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Advertising in China

By C. A. Bacon

There are at least four great advertising agencies in Shanghai. Each of them does a business of from one hundred thousand to three hundred thousand Chinese dollars or more a year. That it is impossible to say just how much will be seen from the following incident, but probably the higher figures are nearer correct.

The writer asked the owner or manager of each if his agency was the largest. The reply in each case was apparently in the affirmative. A typical answer might be something like the following: "Yes, if you consider the whole extent of our operations throughout China." One of the said agencies announced 15 clients but stated that three alone totalled annual advertising up to eighty thousand taels a year. Another spoke of 25 clients, all rather large. Another said 30 clients. And so on.

These clients are mostly American and European firms, but there is a sprinkling of Chinese advertisers.

But this is only a start in current advertising. One Chinese newspaper did not deny a million dollars of advertising in its columns every year. In fact that seemed to be about the amount admitted. Another Chinese newspaper does about as much. Counting the square inches of advertising space proves these figures. However, foreign newspapers are inclined to place their advertising above the Chinese papers as to value and space.

The facts as investigated by the writer seem to be that the Chinese papers lead all others, both as to the amount in any one paper and the aggregate in all Chinese papers as compared to the aggregate in all foreign publications printed in China.

But there can be no doubt that the largest single advertiser is a foreign firm, and doubtless they spend beyond a million Mexican dollars a year in publicity. They will, of course, make no statement themselves on this point.

This brings up the point of data in the present article. There are no exact statistics. Necessarily many of the figures given are mere estimates, but a large number of experts have been visited, and facts checked from all angles by the writer. The figures seem as close as can be at present arrived at.

The amount spent annually in advertising in China is at least ten and a half million dollars Mexican a year. The largest half of it is by Chinese firms. Eight million is newspaper advertising and two and a half million outdoor publicity. The foreign newspapers have more than two millions a year, and of this more than half is in Shanghai. A prominent foreign newspaper in Shanghai would place the amount of advertising in foreign newspapers as double that in Chinese papers, but this does not seem to be borne out by the present investigation. And despite the unreliability of Chinese uncertified estimates the writer would place the total amount in Chinese newspapers in all China

at about three times that in foreign-language papers. But a few foreign papers carry a very heavy amount.

The following figures concerning Chinese publications were kindly furnished by the United Advertising Advisers, Inc., and may be relied upon. This agency is connected with the *Shun Pao* daily paper and naturally the business is largely newspaper advertising which goes into a huge amount, overtopping that of any ordinary agency, but this firm was not included in the big four first mentioned, for the reason that its business is thus so largely restricted to newspaper advertising, much of it for the one paper named. It is impossible to credit both the newspaper and the agency with the same advertising. And for the same reason the amount of newspaper advertising by the four large agencies, and by some others probably not so large, is not figured twice in the estimate of ten million dollars and more spent annually.

The figures so generously supplied by the United Advertising Advisers name 350 as the number of daily Chinese newspapers in China and 3,300 as the number of all publications. Just as there are seven large foreign dailies in Shanghai there are several in the Chinese language that can claim large circulation. In fact five would generally be classed as large and two of these as giants. So far as the writer knows, no foreign daily has ever claimed ten thousand circulation. Probably six or seven thousand hits close to the high marks, but the two Chinese giants claim a circulation running into six figures. The writer has been unable to find certified statements by chartered accountants bearing upon Chinese announcements of circulation. There are over 100 publications in Shanghai.

Besides six or more genuine agencies there are more than fifty firms making a business of advertising in Shanghai but mainly as solicitors of newspaper advertising on a commission basis. If the commission paid by Chinese papers is 20 percent, some of these solicitors, who are mainly Chinese, will give the advertiser as much as 15 or 17 of the 20 percent, keeping only three or five percent for themselves. Some of these solicitors have no office. Their methods are a source of confusion to the legitimate agencies and make the advertising business in Shanghai most difficult to succeed in. There is complaint that Chinese newspapers have been lax in this matter and that soliciting should be in the hands of recognized and responsible agents giving no discounts.

For each solicitor to give a different discount and vary his own discount according to the haggling done is most discouraging to agents who pay office rent and try to give good service with all that that involves in maintaining trained staffs and in furnishing real knowledge of value as to placing advertisements and what form of advertising is best suited to the customer's needs.

