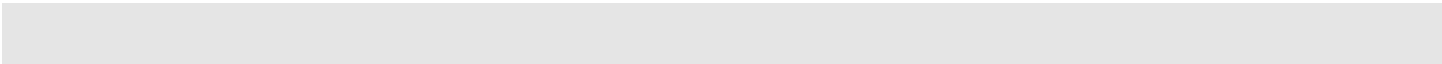

Newspaper Advertising in 1900

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Report on 1900

NEWSPAPER ADVERTISING IN 1900

Newspaper advertising was relied upon extensively as the chief marketing vehicle by the turn of the century. Despite a high illiteracy rate, less efficient means of distribution, and a heavy reliance on “word of mouth” advertising methods, advertisements proliferated in the metropolitan newspapers of America while helping to consolidate the largely scattered press industry across the nation. This phenomenon was propelled by advertisers in many professional fields who began to depend on print advertising because it enabled them to leverage effective demographic targeting, accurately assess their return on investment, and apply a broader range of marketing techniques unique to the medium.

Before newspaper advertising began escalating at the turn of the century, American businesses relied heavily on “word of mouth” advertising methods. “Word of mouth” marketing consists in developing demand and awareness for a product or a service by selling it to satisfied customers who promote their purchase to their friends and relatives. These sales processes had the advantage of being relatively cheap but were overly time intensive. A typical example of “word of mouth” advertising was a door to door salesman compensated solely on commission or a combination of a meager base

salary plus commission plan. Most salespeople would try to leverage their personalities in an attempt to sell a product or a service by visiting prospects at their home or by giving “public sales presentations”. At their discretion, they would employ the “trial” technique where they would offer individuals or families the opportunity to try a product or a service for a limited time before being prompted to purchase. With the exception of the trial and public presentation, most clerks and shopkeepers employed the same “word of mouth” techniques in their sales environments.

Certain aspects of American society constituted barriers against effective newspaper advertising at the turn of the century. First of all, there was a high illiteracy rate in the metropolitan areas of the country. As a result, most metropolitan newspapers were targeted exclusively towards the upper middle to upper classes. This can be noted by observing the choice of editorial content in newspapers such as the New York Times and the Chicago Daily Tribune. Second, publishing and distribution of newspapers were not as efficient and inexpensive as they are today. Since major metropolitan newspapers were only twelve to twenty pages long they were not able to secure advertising revenue comparable with today’s standards. The production of paper, ink, and publishing machinery was not automated as it is in our day, rendering the production process more expensive in relation to the economy of the time. Newspapers were forced to rely on subscription and sales revenue to meet costs which in turn forced them to keep the editorial content down to a maximum of no more than fifteen pages as in the case of the

New York Times. The cultural trend to purchase goods and services based on what was close to home rather than what was advertised on any mass medium lessened the effectiveness of newspaper advertising. This trend was primarily caused by the slower and less efficient methods of transportation available at the time.

Yet despite these barriers, newspaper advertising spread. One factor of its expansion was the proliferation of return on investment advertising tracking via CPM. CPM proved to be instrumental in getting the newspaper industry established during the turn of the century. CPM stands for cost per one thousand impressions and is an advertising term meant to quantify the cost of placing an advertisement. For example, if you paid \$10 to place a one-day advertisement on a newspaper with a daily audience of 1000 people your CPM for the advertisement would be \$10. Although word of mouth advertising was an inexpensive marketing method, it was very difficult to discern the required resources needed to obtain any level of exposure among a customer base. The CPM method employed by the print industry helped corporations invest in their advertising programs with confidence and a lesser degree of skepticism.

Once businesses understood the value of CPM style tracking, newspapers began to cater to their desire for target market segmentation by providing detailed demographic reports on the purchasers of their newspaper to prospective advertisers. This improved the effectiveness of the overall ad campaigns while at the same contributing to the

development of different editorial styles among different American newspapers. The New York Times catered mostly to business professionals who kept a watchful eye on world economic events while investing heavily in the stock market, real estate, and bonds. The Chicago Tribune had a more “genteel” look and feel to it and was devoted to writing about the European influences of the time more than its New York counterpart.

