



TV & The Retail Advertiser

Is Your Media Strategy A Calculated Risk?



Or Are You Just Rolling The Dice!

Sometimes in business, conventional wisdom just doesn't go far enough.

New and original solutions are required that not only answer yesterday's marketing, advertising and media questions but also anticipate tomorrow's needs.

Which is why we at WB2 go through evaluating painstaking details to determine what really works in your media strategy. The process is more involved, but if the answers were easy then everyone would do it!

We have the ability to compare all media on a common basis. We will quantify audience delivery vs. cost and profits. Our strategic planning will help determine attainable goals and the solutions required to implement strategies for bottom line results.

For more information call your account executive:



303•740•2222



Television & The Retail Advertiser



This handbook has been put together to help the retail advertiser like you. It's full of information and tips to take the mystery out of television, to make advertising on television as easy as step 1, step 2, step 3.

With your account executive, you can make your advertising more efficient and cost effective at the same time. Before you know it and much easier than you thought, your commercial will be reaching thousands of new potential customers.

Hard facts about television and the competition!

Why television?

- Television is America's primary news source.
- Newspaper circulation is down.
- Circulation is not readership.
- Radio is often an extraneous accompaniment to other activities.
- Radio's message is fleeting, and it can also be turned off easily.
- Television can target your message.
- Television: Efficient cost, mass coverage.
- Television allows the retail advertiser the ability to achieve an effective combination of reach, frequency and continuity within the established advertising budget.



KWGN

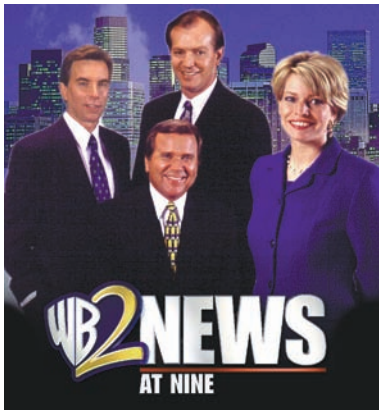
Most new-to-television advertiser's have been spending the lion's share of their advertising budget on newspapers. If this is true in your case, we'd like to put a few hard facts to you about newspapers today.

Why Television?

You've probably been successful using newspapers over the years. But newspapers have changed.

- Television has replaced the newspaper as the primary source of news for most Americans;
- Newspaper circulation and readership have declined, particularly among young adults, 18-34.
- Today's consumers are more visually oriented than word-oriented;
- If you transfer some of your newspaper advertising budget to television, you will expand your potential customer base, yet reduce your cost-per-thousand significantly.
- Television also allows immediacy to your message which may be crucial to the selling proposition.

The bottom line is that television advertising is simply more cost-effective, has a greater impact and reaches additional potential customers.



Television is America's Primary news source...

Television is where the vast majority of Americans get their news...64%. It wasn't always that way, of course. In 1961, not long after television flashed into the American home, more than half of Americans got their news from the newspaper. But today, the American public is watching rather than reading or listening to the news. Source: The Mass Media-Sterling and Haight.

"The mid-1970's drop of nearly 2.5 million daily newspaper subscribers may be the most visible sign of a long-term trend, the diminishing role newspapers as transmitters of information, education and culture. Source: Declining Newspaper Readership, William Tillinghast.

Television: Targeting your audience...

With television, you have the ability to identify which programs have the highest viewing levels of your target audience. You can zero in on the exact age group that would be most interested in your product without wasting advertising dollars on viewers who are not likely to be your customer.



KWGN

Television: Efficient cost, big coverage...



No advertising agency would and no television station should suggest that an advertiser solely use Television, or Newspaper. But you probably can reduce your newspaper budget...releasing some of it to television-just by reducing the size of your ad and still remain cost-proportionately effective.

For example, according to a recent newspaper Starch study of ad "noting" an average full page ad had a 43 noting score among women while a half page ad received a 31 noting score. The smaller ad cost 50% less but delivers nearly 70% of the readership of the ad. Adding a television schedule with the money saved would increase the reach for the same amount of money. Increased audience level of your message equates to increased traffic flow for your store and increased sales. Remember: Circulation is not readership. And households don't buy your product. People do.

If you're in doubt, compare the cost per thousands of your newspaper reach and your proposed KREX/KGJT schedule's reach. Studies indicate that television's cost per thousand is generally 1/3 to 1/2 the cost efficiency of newspaper. Source: Daniel Starch and Company

Why Television? You can't afford not to...

