

# Why Your Ads Don't Work

**“OUR ADS MUST ASK A SPECIFIC AUDIENCE TO  
TAKE A SPECIFIC ACTION AT SPECIFIC TIME”**

# WHY YOUR ADS DON'T WORK

**Small business owners are frustrated by advertising.**

**Ads are expensive, business owners don't know how to write, design, produce or distribute them and, most importantly, they don't know if they "work" (which is a good indication that they don't).**

**Today, ads are displayed across all types of media, from old-fashioned newspapers, to web sites to the myriad forms of social media.**

**This article is not about using the different media – that's a technical skill we can easily hire done - but rather about the content common to great ads, regardless of media. The content of ads is critical and not easily farmed out.**

## PURPOSE

The purpose of ads is to bring in more gross profit than they cost. That simple concept is frequently overlooked.

I have often heard business owners say: "We advertise for name recognition," or "We advertise to promote our brand."

Those statements might as well begin with: "Oh well..."

They are sure signs that we're discussing ads that didn't work, at least not in the near-term.

Name recognition and branding are important, but think about it: If our ad merely touts our name or brand, it is asking an unspecified audience to take an unspecified action at an unspecified time in the future. The only certainty is that we have to pay for the ad now.

Well-heeled and established companies like Ford or Coca Cola or Ralph Lauren have the resources to pour money into branding and to wait for the payoff.

We don't have that luxury.

We have to generate a return on our advertising dollar now. How do we do it?  
We've already seen the answer.

## TARGET

Specific audience means a well-defined target market.

Whom are we talking to?

A target market is a group of people with similar economic and social profiles who buy for the same reasons. The better we understand those reasons, the better we are able to address them in our ads and to connect with prospective buyers.

Most businesses have more than one target market.

Consider the McDonald's ads you see. Some of them are directed to coffee drinkers, some to breakfast customers and others to people with children.

The more specific our target, the more effective and less expensive our ads will be. They will be more effective because we can tailor an ad to be very compelling to a like-minded, narrow audience. They will be less expensive because we only have to advertise in media our target reads, sees or hears.

To show what I mean, assume we are a business coaching firm that specializes in working with electrical contractors. An ad placed in The Electrical Contractors' Journal will be more effective than ads in local newspapers and on radio. Not only will we save on our advertising bill, but

we will also avoid spending time with other business types looking for services we don't provide.

A well-defined target market is critical for developing a **Unique Selling Proposition (USP)**. Customers constantly compare our offers with those of our competitors. If there are no other reasons, customers make their buying choices based on price. A USP sets out those other reasons by answering the question "**Why should I buy from you?**"

Our USP might be something as simple as good parking, or it might be that we have a record of doubling electrical contractors' productivity. Whatever the reason, understanding clearly why customers buy from us enables us to shape our ads to emphasize what matters to the target customers.

Having a target market and USP enables us to answer the customer's question: "**What's In It For Me?**" Every word, picture and thought conveyed in an ad should answer that question from the customers' viewpoint.

Few customers would be attracted by an ad showcasing the fact that a business coaching firm has been "in business for 35 years" or is "a chamber of commerce award winner." Those are interesting facts - from the business owner's viewpoint. Our target customers are more likely to be interested in:

**"We will show you how to double profits in nine months. Guaranteed."**

## OFFER

Great ads ask our specific audience to take specific action. When composing an ad we should ask ourselves: "What do I want the readers to do immediately after reading this ad?" Then be sure the ad tells them. To see what I mean, pick up a print publication and read an ad. Does it contain an offer? Is it clear what the advertiser wants us to do? Is it clear why we should do it? Usually not. It is not sufficient to tell the world we are a business coaching firm, then expect prospects to come buy what they think we might sell. Instead, we should tell readers precisely what we want them to do:

**"Email us at [email@dot.com](mailto:email@dot.com) to register for our free workshop."**

## CALL TO ACTION

Specific time means now, or at least before a stated deadline. Effective ads contain a Call To Action and a compelling reason to act now.

**"Seating is limited to the first ten who respond."**

**Email us NOW to reserve your seat."**

## HEADLINE

Even the perfect ad with the right target, a powerful offer and a compelling call to action is wasted if nobody reads it. That means we have to create a headline that demands attention and draws the reader into the ad. Years of research have shown that we have seven seconds to do that, whatever the media. Such a headline is not the name of our company. Nobody cares about that except us and our families. Instead, a great headline captures attention by emphasizing something our target market cares about.

**"ELECTRICAL CONTRACTORS"**

**"How to double your profit while working fewer hours."**

## MEASURE

Remember, a great ad is one that brings in more gross profit than it costs. Although the above principles improve the odds, the only way to know our ad works is to test it and measure the results.

We have to know what works and what doesn't so we can refine our ad-writing skills. It is not sufficient to say "I think so" or to use anecdotal evidence to judge.

We have to know.



Most of us know the cost of an ad because we have to pay for it. Few of us know the gross profit an ad brings in because we don't know how the customer found us. There are many ways to find out - ask customers how they heard of our offer, use a special phone number, use web based registration software, or add a distinguishing offer to each ad:

**“Bring the attached coupon to the workshop, and receive a FREE copy of our Contractor Productivity workbook. A \$97 value.”**

Keep track of the sales generated from the different sources and compare the revenue generated to the cost of the ads. Testing and measuring leads to understanding which ads work, which leads to better ads, which leads to greater success.

## HAVE FUN

One last comment on branding: Great ads that work are branding.

Our name is out there, at the bottom of the ad rather than the top, but it's there. There is a better chance people will actually read the ad because of our great headline, and there is a better chance they will buy from us because of our compelling offer and call to action. A customer who has a great experience actually doing business with us is the ultimate form of branding. Think of targeted ads as branding that pays its way!

How about you? Do your ads bring in more than they cost? Do you have a well-defined target market? Do you know why your customers buy from you?

If you have any further questions, please don't hesitate to mail me at

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## Martin Holland

Martin Holland is the son of a successful entrepreneur. He grew up hearing about margins and markets, R&D and sales, risk and return on investment. He learned to love the language and rigors of business and grew to believe that business is both the most human of all endeavors and the highest calling. After selling a company in 2011, Martin became a coach in order to help other owners build profitable businesses that do not require their day-to-day involvement.

A native of Norman, Martin earned a B.A. degree from Hastings College in Hastings, Nebraska and a Masters in Business Administration degree from the University of Oklahoma. Over the past 7 years he has written business plans that have raised over \$52.4 million in bank and investor financing. He has helped 157 (and counting) business owners reduce stress and increase performance through clarity of purpose, better marriages, more money, and more free time away from the business.