For there is a good deal more to an advertising agency than taking a 20 percent commission, just as the principal business of a lawyer or doctor is not the collecting of a five-dollar or a thousand-dollar fee. There are quack doctors in China whose only aim is to collect a fee. And there are advertising solicitors who know nothing of the art of advertising, their sole stock in trade being a small ability to wheedle

a prospect into taking a little space in some newspaper, at a discount. Such solicitors cannot give the best service, and doubtless that worries them but little. They are a problem in a crowded country, but it may at least be said that they might be better in this line than as criminals packing guns.

And this brings us to the matter of poverty in China and its effects on advertising. As is well known, more than 90 percent of the people are poor. Probably a large part of the population is under-nourished. Only the barest necessities are bought. In fact, the main advertised article that reaches the masses is cigarettes. So it is easy to understand why cigarette advertising makes up the largest part of outdoor publicity. Just how much of the two and a half millions for outdoor publicity is for cigarettes cannot be said except that the figure is way beyond a million. Besides this, the newspaper space devoted to cigarette advertising is very large, claiming more than any other single item although patent medicines as a class will surpass tobacco and its products in space taken—but here one must include very diverse products classed as patent medicines. There was a day also in America and England when patent medicines formed the most lucrative part of advertising, but that day is long past in the West. In China medicines do not diminish but other items crowd upon them, so that the relative percentage of space given to patents grows less every year.

The writer is not especially familiar with the many forms of advertising undertaken by the largest cigarette company, but came in contact a few years ago with the advertising of another large cigarette distributor in China. About half the fund was devoted to outdoor publicity, which took the form of painted signs on walls, single poster boards and large-size poster boards, generally classed as 24-sheet. In many outports walls for painting could be rented by the year at a low figure, and frequently a single poster-board for which a client might pay five dollars American money would cost only a tin of cigarettes as payment for the space. However, the board had to be supplied and erected, then maintained and kept posted with fresh paper posters monthly by the agency. A proper site had to be selected and the poster itself had to be such as would attract the eye of the Chinese coolie customer, and near enough a cigarette shop so that he would not forget the brand when he got there. In short, there could be very little profit the first year, but on a three year contract there would be a reasonable profit if political upheavals should not intervene and bring about total loss.

While single poster boards are but a small percentage of all boards, and all poster boards are less than painted walls, nevertheless single poster boards are interesting and a valuable medium in the opinion of more than half the agencies. The board is about 30 by 40 inches, of galvanized sheet steel with a wooden molding for frame. Say that a soap manufacturer or raisin distributor or cigarette company orders 300 single poster boards for a Yangtze River port or for some city on the Grand Canal. The Advertising Agency will send a foreigner and a Chinese to the port to select locations and to hire a small force of

Chinese workmen to put up the boards. A Chinese employee of the Agency will bargain for the payment to be made for annual rental. Competition has raised the amount of this, and already in some cities the best sites are pre-empted by the large agencies in Shanghai, who rent the boards out to different companies as demanded. The single poster board is well adapted to Chinese cities because of the narrow streets. The best sites are those facing a street, or jogs in the wall, so that the pedestrian comes face to face with the advertisement. Even if half the board projects to face the pedestrian at a crossing, the location is considered good. On wide streets the boards may be placed on first storey balconies facing a cross-street and in numerous other advantageous places, as, near bridges where a descending pedestrian will have the signs in full view. The advantage of a heavy paper poster is that it can be changed often enough so that it will be observed. There is some danger that a painted sign board will get to be so much a part of the landscape that it will be unobserved after a while—until repainted. By the same token the art department of an agency must devise pictures for the posters that will attract attention and show the product so plainly that a coolie who cannot read will recognize it in the picture and on the shelf.