Your competitors use television because they know it works. They know that they can reach thousands of potential customers through television that the newspaper or any other medium can't deliver. And they know it costs them less, on a per thousand basis to do so.

Develop a strong television strategy...

Before you purchase time on your account executive will help you answer some basic questions.

- Who are you customers?
- How old are they?
- Male or Female?
- Where do they live?
- How did they hear about your store?
- Who are potential customers?
- Who might you miss with your current advertising strategy?
- What is your advertising budget?
- Is it based on sales, from which you can project a 6-12 month advertising budget?
- Historically, how have you allocated your advertising budget among the media?

There are often television co-op or vendor funds available from manufacturers of product lines. These funds can substantially increase your advertising budget. Your account executive can help you find funds available, and how to apply for them if you qualify.



EXPAND YOUR BUSINESS



IN 30 SECONDS!

Thirty seconds isn't very long. Yet on television, it's long enough to reach thousands of potential customers. Effectively and efficiently. And it gets results as no other medium available at any cost.

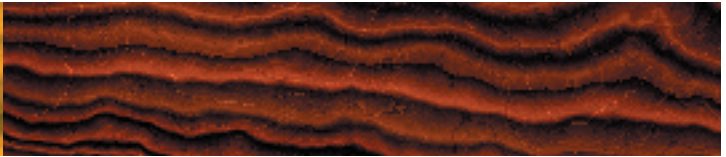
You can reach the people you want, when you want, and right in their home. That's what we mean when we say television is intrusive.

The television commercial involves the viewer in a way no other medium can with all the sight, sound, color, motion and emotion of television. It's entertainment and it's persuasive information all rolled into one 30 second message.

You get results from television. Channel 2's account executives can show you how to cost-efficiently allocate your advertising budget to reach more people more often and get those results. Your account executive will work with you from strategy planning through production, and even after you're on the air to evaluate your advertising campaign.

Welcome to the selling power of





Develop a strong creative strategy...

After determining who your potential customer and what your budget is your account executive can help you with the creative end of your commercial.

1. What's unique about your product?

Your USP-unique selling proposition-is what separates you from your competitors, makes you special in a way customers can appreciate.

2. How can you visually present what's special about your product?



In television, you can actually demonstrate your product, for instance. Or you can provide testimonials from satisfied customers, use a spokesman/celebrity. The format possibilities from television commercials are nearly endless.

Remember you must convince people that you or your product are different. Be different in your advertising. Make an expression by separating yourself from the competition. Good advertising gets results, In sales.

Finally, your KWGN-TV WB2 account executive will take all your answers on target audience and budget to put the most appropriate programs into a package for maximum exposure at minimum rates, stressing both low cost and effectiveness.

For more information please contact: KWGN-TV
6160 South Wabash Way
Englewood, CO 80111
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THE MEDIACENTER ANNOUNCES NEW BRUSKIN RESEARCH STUDY



POWER OF TELEVISION REAFFIRMED BY BRUSKIN STUDY

Television was mentioned as #1 in terms of daily reach of the five major media, while the Internet was at the bottom of the list.

To the question which media they had used the previous day, 93% of the respondents said television, 76% said radio, 63% said newspapers, 42% said magazines, and 35% said the Internet.

Percent Reached Yesterday by Major Media

<u>Rank</u>	<u>Medium</u>	<u>All Adults</u>	<u>Men</u>	<u>Women</u>
1	Television	93	94	92
2	Radio	76	79	74
3	Newspapers	63	64	62
4	Magazines	42	39	45
5	The Internet	35	39	32

Sponsored by THE MEDIACENTER and the Television Bureau of Advertising, the study was conducted by telephone among 1,003 adults by Bruskin/Audits and Surveys Worldwide from January 12 through January 25, 2000. This study provides an updated look at the time spent with the five major media along with the public's image of advertising for the different media.

The last study conducted in 1995, did not include on-line Internet services.

Source: THE MEDIACENTER and Television Bureau of Advertising "Media Comparisons Study 2000" conducted by Bruskin/Audits & Surveys Worldwide.



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According to the survey, the average adult spends 253 minutes watching television on an average day 128 minutes listening to the radio, 45 minutes online, 30 minutes reading the newspaper and 19 minutes reading a magazine. Men spend more time than women do with all media surveyed except magazines.

