

Teaching Guide

Why You Buy 21st Century Advertising

Copyright 2002 Learning Seed
Voice 800.634.4941 Fax 800.998.0854
info@learningseed.com
www.learningseed.com

Summary

Advertising has changed dramatically in the past ten years. Ads today rarely try to persuade or claim a product is superior. Videos about advertising produced back in the 20th century need updating.

Like its best selling older brother Why You Buy, this video looks at person-to-person selling, direct mail, ads and emotions, and TV commercials to reveal how they sneak under our persuasion radar. The video uses practical examples of telephone sales, direct mail advertising, and television commercials.

Why You Buy does not teach the commonly heard but usually unexamined idea that advertising manipulates us to buy what we really don't want. Why You Buy does not present consumers as helpless victims of advertising and media "bombardment." The video recognizes we have considerable defenses against media persuasion. Ads today reflect our strengthened skepticism.

The main tactic of advertisers today is disguise. The best advertising is seldom perceived as persuasion. Instead, it is seen as entertainment, a chance to win something, an event, or is embedded in media content. Why You Buy helps viewers see through the disguises advertising wears to hide its agenda.

Why You Buy Script Excerpts

DIRECT SELLING

You've heard it before. During your lifetime you are bombarded by a gazillion ads. The words "advertising" and "bombarded" seem to go together a lot. Probably because b-o-m-b – sounds so threatening.

But so what? No one tells YOU what to buy. You wear ad-proof armor. You buy only what YOU want. No adman hotshot is going to make you buy something you don't want. Sales pitches bounce off you harmlessly. Let's examine how advertising tires to get around your defenses. ..

The first attention getting device was the ring of the telephone. Most people still answer the telephone; far fewer read Internet ads or open unsolicited mail. The tactics used in this phone call are typical in person-to-person selling. The product could be a new car, life insurance, or a wash machine.

The saleswoman involved **me** in the call. First question was "Is this Mr. Whyyoubuy." I answered "yes." Then she asked can you hear me all right. Again, I answered "yes."

Why would she ask that? To put me in the yes-saying mode. To get me to say yes to these simple questions makes it a little easier for the big "yes" later on.

Notice that I quickly said "I'm not interested in buying." You would think that would end the conversation. But she was ready...

She appealed to my sense of vanity by complimenting my house. Suddenly she's a lover of my house. She says, "Oh I'm not trying to sell, I'm here to give you something."

She calls him our "demonstration coordinator" to continue the illusion that nothing is being SOLD.

Because we have such an effective anti-ad armor, marketers often disguise ads to look like something else. The siding sales pitch is disguised to appear as a reward for owning a nice house. ..

SELL BY MAIL

The average household receives over thirty pounds of mail each year trying to sell something.

You might call this “junk mail,” but it moves over \$250 billion a year of goods and services. In other words, it works. It must be that mysterious other guy who reads this stuff.

You receive the mail because your name is on a mailing list. Right now someone is buying or selling your name to be on a mailing list. How much is your name worth? Between 5-20 cents to a mailer. Lists can be based on public information such as age, marital status, gender, where you live, etc. Those are the nickel a name type.

Even your e-mail address is worth money to marketers. Your name is probably being sold right now to a marketer somewhere.

The warranty cards that come with new products are used to compile mailing lists. Notice they ask a lot of nosey questions. This one asks your highest level of education and your family income.

Some consumers believe they have to fill out the card to get a guarantee – not so. The guarantee is by law. One mailing list company has data on over 40 million consumers thanks to these cards.

Direct mail, just like any kind of advertising, has to grab your attention first. One way is simply size – make it huge. It’s hard to ignore something this big.

Another is to use large buzz words FREE is an old standby. So are SAVE and 50% OFF. We’d like to put \$50 in your pocket is a nice attention getter. So is this announcement that a collection of silver dollars has been reserved in your name.

The most common sales tactic is disguise. Some mail says “I’m not trying to sell – I’m trying to GIVE something away.”

Here’s one that says you’ve won \$25,000. This one declares that you’ve won a fabulous vacation home!

Mailers often disguise the piece so some people think it is something other than “junk mail.” This one says, “registered documents enclosed.” At the bottom of the envelope is an “official certification number.” The return address doesn’t name a company. Is this junk mail? Turning it over raises your curiosity even more – it has a tamper proof seal on it. Sounds official.