This brings us to the very heart of the matter of advertising in China. Say that a hundred large Occidental manufacturers are advertising their wares in China to the extent of from five thousand to two hundred thousand dollars a year each. While this foreign expenditure is not so great as the Chinese, it yet amounts to several million dollars, a considerable part of which goes to the newspapers. But nearly a million dollars of foreign money from other than cigarette firms will go into outdoor publicity, and the amount is constantly increasing. The balance of outdoor publicity is, aside from the oil companies, in the hands of a few cigarette companies, mostly for one or two. The greatest part of the native advertising is as yet through the newspapers, although at one time a Chinese cigarette company was a very large outdoor advertiser. The civil war has put a stop to much of the outdoor publicity in outports and in the country. At one time one advertising agency had at least 7000 single poster boards in outports adjacent to Shanghai. These have been lost during recent unsettled conditions. In the matter of outdoor publicity, the main point is to make an attractive poster or sign. The art work cannot be done in the Occident for the reason that the Occidental artist does not understand the Oriental habit of mind, customs, and taboos. There are numerous objects and animals that are, if not taboo, at least displeasing to the Chinese, who have their own way of looking at things. Only a Chinese or a resident of China can so draw and paint as to attract the interest of the Chinese and bring a desire to buy the product presented. Therefore the large agencies must keep a force of artists and designers constantly at work. It is generally money thrown away for a Western company to use the same pictures or the same manner of presentment as would be made in the West. Even a newspaper advertisement cannot be literally translated nor even freely translated. If the best results are to be obtained, an expert in

China must prepare the copy to accord with the outlook of the consumers.

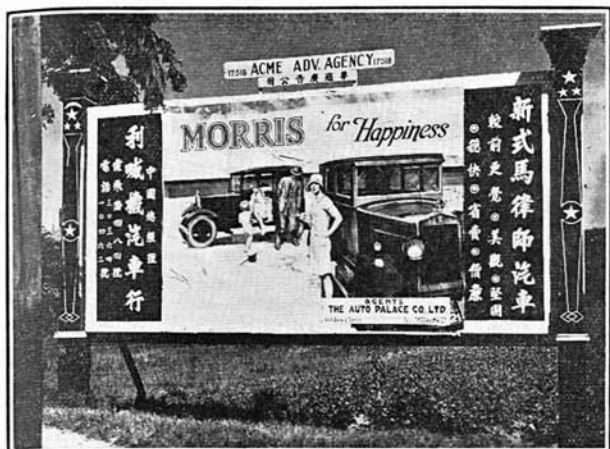
Aside from cigarettes the appeal has to be to the ten percent or less of population that can afford ordinary Western products—necessities, perhaps, in the Occident but more or less luxuries in China. But even this small percentage of population numbers forty or fifty million and is constantly growing as modern methods and factories make headway in China. There are but little more than six thousand motor cars in Shanghai and hardly double that in China. But as motor roads increase, the number of cars will multiply by leaps and bounds. Roads will open up China. The industrial age is capturing China under one's very eyes, despite recent unsettled conditions. The Chinese like well-known products; hence those articles that are already getting established in China will have the best chance in the enlarged field developing. In a folder Millington, Ltd., one of the large agencies, speaks of 400 million prospective customers. Now suppose that 25 years ago anyone had spoken of the possibility of selling 25 million motor cars in America. It would not have been believed. But the thing has been done. Likewise innumerable products will reach the Chinese masses, not all at once, but rapidly as modern development goes on. The bull of modernism is charging the China shop for better or for worse. Perhaps it would be better to say that the wave of modernism is surging irresistibly up the rivers and along the canals (and railways) of China, carrying along Western goods. Before long it will be 20 percent of the population buying, and the increase must go on as time-saving methods and devices raise the standard of living. Millington's also call attention to "China's Colour Sense," showing that modern advertising success is built upon the skilful use of art work.

The four agencies above mentioned are, in order of their founding: Oriental Advertising Agency, Oriental Press, Proprietors; Carl Crow, Inc.; Millington, Ltd.; and the China Commercial Advertising Agency with C. P. Ling as proprietor and general manager, and connected with this last named agency is the Acme Advertising Agency run by Henry Crawshaw and specializing in all kinds of outdoor publicity. The illustrations accompanying this article show a few of Mr. Crawshaw's outdoor advertisements on tramcars in the native area of Shanghai, and elsewhere.

All these agencies have large art departments and have developed immense facilities for all kinds of publicity, not only in Shanghai and the Yangtze valley but throughout China and beyond. They handle accounts running in the aggregate beyond a million Mexican dollars. Mr. C. P. Ling, alone, estimates his annual turnover at about M.\$300,000 which he has built up in three years.