Advertising via newspapers afforded many businesses the opportunity to remove pressure from the marketing process by experimenting with a wide array of new passive sales techniques. Normally when a salesperson is attempting to make a sale he is trying to qualify, inform, and close the consumer all at once. This would normally create a defensive attitude in the consumer who would generally regard any sales pitch with contempt as an aggressive attempt to “sell him something”. By taking a more passive approach, newspaper advertisements were progressively successful in bringing the consumer closer to “buying” rather than “being sold”.

The technique of qualifying and informing the prospective buyer was extremely effective in marketing new services based on newly discovered technologies. For example, the New York Telephone Company, advertised in the New York Times to help market telephone services to the upper middle class (*Ex.1. New York Times. 6 May 1900*). Although there was a small awareness about the greater convenience and

immediacy of phone conversation over the telegram and the postal service, most of the public was suspicious that telephone service was too expensive for anybody outside of large government and corporate entities. Rather than enforcing this ignorant notion by sending out a huge sales force to personally persuade consumers to change their minds, the New York Telephone Company used a passive approach in a New York Times advertisement to point out that phone communication was not expensive if used moderately. They emphasized this by utilizing heavy bold font to stress that they were advertising private residential phone service. These techniques were essential in progressively lowering the mental barriers towards residential phone service while greatly enhancing the effects of “word of mouth” marketing being carried out by existing satisfied customers.

Ex. 1. New York Telephone Company. Advertisement. New York Times. 6 May 1900



Besides benefiting from an approach which respected people's privacy, advertisers began to realize the effectiveness of newspaper advertisements as marketing tools geared towards building demand and awareness for services by using art and symbolism. Universal Life Insurance was quickly growing during this period in history as an effective investment vehicle as well as a service meant to safeguard families against financial hardship in case of unexpected loss of earning power. Universal Life invested in an advertisement at the turn of the century in an attempt to promote this vision to its prospective customers (*Ex.2. Chicago Daily Tribune. 1 January 1900*). Although there is a complete absence of any written sales pitch in this advertisement, the artistic representation of the woman and child under the vigilance of a much more imposing warrior figure is clearly representative of the role Universal Life wanted to convey. Since this newspaper was mostly read by men, it is obvious that this advertisement was trying to communicate the unparalleled protection and security Universal Life could provide to a man's family. This perception is reinforced stylistically by the nakedness of the child that suggests intimacy and helplessness. The absolute attention given by the mother towards the child reinforces the notion that a mother must be fully dedicated to rearing children without having to provide for herself financially at the same time. The word "equitable" seems to imply that life insurance is also an effective investment vehicle towards building equity. The choice to stylistically represent Universal Life as a towering warrior figure was probably made to convey the feelings of strength, safety, nourishment, and protection.

Ex. 2. Universal Life Insurance Company. Advertisement. San Francisco Chronicle. 1

January 1900



Strongest in the World

The Equitable
Life Assurance Society

Department stores benefited by advertising sales via newspapers due to the faster nature and wider demographic reach of the medium. Rather than promoting a sale months in advance via a traditional word of mouth campaign, advertisers could draw attention and reach interested buyers quickly via newspaper ads. The ability to generate campaigns quickly gave department stores the option to shorten the time of sales events. The “limited time only” sales events helped create a feeling of urgency and excitement in consumers’ minds which would increase their propensity to purchase on a whim. Furthermore, newspaper ads appealed to consumers’ desire to save and invest by calling this quality to readers’ attention without referring to them personally as “money savers”. The Big Store utilized heavy pitches to market sale discounts in an advertisement in the Chicago Daily Tribune by leveraging slogans such as, “Opens up a world of money saving opportunities for thrifty buyers” (*Ex.3. Chicago Daily Tribune. 1 January 1900*). By appealing to the consumer’s desire to save, the department stores would bring down the only barrier that would usually keep a consumer out of a department store and help them feel better about spending their money.

Ex. 3. The Big Store. Advertisement. Chicago Daily Tribune . 1 January 1900

The Big Store Special Sale of Ladies' Muslin Underwear for 1900

opens up a world of money-saving opportunities for thrifty buyers. The town is full of underwear sales, but you will find upon inspection that The Big Store's great offering is a bargain occasion of more than ordinary interest. Come and see the thousands of beautiful novelties in—Woods, Skirts, Drawers, Corset Covers, Chemises, Infants' Goods in muslins, cambrics, nainsooks, long cloths, etc. trimmed in the most elegant manner with laces, embroideries, ribbons—tucked, hemstitched etc. To fully realize the bargain significance of the prices that **we** have sold you at, see the goods and compare them with what others sell at prices fully one-third more.