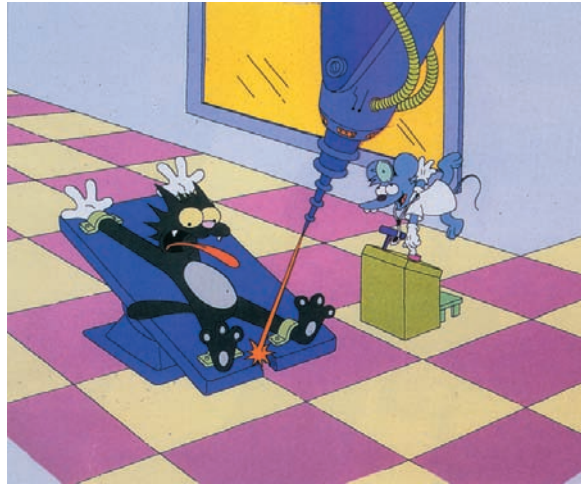
Time Spent Yesterday with Major Media				
Rank	Medium	All Adults	Men	Women
1	Television	253	254	251
2	Radio	128	133	123
3	The Internet	45	51	40
4	Newspaper	30	31	28
5	Magazines	19	17	21

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POWER OF TELEVISION REAFFIRMED BY BRUSKIN STUDY

When asked to choose which medium was the "most authoritative," "most exciting," "most influential," and "most persuasive," television was once again the #1 choice among adults.

Adults Image of Advertising in Major Media (%)

Rank	Medium	Most Authoritative	Most Exciting	Most Influential	Most Persuasive
1	Television	49	74	78	66
2	Newspaper	24	5	7	13
3	Radio	11	6	4	8
4	Magazines	10	6	3	8
5	The Internet	6	10	8	5

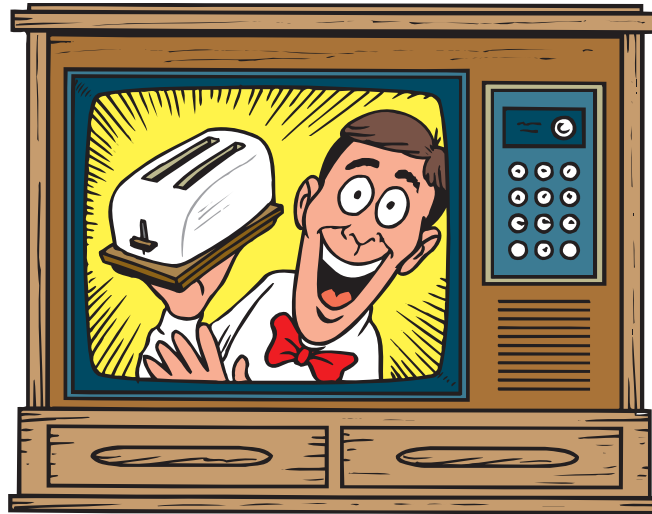
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POWER OF TELEVISION REAFFIRMED BY BRUSKIN STUDY

Of particular importance to advertisers, the study also found that television was the medium from which consumers were most likely to learn about products and brands, or products they might like to try or buy. (Television was cited by 52% of those surveyed, magazines 17%, newspapers 16% the Internet 10% and radio 6%).

Where Most Likely To Learn About Products/Brands or Products Most Likely to Try or Buy %				
Rank	Medium	All Adults	Men	Women
1	TV Ads	52	46	57
2	Magazine Ads	17	17	16
3	Newspaper Ads	16	17	15
4	Ads on Internet	10	13	7
5	Radio Ads	6	7	5

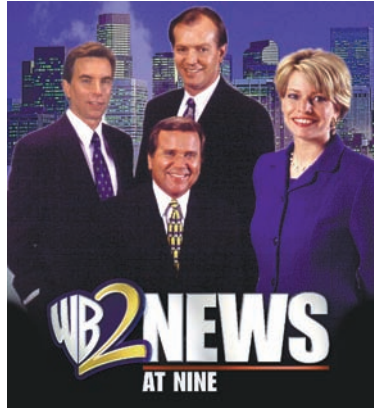
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BROADCAST TV



STRENGTHS

Reach:

- 98.4% of U.S. homes watch television.
- Enables the advertiser to reach large, mass audiences with a single exposure.
- Reaches almost all American homes.
- People spend more time with television than any other medium.
- Reaches the DMA, a larger geography than radio's MSA
- Delivers the ability to saturate a market with a particular campaign on a local basis.