The history of advertising in China is the history of these and other agencies as well as newspaper chronology. And while newspapers are most important, it may not be amiss to review a few facts concerning the agencies.

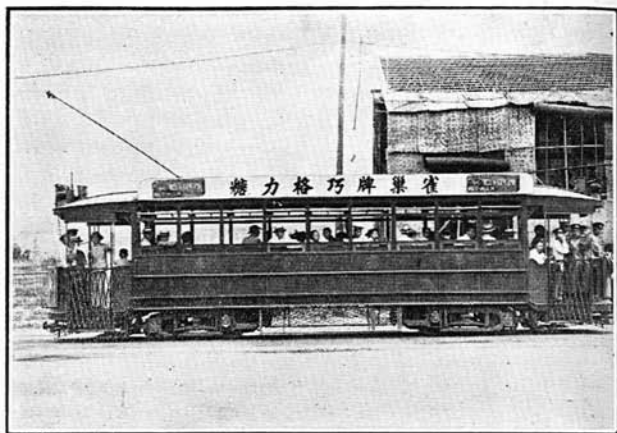
The Oriental Advertising Agency was founded in the early days of the present century. While it has always placed newspaper adver-



Speed and comfort in travel advocated—Morris car is here translated to read Lawyer Ma's car.



China to be "wet"?—light beers on the two sideboards out-shine "Castillon" in the centre 2-1.



Street car advertising—note the Chinese characters recommending a brand of chocolate candy.



Of the three means of recreation here placed for public choice, only the one on top seems proper.

tising, its largest effort has been directed toward outdoor publicity, besides catalogues, folders, and pamphlets. This company was the pioneer in billboard advertising in Shanghai and all over China. They have old connections as to clients, and had a certain advantage in securing locations by being first in the field. However, Shanghai grows and changes so rapidly that it is impossible for any one company to maintain any exclusive advantages. The Oriental agency is very fortunate in having men of long experience who know the situation thoroughly. One of the directors of the Oriental Press is J. J. Chollot. Esq. E. J. Burgoyne, Esq., is General Manager, and Mr. B. Rosenbaum is manager of the advertising agency. The Oriental Press and the agency work through the same officers. The agency has an art studio and a workshop for making billboards, etc. It is sole agent for the Shanghai Electric Construction Company tramways, and sole agent in China for Philips Neon Tubes. For these Neon lights it has a special department. Its present style of transacting business may be seen by the campaign for placing these neon lights. Instead of a monthly rental extending over three years, the agency makes merely a first charge. In the case of letters six inches high the price is remarkably low.

The second agency mentioned was Carl Crow, Inc. Mr. Carl Crow has been in China 18 years and is the author of *Crow's Handbook on China*, familiar to all tourists. He started his advertising agency ten years ago, and has extended his operations from Shanghai to all parts of China, and now places business in India, Java, Siam, Singapore, Japan, the Philippines, etc. He handles 25 accounts—American, British, German, Japanese and Chinese—including some of the heaviest advertisers known. He states that he was first to introduce standardized outdoor advertising, *i.e.* flat rate and uniform service. His billboards are everywhere seen in prominent locations. This agency has a large art department and very extensive outdoor personnel. Among many devices Mr. Crow is at present using circular letters direct to buyers with excellent results. This agency is one of the advocates of single poster boards. Mr. Crow is the proprietor of "The Shanghai Evening Post."

Millington, Ltd., now a stock company, was organized by Mr. F. C. Millington several years ago and is also strongly entrenched. Mr. Millington is well-known through his activities in the boy-scout movement. Like the other foreign agencies, not all of the Millington artists are Chinese, but where Russian or other artists are employed, they are men seasoned to China and saturated with its peculiar mentality—through long association with the Chinese. The Millington artists' staff is headed by F. H. Hindle, A.R.C.A. (Lond.) Millington's "Hongs and Homes" is one of the two best known of Shanghai directories, the other being the "Hong List" of the North-China Daily News, the largest and oldest of the European newspapers. Both these directories are needed and generally purchased by business houses, for, as Mr. Bruce Lockhart of "The Showdown" has shown, each has names omitted by the other book. Millington Ltd. also publish the Shanghai telephone list with advertisements therein, as well as the old Rosenstock Directory of

