

Are daily newspapers the only answer for banking ads?

Daily newspapers are good vehicles for banking ads—but let's test some other possibilities

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One of the most cluttered areas in all of print is the category of local banking. Most major cities have between 10 and 20 savings & loan institutions. On the retail side, these institutions primarily advertise loan products. The arena tends to get cluttered because they all use the same daily and weekly newspapers, of which there are only a few. Fighting this clutter, by giving clients effective creative, strategic media planning and visible buying, is the goal of every agency.

When it comes to local bank clients, however, the task may become extremely difficult. It has become this way because some time ago banks realized that newspapers were the most effective medium to announce interest rates, for several reasons. First, rates change weekly, and newspapers were the medium that had the fastest material close at an affordable production charge. Second, on certain days newspapers feature editorial that banks want, such as real estate sections for home mortgages or automobile sections for auto loans. Finally, loan advertising must often include parenthetical information, which can get unwieldy in radio or TV ads.

Percentages of households covered by various print media*

New York ADI		Boston ADI		Cincinnati ADI	
New York News	19.0%	Boston Globe	23.0%	Enquirer/Post	44.0%
New York Post	11.0	Boston Herald	15.0	TV Guide	23.2
New York Times	10.0	Woman's Day	9.6	McCall's	7.5
TV Guide	26.3	TV Guide	26.4		
Time	7.2	Time	8.6		

*All statistics are for daily editions of the newspapers listed.
Source: "Circulation '86-'87," published by American Newspaper Markets, Inc.

Considering only newspapers as vehicles for banking/financial ads may be somewhat limiting. Some magazines have surprisingly short closings that may allow for featuring loan rates in your ads.

For all these reasons, newspapers are chock-full of retail bank ads, each showing percentage rates and loan terms, many just a page or two apart. These messages eventually become a big blur of confusion, befuddling even the most conscientious retail bank shopper.

Although the interest rate is probably the biggest factor in picking a bank, there are other selection criteria, including the location of the lending institution and the length of approval time. And let's not forget the various loan products that banks offer have different target audiences: mortgage loans (young adults), home equity loans (middle-aged adults), student loans (adults and college-aged teens) and automobile loans (adults 18+).

And yet, with all these different products and target audiences, it has been my experience that the same medium is used to reach them all: daily newspapers. I have nothing against newspapers.

However, there may be other media alternatives or ways of making newspapers work harder so that banks can stand out from the mass of competitive advertising and also efficiently target their audiences.

First, let's talk about using daily newspapers more creatively. One approach that might enable banks to get away from the usual full- and half-page rate ad would be to create a special size or special position that could be used on an ongoing basis. An example is the strip that *Sports Illustrated* has employed in *The New York Times*. Although this exact unit may not be appropriate for retail bank advertising, other unusual sizes might well be.

In fact, an interesting possibility is the idea now being considered by several newspapers who are members of the Newspaper Advertising Bureau, which is to offer advertisers a standing island position on the stock quotations page [see "Newspapers may offer island unit in stock market list-

ings," INSIDE PRINT, October 1987, page 81. I would suggest that this idea be extended to the sports statistics page, which would also be appropriate for banking ads.

While using a unique size/position in newspapers is hardly in and of itself a new idea, it's one I haven't seen used by banks to any significant degree. It seems to me that such ads, if designed to carry ail of the necessary information, would almost certainly draw high readership.

Consider magazines

Using magazines is another idea that could provide extra prominence for banks, while allowing them to be audience selective. For example, in advertising home equity loans, why not test run space in a publication that reaches an older, affluent audience, such as a metro edition of one of the newsweeklies? But what about the closing dates for ads that contain rates? Well, according to my recent talks with the

newsweeklies, ad materials can arrive as late as Thursday and still be included in the issue published the following Monday. That closing is about as fast as newspaper closings.

If a more general loan were advertised (say student loans targeted at parents and teens), perhaps a metro edition of *TV Guide* could help. In the New York ADI, for example, *TV Guide's* circulation is much higher than that of any local paper. If an ad were placed alongside the listings for a high viewing night, say Thursday or Sunday, the ad would get great readership and recall. I checked, with *TV Guide*; a relatively short eight-to-nine-day closing is possible.

And, while we're on magazines, what about using Sunday magazines? You'd certainly encounter far fewer competitive ads. In this case, the shortest close possible is about three weeks. However, perhaps the ad could feature an 800 number that people could call to get the most current rates and

other information. (In fact, including such a service would probably enhance the effectiveness of magazine ads with shorter closings.)

Of course, it must be kept in mind that from an efficiency stand-point, magazines are about 25 per-cent to 30 percent more costly in terms of circulation CPM. Still, this might not always translate into a higher cost per response or cost per impression, due to magazines' higher readers per copy. In some cases, it's possible that cost per impression might be the same as, or even lower than that for newspapers.

These ideas are only valid if you believe that there are real advantages for advertising that stands alone in an uncluttered environment. I believe there are and that savvy advertisers share this point of view

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