Opening shows I am “on record” as the winner of \$833,337 in cash. A very specific amount. It says the results have been declared final. This gets me involved. Turns out what they’re really saying is that I’ll get the money if I’m the winner.

I see now that this is merely an attempt to get me to subscribe to *Sports Illustrated*.

I know that reading the fine print often gives the most useful information. My real odds of winning the grand prize? One in 120 million. Great – you know what my odds of dying from a lightning strike are? 1 in 30,000. That means I'm four thousand times more likely to die from lightning.

Here's another attempt to sell a magazine subscription by making me think I may have won big bucks in a contest.

This "Important Delivery Letter" has a tracking number and says a "personal response requested." Opening reveals a note asking for a phone call about a million dollar sweepstakes entry.

Here's an official looking brown envelope from something called "reimbursement headquarters." It looks like a check is inside – maybe it's some kind of refund. It says "registered documents for addressee only" and it has some legal thing about penalties for tampering. Could it be a check for me?

Sure enough it's a check for \$28,532.46 from a Chevrolet dealer. And here's a key to a car. It says if this key starts the special car I win it. It's a clever way to get me to go to the dealer. Once I'm in the showroom – the selling begins. Again, I'll go right to the fine print (that's where you'll find the MOST useful information). My odds of winning the car, or even \$500 in cash are one in one million.

This envelope says "express priority." Looks a bit like an overnight delivery service envelope. But "express priority" is a meaningless term, its standard pre-sorted mail – what used to be called bulk rate. What is it? A political fund raising appeal.

These mass mailings are disguised to look like special air deliveries. That's a basic persuasion tactic – make the pitch look like something else. That way you let down your persuasion detector. These envelope looks like they might come from the government. And the window suggests it contains a check. Again, it's a magazine subscription offer.

This one even has a card much like that used for certified mail. It is printed to look like handwriting. It says it's personal and confidential. Of course, it's a chance to subscribe to some magazines. The idea is to raise even the tiniest doubt in your mind that it might be important. All these tactics try to do is get you to open the envelope.

This fund raising appeal has a "postal notice" saying, "Tampering with U.S. Mail is a federal offense. Violators will be prosecuted." Why does it say that? To disguise a sales pitch as something more important.

This mailing asks you to put a sticker on a coupon,....or punch out a circle and paste it somewhere. Why? It's the same as that telephone caller asking "can you hear me all right?" It is simply a technique to get you involved in the sales pitch – it's the first "yes."

This one says “personal” and comes from the Corporate Law department. It even has a stamp on it – but it’s a pre-sorted first class stamp. It’s selling seminars about tax and estate planning.

Here’s an envelope that appears hand written. It says “IMPORTANT! KEEP ENVELOPE.” Inside are free tickets to a success seminar. That’s like free passes to a car dealer for a car buying seminar. It creates a captive audience who believes it is getting something for nothing. Instead they’re getting a sales pitch.

This piece is URGENT and says there are private documents enclosed. This one is personal, and this confidential. Here’s one that’s personal AND confidential. It features a real postage stamp. So does this one. Research shows a live stamp is better than a meter or bulk mailing imprint.

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A mailer has about five seconds to get past your rejection screen. One mailing service company employs 170 people to write notes like this. Other lettershops use laser scanners to duplicate handwriting.

Personal letters work well even though they are computer generated. In a personal letter, guess which is the most read part? The first sentence. Guess what comes in second? The P.S. -- that's why it's there so often.

Charity groups find that including a small gift in the mailing (like gummed address labels, or sample cards) doubles the response rate – that more than pays for the added expense of the gift.

What “junk mail” is to the postal service, “spam” is to the Internet. Many of these same techniques are used to disguise a sales pitch. The headline is often something like "here's the information you requested," or "thanks for all you've done." Open up the e-mail and it’s a pitch for credit, or a promise of easy money.

ADS AND EMOTIONS

Do ad writers manipulate your mind and make you buy things you don't want? That DOES happen, but that's not what drives advertising; it's not why you buy. We don't need advertising to create our desire to buy. We like what is new and shiny —long before being “bombarded” by ads. People in pre-literate cultures with no advertising still are fascinated by consumer goods. People used things to satisfy emotional needs long before mass advertising...