China, of many years standing. Two other China directories published in Shanghai are the Comacrib Directory and the above mentioned North-China Hong List. Referring again to Millington's, they are connected with the Willow Pattern Press and like the other foreign agencies are thus in a fortunate position for producing art folders, etc. This agency has the reputation of going after advertisements most aggressively, or in other words its solicitors are go-getters. The aggregate of three accounts only is said to run up into six figures in Chinese currency, and the agency has a considerable number of smaller clients. The agency handles all kinds of advertising, and is a busy place to visit. It places advertisements in the Chinese press for Bovril, GE Lamps, Kruschen, Viyella, Johnny Walker, Cuticura, Sanatogen, Morris Cars, Gas, Oil, etc.

Besides these three foreign agencies there are the Chinese concerns, the largest of which is the China Commercial Advertising Agency of which Mr. C. P. Ling is proprietor and general manager. This agency ranks quite up to the others mentioned in amount of business done and in employing the most modern and up-to-date methods known to American advertising. In fact, the owner was only a few years ago connected with several agencies in New York. From 1922 to 1926 Mr. Ling served in the Commercial Press, Ltd., as manager of the China Publicity Co. The reader will recall that the Commercial Press prints two-thirds of the books read in China and that it has more than 5,000 employees. Its advertising bureau is one of the best equipped in the world and is well patronized by Chinese, because of facilities in the making of copper and zinc plates, colored maps, and in all the latest scientific processes of printing. After resigning from the Commercial Press, Mr. Ling founded the China Commercial Advertising Agency and later joined hands with Mr. H. Crawshaw of the Acme Advertising Agency, which handles the outdoor publicity while Mr. Ling places newspaper advertising. Mr. Crawshaw has been in advertising in China and Manchuria for 18 years. He personally visits his factory for constructing signs daily. His offices on Museum Road are next to those of Mr. Ling on Hongkong Road, Shanghai. This combination of two firms working hand in hand is very effective. Although Mr. Ling started but three years ago, he is already doing a large business and is recognized among foreigners and Chinese as having the leading Chinese agency, on a par in every respect with any modern agency in the Far East. His American and European clients are said to be quite as numerous as those of any foreign agency in China.

All the agencies place advertising in newspapers. As before remarked, newspapers are accepting with good grace some eight million Chinese dollars worth of advertising yearly. In fact, advertising began in China with the first newspaper, and in Shanghai with the establishment of The North-China Herald more than 75 years ago. The Herald is still the weekly edition of The North-China Daily News. Shall we call the Daily News ten-storey building on the Shanghai Bund a good example of advertising in itself? It may have been intended only as a home for the newspaper, but the building certainly can not

fail to add prestige to the paper. So we see that to define advertising or to consider all its manifold forms is too large a subject for a mere magazine article. In the present case it would mean giving the history of every large newspaper in China, and that is quite impossible here. There are foreign-language publications like the *Journal de Shanghai* and several Russian dailies that carry, respectively, much French and Russian advertising. There are branches of two large Tokyo papers putting out daily Japanese editions and made to pay by advertising. To say nothing of Hongkong, Tientsin, Peiping (Peking), and Hankow, there are in Shanghai more than a hundred publications led by the English newspaper: *The North-China Daily News*, *The Shanghai Times*, *The China Press*, *Shanghai Mercury*; and two papers having nearly the same name, *The Shanghai Evening Post* (foreign ownership) and *The Morning Post* (Chinese ownership). The former is a large evening paper while the latter is an entirely separate publication printed in English and with almost wholly a Chinese circulation. This Chinese-owned paper was the first, however, to use the name "Post." There is also a Chinese-owned paper duplicating the name "News," but in this case the Chinese paper was a half a century behind the foreign paper in the use of the name. This duplication of names is perplexing to advertisers. The two largest Chinese newspapers, *The Shun Pao* and *The Sin Wen Pao* each claim a hundred thousand circulation or more. They are now owned by Chinese. As noted, each one sells probably more than a million dollars of advertising space a year.

It seems obvious that this equals or exceeds any single foreign publication. But European newspapers are acknowledged to get results out of all proportion to their circulation, since their readers have money to spend.

