## Angus Productions Inc.'s coverage of the



## **Advertising Strategy Planned**

by Brooke Byrd

Advertising Committee shifts away from TV spots to more radio advertising.

DENVER, CO (Feb. 3, 2006) — During the Joint Advertising Committee meeting, 2005 key results, 2006 media updates and 2007 planning strategies were discussed. As a part of the 2005 advertising budget, \$11,720,000 was set aside for "enjoyment" advertising; \$2,200,000 was allocated for "nutrition" advertising; and \$1,000,000 was set aside for retail advertising.

As a part of the enjoyment advertising, a survey was conducted that examined consumers' opinions about beef before and after seeing advertisements. While 53% agreed (before seeing the ads) that beef was "expensive but worth it," after seeing the ads, 67% agreed. This is a common measure of consumer loyalty to a product, since it means the consumer is more likely to stick with beef as prices change.

For the nutrition advertising, a similar survey was conducted. Before seeing ads promoting beef's nutritional value, 12% of consumers surveyed agreed "beef is a light meal." After seeing the ads, 28% agreed. Similarly, before seeing the ads, 41% of those surveyed agreed "beef is a part of a healthy diet." After seeing the ads, 55% agreed. One committee member remarked that while the

percentages seem low, the Advertising Committee is working to correct 30 years of misinformation about beef's nutritional value.

The summer grilling advertising campaign was another major success for beef. With ads airing in 45 major markets, more than 20,000 supermarkets participated.

For 2006, an addition \$2 million was allocated for nutritional advertising — from \$2,200,000 to \$4,200,000. As part of the media planning process, a range of relevant magazines were evaluated, focusing on the best editorial environment for each type of advertising. For enjoyment advertising, food and entertainment editorial were targeted; for nutrition advertising, health/wellness, nutrition and healthy food editorials were considered.

The objective of the 2006 entertainment advertising campaign was to "fuel the passion for beef." With slogans such as "There's no such thing as a chicken knife" and "Why there are windows on oven doors," the media plans hope to reach 94% of beef lovers an average of 14 times. The nutrition campaign's objective is to

"challenge perceptions that beef is 'fatty' and unhealthy," and includes such slogans as "Calling beef 'fat' is not only mean, it's untrue" and "Who would have thought iron could be so tender?"

The committee also discussed the move away from television advertising to radio in 2006 and 2007. With about 2,755 TV channels today, as opposed to 700 in the 1980s, there are "more messages" — which means "more

clutter." In 1996, 9 minutes and 53 seconds of each hour were commercials — now 15 minutes and 48 seconds of each hour are commercials. In addition TV advertising rates have more than doubled in the past 10 years, according to the *Wall Street Journal*. Radio, in contrast, costs only \$5 to reach 1,000 (as opposed to \$20-\$25 for TV). The average cost for each radio spot is \$215,000 — as opposed to \$600,000 for TV.



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