

MVGA

2010 Spring Advertising  
- Campaign Analysis -



# Media

- Cable TV, Buckeye - (NW Ohio)
- Newspaper, The Blade - (NW Ohio/SE MI)
- Newspaper, Sentinel - (Bowling Green)
- Newspaper, Expositor - (Swanton)
- Direct Mail, Val Pak — (Toledo Area)
- Website, MVGA



# Buckeye Cable TV

- How long did the TV spots run?
  - Apr 12 – Jun 13 (9 weeks, last year only 6 weeks)
- When did the 30 second TV spots run?

● 7 am - Midnight	Travel Channel	05 times - FREE
● 7 am - Midnight	HGTV	49 times - \$35 ea.
● 7 am - Midnight	Weather Channel	55 times - \$35 ea.
● 7 am - Midnight	On-Buckeye	330 times - \$2 ea.
● 7 am - Midnight	On-Buckeye	330 times - \$FREE
- At what cost & to whom?
  - \$5037
  - Grant
- What was the content of the TV spots?
  - Buy Local, “Beautify Your Space”
- Who benefited?
  - Potentially all MVGA members



# Newspaper, The Blade

(1 of 3)

- How long did the ads run?
  - Apr 26 – May 05 (5 of 7 Days in Blade)
  - May 24 – Jun 02 (5 of 7 Days in Blade)
- How large were the ads?
  - Entire Ad – Nearly whole page (for the cost of ¼ page)
  - Individual grower ad – either 2” x 2” or 2” x 4” (their choice)
- At what cost & to whom? (Ads #1 & #2 together)

\$11,830.00	Grower costs (Inc. 25% MVG subsidy)
<u>\$ 3,693.30</u>	Grant (25% grower subsidy included + balance of white space up to half page)
\$15,523.30	Total cost of ad (10 placements during the 2 weeks, full runs)

• *Growers individually saved over 70% !*

• *MVG paid for 24% of ad overall.*



# Newspaper, The Blade

(2 of 3)

- How many subscribers? (x 2 runs)
  - M – F 110,728
  - Sunday 135,567
- What was the content of the ads?
  - \$5.00 off a \$25.00 purchase or greater
- What was the redemption rate?
  - Varied between: (Ad #1 redeemed 11 – 439 coupons) (Ad #2 down ~ 30%)
  - Ave: (Ad #1 = 137) (Ad #2 = 111) or 248 total coupons redeemed on ave.
- What was the average cost to bring a customer in the door?
  - 248 (total ave. customers using coupons/\$718 cost of 2 ads = \$3.45 ea
- What was the average purchase using coupon?
  - \$40-\$45 (landscapers 2x, same as last year)
- What was the average NET per customer using a coupon?
  - Well...let's look at it a couple of ways...next slide.



# Newspaper, The Blade

(3 of 3)

\$42.50 ave. purchase price (same as last year)  
-\$ 3.45 cost of advertising (\$2.14 last year)  
-\$ 5.00 discount (same as last year)  
\$34.05 after expenses

So, if your \$25.00 retail plant cost you half to produce or \$12.50, then your profit on an average \$42.40 coupon purchase was \$21.55! ( $\$42.50 - \$3.45 - 14 - \$5.00 - \$12.50$ )

Another way to look at it is if your costs were \$21.55 ( $\$3.45 + 5.00 + 12.50$ ) and your average sale was \$42.50...then you still doubled your investment!

- Who benefited?
  - Those 14 MVGA members who participated



# Newspaper, Sentinel

- How long did the ads run?
  - 04/23/10 – 05/15/10
- How large were the ads?
  - Entire Ad – Nearly ¼ page
  - Individual grower ad – 2” x 2” (business card size)
- At what cost & to whom? (Ads #1 & #2 together)
  - (See below)
- How many subscribers?
  - Circulation 11,700
- What was the content of the ads?
  - \$5.00 off a \$25.00 purchase or greater
- What was the redemption rate?
  - 5 out of 6 growers generally low. Most growers were ok with that because the costs were so discounted. Many felt it was more of a vehicle to “get the word out” within the Bowling Green area.

	<u>Ad</u>
Total Cost	\$405.63
MVG 25% Contribution	<u>\$101.43</u>
Net Grower costs	\$304.20



# Newspaper, Expositor

- How long did the ads run?
  - 05/05/10 - 05/09/10
- At what cost & to whom?
  - (See below)
- How many subscribers?
  - Circulation 4,400
- Schmidlin and Lemle's Greenhouses Promoted
  - Only 12 coupons returned for each participant. May not do Expositor next year.