Anyone referring to the early editions of *The North-China Daily News* or the *Shanghai Mercury* will find that three-quarters of a century ago advertising announcements were a good deal the same as now. The front page of announcements in either of these papers looked then much as it does this year, although in the *Mercury* it is no longer the first page.

Then pick up a theatre program of the seventies and note the printed advertisements—at the Lyceum. Quaint perhaps, and full of good-natured nonsense, but, after all, quite the same underlying method and ideas as at present. In fact, the matter approaches the modern ideal of sane and conservative statement, now considered more convincing than exaggeration, "blah," or "whoopie." There is much being written about modern advertising being a product of the present century, but newspaper advertising goes back to early editions in America, and nearly always does in England. The first Swedish newspaper advertisement came 300 years ago. But why go back more than one hundred years? Newspaper advertising was then a well-established fact. The type and presentation were more ornate then—not so clean-cut and attractive to our eyes. The great metropolitan dailies have learned terse expression, direct appeal, catching the eye and the heart—which latter organ lies normally in close proximity to the pocketbook. There is no question, of course, but

what the present century has not only seen advertisement writing reach a high state of perfection but has seen the whole art of advertising take mature shape and form. Upon foundations in places as old as the human race, as to some wings as old as barter and trade, and as to other extensions as old as newspapers, modern advertising has been built. While the foundations reach to antiquity or in other directions to respectable age, the modern development is quite as arresting because of its intricacy, its art, its assumption of the scientific method.

Some great advertising agencies in America will not undertake the publicity of a product until they have first investigated the firm making the goods, and next, every phase of the manufacture and sale of the product. If the product is worthy, if it is as good as human ingenuity can make it for the price, then the agency will undertake to put it before the people and to make the name of that product a household word throughout the land—in short, to make the people conscious of that article, as, say, refrigerator conscious or motor-car minded. The idea seems to be to get the people to understand that their want in some particular line is better satisfied, filled at a lower price with a better article, if they buy the product advertised. Unless the facts are so, the advertising campaign is not apt to have the highest success. It would be folly to spend a million dollars advertising an inferior product. But a million is often spent on publicity for an article that the makers have come to know is the best of its kind. This works two ways. It improves advertised products, and it gives the public more confidence in advertised products.

So the art of advertising has made great advances during the last 25 years in America. The newspapers have been large beneficiaries. But the newspapers seem to have done less than the monthly magazines and agencies to bring about the improvement. Compare a magazine advertisement, or one in *The Saturday Evening Post* printed at Philadelphia, U.S.A., with the ordinary newspaper "ad." The excellence of the copy in the magazine and weekly type is apparent. While one reason is the haste with which a daily has to be thrown together and circulated, the main reason for better magazine "ads" seems to be the example of advertising agencies in preparing effective copy. A good advertisement must first attract attention, and this is often done with an illustration of some sort. Next the interest of the reader must be aroused and held. In some instances this is done by having the first few sentences in large type, or by a catch-phrase that will intrigue the reader into continued perusal of the copy even to the smaller type. Finally the desire to purchase the article advertised must be left with the reader, and this requires clever presentation of the merits of the advertised article or product. Superlative phraseology has been too much used, especially by the moving picture companies. And speaking of pictures it may be said right here that the film line is inclined to use the same form of advertising in China as in America. That is a mistake. It has some effect in sophisticated Shanghai but shocks the country districts. The Chinese people, and the Japanese also, never kiss in public. Chinese youths and maidens do not make love by kissing nor kiss when making love. Kissing, if indulged in, is reserved for the more intimate associations of marriage. Hence

there can be no doubt that a very great percentage of the films presented in China are somewhat repulsive to the Chinese people. And shooting. Wild West films are apt to give a wrong impression of Western civilization. Scenes of torture of the Dark Ages are even worse, since many Chinese cannot tell that such scenes belong to the long dead past. And the Chinese themselves have for the most part not yet advanced especially high in the art of picture making. They are apt to copy the errors of Hollywood and make innumerable new mistakes of their own. Hollywood should have an Oriental department to make pictures that can do no harm in the Far East and that will sell faster than any now sent. Moreover, the "talkies" seen and heard in Shanghai are none too frequent. The best "talkies" seldom reach us.