Senses:

- TV is both audio and visual
- Combines sight, sound and motion which can draw a viewer in.
- Commercials can be heard on the TV set.
- Reaches the viewers emotional side. Can "tug" at the viewers heartstrings."

Prestige:

- TV is perceived as authoritative and exciting
- Portrays a glamorous image of brand building.
- Delivers the bulk of prime time viewing.
- The medium has a high believability factor and influences consumers.

Versatility

- TV can convey a wide range of selling messages.
- Messages can be clever, creative and entertaining, thus memorable.
- Excellent medium for "call me now" – direct response advertisers.
- Can target specific demographic groups through program selection.
- Commercials can vary from market to accommodate different strategies.



CABLE TV



WEAKNESSES

Reach:

- Cable viewing is fragmented because of number of choices.
- Most cable networks rarely achieve 3% of television viewing. Even the top channels rarely exceed a 2.0 rating in prime time.
- Cable competes with broadcast TV, which still dominates viewing time in cable households.
- Entire markets will never be fully wired by cable. Rural areas are often not wired, nor many downtown areas.
- Cable penetration varies greatly from market to market.

Clutter:

- Clutter on cable is higher than network TV, at almost 2 more minutes per hour.

Measurement:

- Research on cable in local markets is limited, although network cable research is plentiful.

RADIO



WEAKNESSES

Reach:

- It is not a good medium for broad demographics.
- It covers only the MSA (Metro), nor as broad a geography as the ADI or DMA that television offers.
- It is difficult to achieve more than 50% reach.

Clutter:

- Some stations air only 6 minutes of commercials per hour, others 18 minutes an hour.
- Competitive separation is difficult at times for certain product categories.

Senses:

- Audio only, no visual. Advertiser must "paint a picture" in the mind of the listener. It takes 60 seconds or 18 average length sentences in radio to paint this picture.

NEWSPAPER



WEAKNESSES

Delivery Form:

- Newspaper is a passive medium. Advertisers cannot easily “tug at the heartstrings” as they can with broadcast mediums.
- Visual only. No audio.
- No competitive separation. For example, most tire dealers run in the Sports section, thus they are all clumped together.
- Newspapers have no shelf life. A day old newspaper is yesterday’s news.

Circulation:

- Daily circulations continue to decline for many papers, mainly because many 18-34 year olds are depending on the electronic medium for their news and 1/4 of America’s population is illiterate and cannot read the newspaper
- Many dailies have ceased publication or combined their morning and evening editions in recent years.
- Not all readers read the entire paper. Many read certain sections.

Cost:

- Newspaper ad rates continue to climb due to rising newspaper costs.
- National rates are often are often dramatically higher than retail/local rates.

Environment:

- Clutter. The typical daily newspaper is 55% editorial and a typical Sunday paper is 68% advertising according to the National Newspaper Association in 1992.

Frequency:

- Because newspapers are published daily, it can be quite expensive to maintain frequency and continuity for an ad campaign.

DIRECT MAIL



Consumer Avoidance:

- Almost half of all mail gets thrown away unopened.
- Coupon redemption continues to decline.
- People can and do request to be removed from mailing lists.

Image:

- Often referred to as "junk mail". Consumers respond negatively to volumes of direct mail.

Timing:

- Bulk mail takes 3-10 days to be delivered.

Cost:

- Mailing lists quickly become outdated. 18% of the public moves annually according to the Census Bureau. Databases need to be monitored continuously.
- Tends to be read by people who are already customers. Difficult to get new customers.
- People can and do request to be removed from mailing lists.

YELLOW PAGES



WEAKNESSES

Environment:

- Contains only ads: no editorial content to involve reader.
- Passive: Consumers don't use Yellow Pages until they are ready to make a purchase. Doesn't build top-of-mind awareness for advertiser, or "tug at emotional heartstrings" as the electronic mediums do
- No competitive protection: competitor's ads are on the same page. 53% of readers look at 4 or more ads.
- Creative content is somewhat limited.
- Inconvenient: Many directories are bulky and hard to store.
- Inflexible — ads cannot be changes for one year.

Accessibility:

- Directories are often unavailable outside of office/home.