Because we were able to assemble at least 2 participants, MVG negotiated a terrific non-profit price for everyone and pay 25% of the costs. Here is the overall cost breakdown of the ad:

\$291.06	Grower costs/2 (Inc. 25% MVG subsidy)
<u>\$ 97.02</u>	MVG costs (25% grower subsidy included)
\$388.08	Total cost of ad



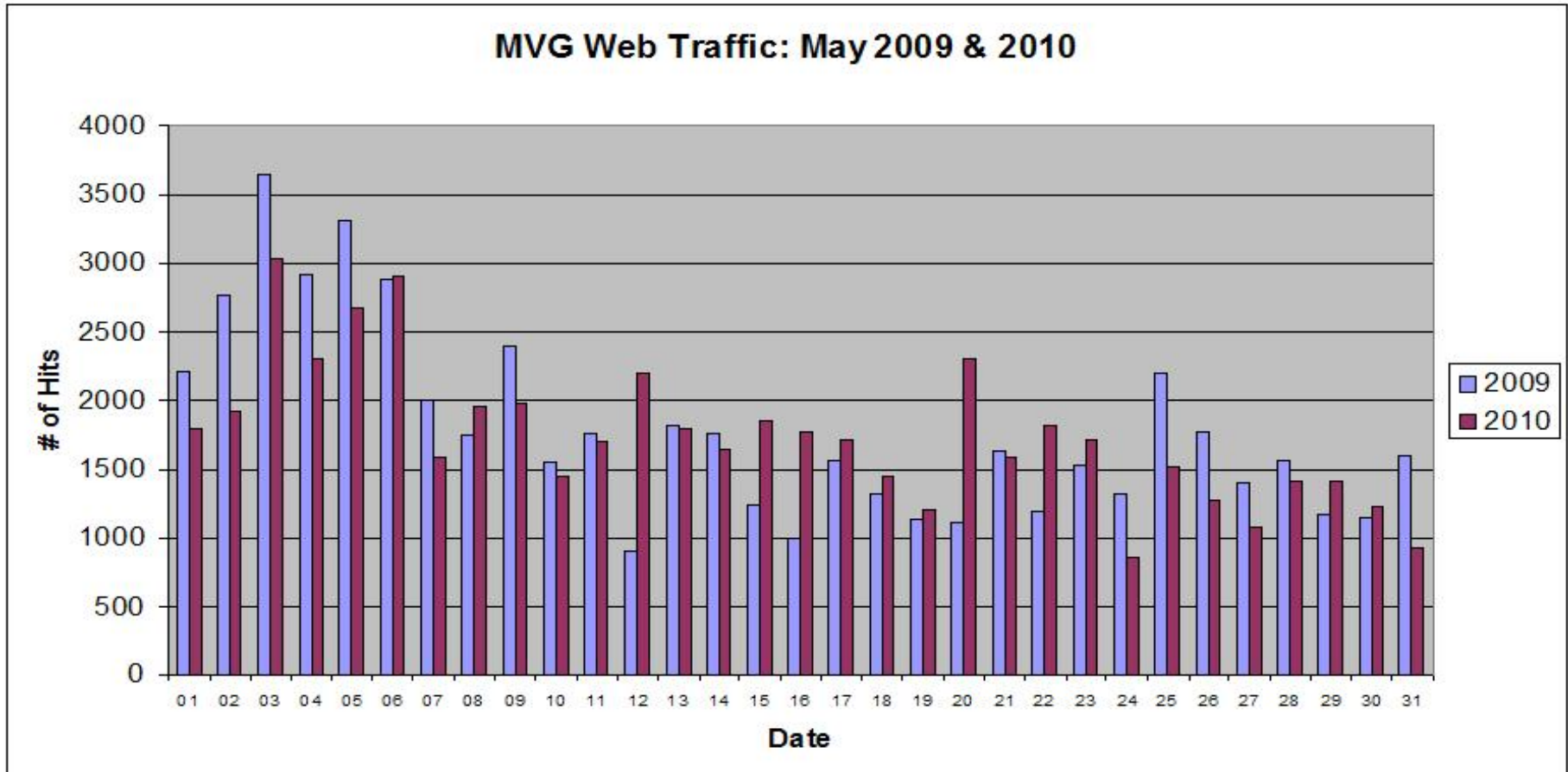
# Val Pak

- How long did the ads run?
  - The same 2 weekends of The Blade
- How large were the ads?
  - Entire Ad – Nearly ¼ page
  - Individual grower ad – either 2” x 2” (business card size)
- At what cost & to whom? (Ads #1 & #2 together)
  - (See below)
- How many subscribers? (x 2 runs)
  - Circulation 11,700
- What was the content of the ads?
  - \$5.00 off a \$25.00 purchase or greater
- What was the redemption rate?
  - Generally very low. Most growers were ok with that because the costs were so discounted. Many felt it was more of a vehicle to “get the word out” within the Bowling Green area. 5 out of the 6 growers participated in the second ad.