Now, pictures have been here discussed to show how intimately good products and good service, appropriate and well-adapted products and service are connected with advertising. If film advertising was done from a China base, the producers of films would soon learn that the product itself might be better suited to the Oriental market. Suggestions from Shanghai advertising agencies to manufacturers and distributors carry much weight.

Some American products are not advertised in China for obvious reasons. Ready made clothing finds little sale here, since the Chinese affect other fashions in clothes, and those who do wear European clothes patronize a tailor after the English manner. But all the world must eat, and food products get a fair reception; as do the many surprising modern inventions for entertainment, such as phonographs, radio sets. All nations compete for Shanghai trade. Therefore a product must be not only the best in its own nation but the best in the world at the price in order to sell in Shanghai. French perfumes, for example, cannot be beaten, and they nearly monopolize the Shanghai market in their line.

Of course, it would not do to advertise a food of which China has herself a surplus. Mangoes are a somewhat expensive fruit, but they sell well in Shanghai because China produces none. California oranges compete with Foochow and Swatow oranges because the foreign product is larger and better even though not so sweet. The California fruit also keeps well at seasons when the China oranges are out.

The last decade has seen California raisins develop a large trade in China. Why? Not entirely because they were well presented, but because China has no raisins and China likes to eat. Very few kinds of eating—from packages—can be classed as luxury. But even certain kinds of food luxuries sell well in China. Shark's fin and birds' nests of Borneo are imported at great cost. Now China likes recreation and modern improvements quite as well as she likes to eat. And as soon as the pocket-books permit, all the things that sell in the Occident will either be imported and sold here or made here and sold. As above stated, about 50 millions of Chinese can already afford many Western products and the market is expanding. Many of the buyers with ready cash, both foreign and Chinese, can be reached through the foreign newspapers. Many more who cannot read English at all are approached through the Chinese papers and these consumers are in the aggregate even larger buyers, but

the advertisers in Chinese newspapers are said to be 85 per cent Chinese. Then again all these and a vast number more can be reached by hoardings or billboards, since signs are intelligible to all who read and to all who cannot read—and the latter make up 90 percent of the population. By the same token, colored lights and numerous other eye-attracting devices do well for the seller or advertiser. The most expensive single advertising device in China is a huge illuminated clock in Shanghai with a few Chinese ideographs naming a cigarette. Those Chinese who cannot read a book or paper can often decipher a few simple characters, such as are used on this clock or on billboards.

As previously stated the advertising done by Chinese concerns exceeds in the aggregate all that done by foreigners, that is, when we take into consideration all the Chinese newspapers. It may, then, be instructive to note what is advertised in the vernacular press. In the April, 1926, number of *The Chinese Economic Monthly*, under the title, "An Analytical Study of Advertisements in Chinese Newspapers," we read: "Advertising has now reached a stage in China similar to that occupied in Western countries, where its value as a medium for securing, promoting, and increasing sales is established. Previous to the advent of Western civilization into China, 'chops' of firms or manufacturers were the only advertising means for their products. The acceptability of these products was, and still is in many interior provinces, determined by the similarity or dissimilarity of the seal character on them with the chop it professes to represent. This peculiar situation may be explained in the fact that the Chinese entertain a very wholesome veneration for a firmly established 'chop,' and it is thus a valuable asset to a business man in the widespread distribution of his goods. Now, however, other methods are seeping into China, including principally, newspaper advertising."

The quoted article then went on to give a few pages of tables analysing the advertisements in five Chinese newspapers according to source or class. The tables classify under six headings the advertisements but do not make a general summary. Carrying the figures to a fairly logical summary, one learns that one-half the space in the said newspapers was devoted to advertising. And of this advertising space about one-third was given to patent medicines, though in some of the papers patents took one-half the advertising space. Economic items came next, including books, savings, insurance, industries, communications, etc.; these took over 21 percent of the advertising space. The rest of it was divided between amusements, luxuries, daily necessities, educational and miscellaneous items. The amount of space devoted to each class mentioned varied considerably in the different newspapers.

The above analysis is still of some value. The general impression in China is that cigarette advertising exceeds all others, and this is doubtless true if outdoor publicity is included. Cigarettes would also be the highest of any single item in the newspapers. As for the agencies, most of them place more in toilet goods than in any other class. But a single cigarette client is likely to place an amount exceeding any other one client, if an agency has cigarette clients. Some cigarette companies do most of their own advertising. But that is only when they maintain

a manufacturing or large distributing organization in China. Even these concerns may place orders with agencies.