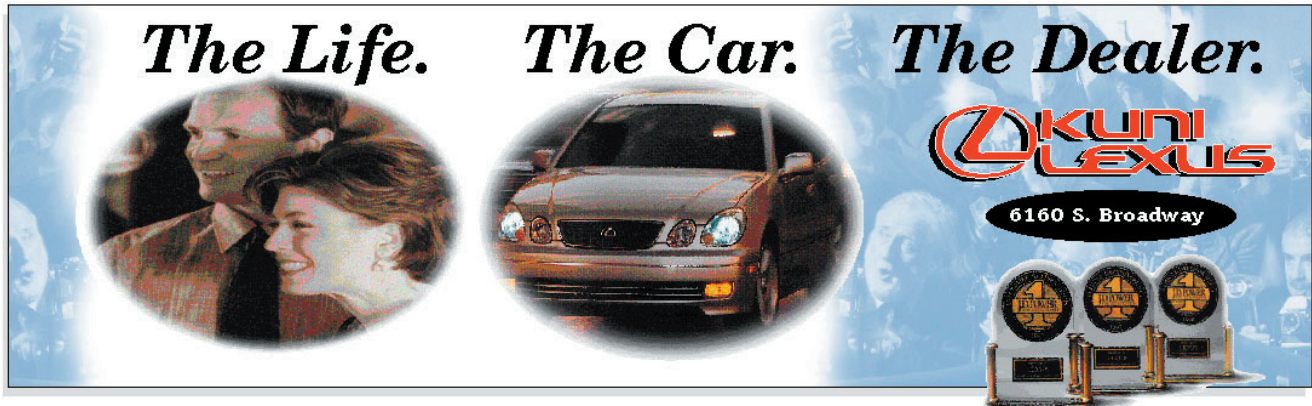
Cost:

- Tends to be a very costly medium

Measurement:

- Difficult for advertisers to measure response on the impact of a product or brand.

OUTDOOR



WEAKNESSES

Environment:

- Billboards have a negative environmental image. Flagging boards, while kept to a minimum are an eyesore.
- Copy must be 10 words or less
- Viewership of the ad is subject to weather conditions, traffic flow and environment (trees in bloom, etc.)

Availability:

- Limited availability – only between 400,000 - 450,000 boards left in the country. Many are occupied by 12 months advertisers
- Space must be reserved at least 28 days in advance of when they are seen.

Impact:

- People view a board for 3-5 seconds. The time spent with the board is very minimal.
- Recall can be low, because billboards are reminder messages, a blip and a blurb.
- Outdoor is a print medium, therefore passive in nature. Doesn't allow the advertiser to "tug" at the heartstrings of the reader.

Target ability:

Not an efficient medium for reaching small, narrowed target audiences, or just me or just women.

INTERNET



WEAKNESSES

Relatively New Medium:

- Advertisers need to learn a whole new language and new planning guidelines and protocol
- The web site is basically a disorganized Yellow Pages

Cost:

- Computer programmer needed to place the ad, or build the web page.
- Must advertise to tell people where to find your ad on the internet.
- No universal search engine (index). Time consuming and expensive to contact all search engines to put ad on their search engines.
- Industry needs to standardize ad sizes so that they can be placed on many sites in a cost efficient manner.

Measurement:

- Don't know WHO is being reached with a web page, only how many have seen it.
- Some people do not have internet access.

Service can be interrupted

- No regulatory monitoring about products or claims.



KWGN



COMPANY HISTORY

KWGN-TV is Colorado's television pioneer and leader, with one of the most sophisticated broadcast facilities in the country. Not only was KWGN-TV the first television station in Colorado (July 1952), but it also is credited with other firsts in Denver television, including:

- ❑ First all local 3 Hour Early Morning News WB2day
- ❑ First regularly scheduled prime-time news hour program
- ❑ First local station to acquire a four camera color mobile unit, thereby establishing the capacity for color remote telecasts and becoming the first Denver outlet to originate such a telecast.
- ❑ First independent station in the nation to receive the Newsfilm Station of the Year award from the National Press Photographers Association (1970)
- ❑ First local station to use computer-controlled on-air switching
- ❑ First television home of the Colorado Rockies Major League telecasts
- ❑ First station in the country to be carried on cable

Tribune Broadcasting Company, parent company of KWGN-TV purchased KWGN in March 1966. The station, an affiliate of the WB Network is number one in longevity of continuous ownership in the Denver market.

TRIBUNE