Each ad has a tiny effect – rarely do you buy because of ONE ad. Even the ads you barely notice, over time, shape your judgments. Today, ads don't sell products as much as they sell brand names. More often, ads make emotional connections between the consumer and the brand. They often give little or no information about the product itself.

For example, ads often show people having fun, being part of a group. They want you to connect these “good feelings” to the brand. Ads are repeated often enough to teach consumers what kind of people use the product. So, if you want to share in the glow of this attractive crowd, you might feel inclined to use the brand.

The brand becomes part of how you define yourself. “I'm more a Pepsi person than Coke, more Abercrombie than Gap, more New Balance than Nike. You know; I pick and choose to fit my style.”

Advertising uses music as a form of emotional persuasion. Music changes persuasion into entertainment. Music is part of the disguise advertising wears.

Here's another way ads disguise persuasion: When a narrator speaks directly to you, you raise your persuasion deflection shield. But when you watch other characters interact you become an audience instead of a critical listener.

That's one reason so many ads entertain. An audience is less critical than a target of a sales pitch.

That's why you could easily take many TV ads, change the soundtrack a bit, and turn an ad for vitamin supplements into one for headache remedies or paper towels or insurance. They make emotional connections more than they persuade or teach about the product.

You will probably never hear Coke or Pepsi claiming, “now with improved carbonation and better tasting water.” But you WILL see plenty of young, happy people having fun in exciting places.

Many ads serve mainly to keep a brand name in your mind, to keep it on your menu of possible choices. Frequent repetition plays a role here.

If you were thirsty a hundred years ago, water was on your short list of options. Twenty years ago you might ask for a Coca-Cola. Today your choices might include bottled water, a sports drink, or even milk because you've seen the ads.

Media experts call this the agenda-setting theory of mass media. Ads don't tell us WHAT to think or WHAT to buy, but they do tell us what to think ABOUT. They help write our mental agendas.

When one company pays to be the only supplier of beverages at a special event it wants to see consumers drinking only its brand. Those paper cups with the logo are part of the advertising; so are the logos on the free hats and t-shirts. They keep the name on your agenda – they suggest “drink me.”

If Coca-Cola (or any major brand) stopped all advertising, those products might slowly become only a footnote in history books.

Repeated exposure to brand names creates familiarity, and we feel more comfortable with what is familiar. We also recognize it faster

WHY YOU WILL BUY IN THE FUTURE

Traditionally, ads interrupt programs, as in “now a word from our sponsor”. Numerous studies show we remember a surprisingly small percentage of the TV ads from last night. As we become more ad-proof, such interruptions becomes less tolerable and less effective.

The Internet does not interrupt its content to present advertising – television might have to follow suit and learn new ways to integrate content and persuasion.

Digital video now enables products to appear in programs without actually being there, much like this yellow line showing the first down marker in a football game. Only TV viewers see this line – it is not painted on the field.

In this CBS “Early Show” the logo is digitally created. In this baseball game the ad is not actually in the stadium. In this golf telecast the flag is a digital creation.

The same technology could be used to rework old shows to insert brand name products that didn’t even exist when the show was made. Call it virtual product placement. In fact, different products could be digitally inserted for different markets. A baseball game could have billboards showing different products for viewers in the home team’s town and those of the visitor .

The Internet already allows more specialized advertising than on mass TV. Here a game site shows either a Gatorade or a ticket broker ad, depending on the who logs on.

Instead of interruption advertising, some marketers now try permission advertising – they pay you to watch ads. “Free Internet Service”, or even “free computer” means they pay you with the service or computer if you agree to watch the ads. Some European companies offer free telephone service to users who allow a 10 second commercial during conversations every two or three minutes. Would you give that permission?

SUMMARY

What should you realize about advertising?

1. That you are the “other guy.” Advertising does get around your persuasion defenses.
2. The powers of advertising are quite limited. Much advertising money IS wasted. A saying among ad execs is “half my advertising budget is a waste, I just wish I knew which half.”
3. Advertising might be sneaky, but it doesn’t lead consumers sheep- like and unaware into buying. It uses everyday psychology to influence your brand choices.
4. If life is a test, advertisers try to provide you multiple choice answers. It’s your task to sometimes answer, “none of the above.”
5. Persuasion plays a surprisingly small role in advertising. Advertising in the past interrupted a program in order to persuade you to buy. Advertising tomorrow is not an interruption – it’s a brandscape, part of the atmosphere of everyday life.