Outdoor publicity has been largely an accompaniment of the huge growth of the cigarette industry. Painted walls were in evidence twenty years ago. Mr. Carl Crow places the advent of 24-sheet poster boards—standard, 11 x 25 feet—at ten years ago. And soon afterwards came the single poster boards in China, according to the same authority. He further states that only a few foreign firms were advertising in China in 1913, but now hundreds of foreign firms know the value of advertising in China, spending increasing amounts each year.

The agencies have come to know the value of outdoor signs as well as newspaper space. The present writer has observed one drawback to posters, and that is the constant sniping of positions. A portion of wall that is not leased to any agency but which seems advantageous to some peripatetic bill-posting coolie, because unsupervised by the owner, will be covered with posters as many as half a dozen times a day. This is sheer waste of material and most unsightly in the bargain. It would be well if municipal regulations prevented this. It can only result in advertisers turning more than ever to newspapers. Newspapers already stand very high as to advertising income. It may be that the unusual results achieved through foreign newspapers in China have made the papers careless about attractive "ads." Without any question a newspaper advertisement in Shanghai gets results much greater in proportion to circulation than anywhere else in the world. But this should not blind the compositors to the need of more attractive form. The printer in Shanghai does not always follow the copy well as to size of type and other instructions. It is the same trouble as before mentioned, which in America resulted in advertising agencies setting their own copy in their own plants—and often in making plates therefrom, to send to publications. But by going to the right sources any advertiser can get good service in Shanghai. Any process can be carried out at the Commercial Press; the advertising agencies have ample art departments and other facilities; the newspapers get results; the field is immense and full of future promise to the industrialists of Europe and America. The mention of a few firms and newspapers does not mean that others are not all that could be desired. The impossibility of discussing all has resulted in mention of only the most prominent. Likewise, the subject has been treated from the viewpoint of large clients rather than the small local advertiser. A small local Russian firm will advertise in a Russian gazette and get results. A British merchant will advertise by neon light or tramcar sign or more often in the foreign newspaper and get results. What any small dealer should do is too complicated a question to be threshed out in this article. And while few lines of business will pay without some form of advertising, the small maker or dealer doubtless bears in mind the fact that even the largest advertisers maintain a definite allotment or fund for advertising purposes, and this fund has a reasonable relationship to capital and sales.

Near the beginning of this article some hint was given of the intense rivalry in the advertising business. In some cases this goes so far that one or another agency may claim that it alone is really doing any great

amount of business and that the other firms have nothing. Likewise newspapers will claim that newspaper advertising is the only effective kind and outdoor men believe that they have the world by the tail. Both branches will condemn sandwich men and regret that such are permitted and lament the money thrown away on other foolish sorts of publicity. The truth seems to be that either experience or intuition must guide a business man as to whether he needs to advertise and if so what sort of publicity is suited to his line. A number of large insurance companies restrict their publicity fund strictly to newspaper advertising. But some of the largest advertisers in China in other fields prefer billboards (hoardings). That these latter are of some effect is indicated by the fact that there are more than 2000 standard 24-sheet bill boards in Shanghai. Probably 500 of them use paper posters, the remainder are painted in colors. About 1,000 of the total are illuminated with electricity at night. The writer has known of many to rent as high as 50 to 75 taels a month in a prominent location downtown, enclosing building operations. Mr. Crawshaw of the Acme Advertising Agency informs the writer that his prices are Tls.25 to Tls.35 a month for a large-size painted billboard—that is, the 24-sheet size; and for the 12-sheet size, from Tls.15 to Tls.20.

But, because agency outdoor signs are limited to a few large cities, especially since the recent political upheaval, the only signs one will see in the far interior are those of the large mineral oil companies and of the British-American Tobacco Company or, perhaps, in places, the Nanyang Brothers Tobacco Company. Doubtless at the moment the quickest way to reach the interior is through the Chinese newspapers. But most foreign advertisers want also to reach the considerable foreign element in China and the populations of the large cities where money is more free. For this purpose foreign newspapers are very effective while billboards and Chinese newspapers are most valuable reinforcements.