	<u>Ad #1</u>	<u>Ad #2</u>	<u>Totals</u>
Total Cost	\$405.63	\$262.81	\$668.44
MVG 25% Contribution	\$101.43	\$ 65.70	\$167.14
Net Grower costs	\$304.20	\$197.11	\$501.30

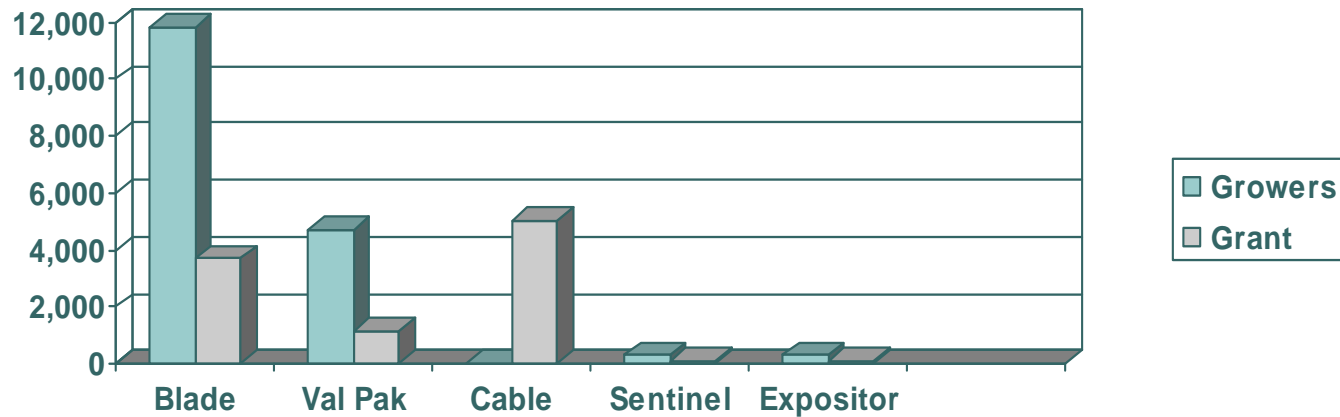
# Website, MVGA May, 2009 & 2010

○ Both Years Similar



# Marketing Expenses

(Spring 10)



	<u>2010</u>	<u>2009</u>
Growers:	\$17,150 (63%)	\$11,600 (40%)
Grant:	\$10,093 (37%)	\$18,190 (60%)
<b>Total Spring 09</b>	<b>\$27,243</b>	<b>\$29,790</b>

*\$10,000 allocated for website development annually. Not included in graph above*



# Observations

- Without ~ \$ 20,000 in MVGA's checkbook generated from our gas program, growers would not have been able to take advantage of pre-pays, non-profit status and other discounted subsidies.
- Outstanding grower account receivables exceeded \$25,000 during the program
- Current outstanding account receivables \$20,444
- Overall, most growers that participated would agree our Spring 10 marketing program was a success and would participate next year.
- Although discussed, no Fall 10 marketing plans have been pre-paid or committed to.



# Next Steps...(Same as Last Year)

- Review Spring 10 program results at next MVG meeting.
- Reconvene Marketing committee to discuss:
  - List of advertisers MVG members use in conjunction or independent from our program.
  - Promote the use of MVG logo in individual grower ads by discounting participation costs of future co-op marketing efforts.  
(Possible 2 – tiered pricing)
  - Assist wholesalers with their retail customers through our co-op buying capabilities. (E.g. *Expositor*)
  - Examine other web based sales opportunities for both MVG retail AND wholesale growers.
  - Devise a Fall 10 co-op advertising program asap.
  - Begin planning for Spring 2011 co-op marketing in Fall of 10.
  - Gradually work toward 100% grower funded co-op marketing program.

● ● ● | Thank you !!!



Sentinel-Tribune

