consumption costs. New technological developments now enable some types of signs to achieve energy savings without sacrificing effects. Inquire about new energy-saving bulbs and internal materials.

Decide between owning and leasing. Many sign companies have programs whereby you can lease a sign for a given period of time and they will maintain it for you. This may be more economical for a new business, especially if there is any chance that logos or names may change in the first few years of operation. Statistics show that if a small business fails, it will happen somewhere between the first and second years of operation. Leasing a sign during this period of time might help save some of the initial capital needed for operating expenses.

Should your sign be custom or standardized? Some large companies offer standardized types of signs which are cheaper than signs which are custom designed and constructed. Many of

these standardized units can use ingenious design techniques to enhance creativity and individuality. Often the standardized units can be arranged in different configurations depending on your needs. Some standardized sign units use the highest quality materials and are designed to be relatively maintenance free. Mass production enables these units to be sold much cheaper than if designed and produced from scratch.

7. Signs communicate in a shared environment. A sign's ability to send its message beyond its location requires that you be sensitive to the effects of your message on others. Since you share your space with others, consider their rights and responsibilities, too. They are potential customers.

Consider city or town planning goals and regulations when ordering a sign. Some types of signs are not permitted. Determine what the regulations are in your community before you discuss design with a sign designer. Most sign companies are well aware of the regulations in any given community and can guide you in selecting a sign which is not in violation of the law.

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