Drawers.
Ladies' Flannel Drawers, with lace trim, 19c
Ladies' Cotton Drawers, with lace trim, 25c
Ladies' Flannel Drawers, with lace trim, 49c
Ladies' Cotton Drawers, with lace trim, 69c
Ladies' Flannel Drawers, with lace trim, 97c



Umbrella Skirts
Ladies' Made-to-order skirts, 25c
Ladies' Made-to-order skirts, 49c
Ladies' Made-to-order skirts, 97c

Corset Covers and Chemises.
Ladies' Flannel Chemise, with lace trim, 15c
Ladies' Cotton Chemise, with lace trim, 19c
Ladies' Flannel Chemise, with lace trim, 25c
Ladies' Cotton Chemise, with lace trim, 39c

Drawers.
Ladies' Flannel Drawers, with lace trim, 6c
Ladies' Cotton Drawers, with lace trim, 15c
Ladies' Flannel Drawers, with lace trim, 25c
Ladies' Cotton Drawers, with lace trim, 39c



Umbrella Skirts
Ladies' Made-to-order skirts, 25c
Ladies' Made-to-order skirts, 49c
Ladies' Made-to-order skirts, 97c

The desire to make a lasting impression advertisement can be seen in the full page advertisement in the New York Times designed to communicate the prestige and exclusivity of GlenLevett imported scotch whiskey (*Ex.4. New York Times. 1 January 1900*). This advertisement was featured in the New York Times at the turn of the century and must have been extremely expensive


since it takes up a whole page in a fifteen-page newspaper. “No whiskey brings the distiller as much price”, is the ending quote to a triumphant and decorous sales pitch describing the production process of the malt. This clearly communicates the desire to appeal to the segment of the population that recognized in itself the need to accept only the best in life.

Ex. 4. Glenlivet Scotch Whiskey. Advertisement. New York Times. 1 January 1900

THE NEW YORK TIMES, MONDAY, JANUARY 1, 1900.

WHISKEYS:
BONNIE BUSH
 (VERY OLD)
 AND
SOUVENIR
 Scotland
 (ELIUM AGE)
 atted or bleeded, but are
 best distillery in the
GLENLIVET DISTRICT,
 1 cases or casks. For sale
 or in bond. They are the
 ve ever seen.

e BONNIE, BRIER
 I is absolutely the
 Scotch Whiskey in
 market.
 e SOUVENIR OF
 LAND is far superior



**We Mean What we
 When we Announce**
 that it is not possible to make a whiskey by any other method that is as fine or as wholesome as the Hand-made Sour Mash process, and with such a spring of water as is used by the

**OLD
 CROW
 RYE**

distillers, and with the scientific formula of James Crow, our claim becomes indisputable.
 No other Whiskey brings the distiller nearly as much price.

to Use Never Be.

The effective application of a new advertising techniques rendered possible by newspapers laid the foundation of a prosperous print advertising industry which progressively became more consolidated throughout the rest of the century. The development of these advertising techniques via improved customer segmentation and targeting resulted in greater sales efficiency, thus reducing the cost of sale for the average metropolitan business of the period.

Bibliography

Preface

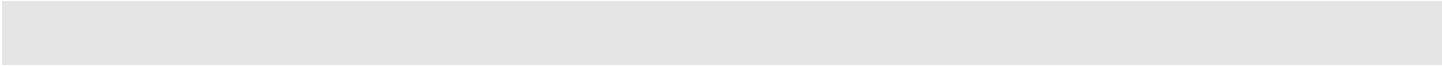
This paper has been drawn solely from the sources listed below. I am currently employed as an electronic marketing specialist for Process Software Corporation. I am the founder of a private corporation (NET Worldwide, Inc) devoted to marketing third party software via the Internet. I am a member of the “MIT Web Entrepreneurs’ Society” and have been involved in the marketing profession for over four years. I often monitor new technologies attempting to best predict the impact they will have on my marketing initiatives by drawing inferences from primary sources such as newspapers and industry magazines. I use this information to identify market conditions and common economic trends. In this project I have consulted with my public lecture material dealing with adoption of new technologies to help me identify trends in the print industry at the turn of the century.

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