



The Raphel Report

**Observations on marketing,
advertising, sales and
promotions
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Caveat Emptor ("Let the buyer beware")

I was reading a comic book when I was in sixth grade. There was an advertisement headlined, "Learn How To Be A Ventriloquist In One Day For Only One Dollar."

I quickly cut out the ad and sent the dollar to the specified address.

A week later I received the instructions: A four-page pamphlet with impossible-to-follow directions on how to become a ventriloquist.

I complained to my mother who said, "If something sounds too good to be true, it usually is..."

Has anything changed in direct marketing offers and techniques since my time as a budding ventriloquist?

Unfortunately, not much.

There are dozens of great books on direct marketing written by experts such as Bob Stone, David Ogilvy and Edward Nash which give great advice on how to prosper through finding the right list, making the right offer and using the right creative techniques.

But many direct marketers still use the kind of bogus offer that persuaded me in sixth grade to part with a dollar for a career in ventriloquism.

This hucksterism creates a bad name for our profession, and what's especially deplorable is that many major companies use these techniques because they think they work. While there may be some short term gains from deceiving the public, I think these companies are making a huge long-term mistake.

Let's consider these guidelines from the Federal Trade Commission with their rules for truth-in-advertising and then let's look at some contemporary advertising. According to the FTC,

- Advertising must be truthful and non-deceptive.
- Advertising must have evidence to back up its claims.

Now, let's look at how some direct marketers misuse classic direct marketing techniques to the detriment of both consumers and the direct marketing industry.

FREE!

Almost every Direct Marketing how-to book says that "Free" is "the most powerful word in the English language" for capturing a reader's interest.

Free is a powerful word because it appeals to human greed (or more neutrally, the basic impulse to buy something if you think you are getting a good deal).

But when you go through your daily mail (and, increasingly, your daily e-mail) you'll find this "most powerful" word exploited, misused and straining credibility.

Here's Webster's definition of "Free": "Having no obligation or commitment. Not costing or charging anything."

Among typical daily choices: "Free Patio Furniture," "Free \$500 Home Depot Gift –Certificate."

“Free Pampers or Huggies - \$500 Value,” “FREE \$1,000 Toys R Us gift card,” and dozens more.

But are they really free?

Wait. Look closely at the tiny six point print at the bottom of many of these free messages. (This is the size of six point type).

Almost all contain words similar to “You must participate in each program to meet all the eligibility requirements.”

Question: What’s THAT mean?

Answer: What it says. You must FIRST purchase something from any of the several companies listed in the offer.

Having a purchase obligation is quite contrary to Webster’s dictionary definition. Let’s free up the word “free” from those direct marketers who use it to mean something completely contrary to its real meaning. If you’re going to offer something “free,” there should be no strings attached.

Next: The Guarantee!

A recent mailer to me was headlined, “You have won a GUARANTEED prize in the \$1,000,000.00 College Graduation Sweepstakes.”

No caveats along the lines of “You May Have Won” or “Among the Finalists To Win” but GUARANTEED.

I guess this sort of deception works because so many companies use it, but the real intent is to lure potential customers in with a supposed great prize where the real prize is usually worthless.

Great. What do I have to do get my “guaranteed” million dollars or other special prize?

Well, first, I have to fill out my name, address, day phone, night phone, e-mail address, social security number (Aha!-that’s a new requirement. But..for a million dollars...). city, address, state and zip code.

OK, admittedly all I have won is a “guaranteed prize”. A few dollars? A hula hoop. An updated ventriloquist guide?

You may think this offer is transparently worthless. But let’s look at another more mainstream offer which also runs roughshod over the common meaning of guaranteed.

I read an ad in a magazine for convention planners that offers a specific community to host your next convention. They offer a Guarantee if you select their city for your convention. Their headline: “We make you our Center of Attention. We’re so convinced you will be satisfied we are willing to give you our Guarantee.”

But wait! There’s a little asterisk on the bottom of the page with the guarantee spelled out in tiny six point type.

It says if, “You’re not satisfied with your meeting we’ll give you a day’s rental FREE. Consumer shows, trade show or special events using less than 750 rooms do not qualify for the guarantee.”

Since most shows are less than 750 rooms, this guarantee is completely diluted by its qualification. This misuse of a guarantee makes than city seem deceptive and untrustworthy.

MISLEADING

I received an offer from a book that publishes telephone numbers. It included a check for me for \$2.50. What’s the catch?

This: Read the back of the check. It says what happens when I cash this check

Quick, reach for your magnifying glass and read what it says in six point type.

(Bear with me for a moment while I pause to call my broker and ask him to invest my money with the company that makes six point type).

“Please list my company’s information as shown on this check on your internet web site. I agree to place this advertisement by depositing this check and I also agree to pay the fee for this advertising which is \$179.00 each year billed in advance.”

OK, let me get this straight.

I cash the check for \$2.50.

I now owe them \$179.00 for my the advertisement which appears on the check which is the name of our company and our address.

That's it. Not who we are, what we do, where to call or e-mail.

Nothing.

Is it published in their book? Nope. Only on their web site.

EVERY YEAR. (There's something wrong here...)

DWYPYWD

If your selling message outlines what the customer will receive, what conditions, if any, there are, what promises you make...keep them. There's an acronym that explains what you're doing: DWYPYWD. It means the same backward and forwards and stands for "Do What You Promised You Would Do."

Whatever you promised will happen...will happen.

No caveats. No but-ifs.

I may not be a ventriloquist.

But I'm no longer a dummy.