Why You Buy Test

1. _____ In the video, what does the telephone salesperson try to sell? (A) Magazines, (B) Vinyl Siding for a house, (c) Credit cards, (D) Telephone Service?
2. _____ One of the persuasion techniques illustrated by the telephone call is (A) An appeal to the desire to save money, (B) An appeal to the desire to make money, (C) A refusal to admit that persuasion is taking place, (D) The need to “keep up with the neighbors.”
3. _____ The “junk mail” section includes a mailing that says, (A) Tampering with the mail is a Federal offense, (B) This envelope contains a tax refund, (C) You’ve just won the Publisher’s Clearing House sweepstakes, (D) This coupon is good for one year’s free telephone service.
4. _____ In a sales letter, the most read parts are (A) The part in red ink and the headline, (B) The opening sentence and the last sentence, (C) The opening sentence and the P.S., (D) The salutation.
5. _____ The video states that (A) Advertising makes us want to buy what we don’t want, (B) Advertising manipulates our minds and emotions without our knowledge, (C) Advertising is NOT the main reason we like to buy so many things, (D) You buy what you don’t really need because ads make you want things.
6. _____ The video states, “Today ads don’t sell products as much as they sell (A) lifestyles, (B) needs and desires, (C) Brand names, (D) Feelings.
7. _____ Compared to ads of the past, those today use much less (A) persuasion, (B) use of national brand names, (C) music and sound effects, (D) emotional manipulation.

Answers to Why You Buy Test

1. B In the video, what does the telephone salesperson try to sell? (A) Magazines, (B) Vinyl Siding for a house, (c) Credit cards, (D) Telephone Service?
2. C One of the persuasion techniques illustrated by the telephone call is (A) An appeal to the desire to save money, (B) An appeal to the desire to make money, (C) A refusal to admit that persuasion is taking place, (D) The need to “keep up with the neighbors.”
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6. C The video states, “Today ads don’t sell products as much as they sell (A) lifestyles, (B) needs and desires, (C) Brand names, (D) Feelings.
7. A Compared to ads of the past, those today use much less (A) persuasion, (B) use of national brand names, (C) music and sound effects, (D) emotional manipulation.

The Direct Selling Project

Collect examples of direct mail ads or unrequested Internet e-mail from home or friends. Find examples that total 20 points. A single offering can contain more than one example.

1. Use of the words "FREE" or "SAVE". (1 point each — maximum of three points.)
2. An announcement that you have won money or a valuable prize. (3 points)
3. An envelope disguised to look like an official government communication. (5 points)
4. An envelope disguised to look like correspondence from lawyers, or an envelope with no return address. (5 points)
5. Envelope that appears to contain a check. (5 points)
6. Direct mail advertising with a letter containing a P.S. at the end. (4 points)
7. An envelope mailed bulk rate but disguised to appear as priority mail, express mail, air mail, or some other form of "special" delivery. (3 points)
8. A mailing that requests you punch out a circle, tear off a stamp, or move a sticker to a coupon. (4 points)
9. A mailing that includes a free gift (return address labels, a pencil or pen, a key chain, etc.) (6 points)
10. A mailing with what appears to be real handwriting. (5 points)

Persuasion Disguises

Consumers resist “sales pitches.” So ads are disguised so they appear to be something else. Examples include:

1. MUSIC

We don't think of music as a persuasion tactic. So an auto ad showing people, the auto, and music does not appear as an ad. Since music poses no threat, the consumer never raises his or her persuasion resistance shield.

2. ENTERTAINMENT

When someone speaks directly to you, you become defensive and critical. When you overhear other characters speaking, you do not raise your defenses. Ads are often designed to entertain rather than to persuade.

3. REPETITION

Many ads serve mainly to keep a brand name in your mind, to keep it on your menu of possible choices. Repetition breeds familiarity. We feel more comfortable around people and names that are more familiar.

4. MERGING

Today, ads usually interrupt programming. Tomorrow ads will be part of the program. Another trend is called “permission advertising” in which an advertiser asks your permission to show ads.

5. DENIAL OF ADVERTISING

Direct mail campaigns typically disguise their pitches to appear to be anything but “junk mail.” Envelopes look like something more important than a pitch for magazine subscriptions. Spammers attempt to disguise Internet e-mail so the message is opened and read by as many people as possible. Sales pitches often begin by stating, “We're not trying to sell you something. We're only...