

## THE ADVERTISER'S DILEMMA

### Another Chinese Puzzle: Insurance Companies' Decision

(Contributed)

The decision of local insurance companies to restrict their advertising to newspapers is a significant one. There is probably no country in the world where so little data exists that is available to the average advertiser of the relative value of different advertising media as in China. Likewise, there can be few cities in the world where so many varied advertising schemes are exploited as in Shanghai.

Foreign newspapers were the earliest mediums of advertising, and they probably account for the greater part of its expenditure today; Chinese newspapers followed later. During the past twenty or thirty years, however, innumerable methods have been developed. Posters designed and printed by the British-American Tobacco Company have permeated to the remotest parts of China, and this blazing of the way has led to several foreign and native imitators. Apart, however, from a few of the companies with immense resources, like the British-American Tobacco Company, the Asiatic Petroleum Company and the Standard Oil, the interior of China remains practically untouched, most advertising appropriations being spent in Shanghai and a few other of the larger ports.

#### Faith, Fiction, or Fact

Advertising has run riot during the past few years in Shanghai, and in the absence of anything definite to go upon the inexpert advertiser is at a loss what to do. Hoardings, directories, gift novelties such as paper weights, playing cards, ash-trays and pocket knives; sky signs, tram and bus transparencies, periodicals, theatre programmes and curtains, kiosks, and even sandwich men compete for the advertiser's money—most with a good story to tell but little of fact to back it up. The foreign and native press add to his bewilderment and offer little reliable data on which to base intelligent opinion.

In America, the Audit Bureau of Circulations is well established and is being developed in Britain. These Bureaux employ trained accountants who make a periodical rigid scrutiny of the paid circulations of every newspaper which has the courage to publish such data. The advertiser is told how many free and how many paid copies are disposed of; and whether the readers are local or distant. As a result of this the practice is gaining favour of paying for advertising at so much per inch per thousand copies sold. This places advertising on a scientific basis at once and enables the advertiser to lay out his appropriations with wisdom and certainty.

But apart from the handicap of buying circulation in the dark, the advertiser is also faced with the evil of fictitious advertising rates. It is well known to some of us who have had to place advertising that "discounts" of as much as 50 per cent. are in some instances obtainable. The writer's experience in placing advertising leads him to be thus frank, and to assert that such a state of affairs cannot be condemned too emphatically.

#### The Foreign and Native Press

Only two foreign newspapers, as far as the writer is aware, have issued audited circulation certificates: the others, and also the Chinese newspapers, give vague information on this important subject. It is safe to say that the circulations of the various local foreign newspapers are between 500 and 7,000 copies per day on an average, and the native press between 100 and 60,000.

The British and American community of about twelve to fifteen thousand and the English-reading Chinese appear to be well covered by the largest foreign dailies, but it is apparent that the Chinese press should be used to make contact with the immense native population of Shanghai. Speaking of the Chinese press, an experienced advertising man remarked only a few days ago that

"It is a very moot point what value can be derived from advertis-

ing in them to-day. My Chinese friends tell me that wherever the Nationalist Government have gained control, the confidence in newspapers is immediately undermined, due to the news being so often biased; so much so that readers often take both news and ads with a grain of salt."

#### Posters and Sniping

Is dropping other than newspaper advertising the action of the insurance companies, as mentioned above, is significant. They do not appear to place much value on the many other mediums of silent salesmanship apparently because the merits of these are also shrouded in uncertainty. Hoardings may be resented by the foreigner, but they make a restricted appeal to the native if there are enough of them. A local advertising expert writes:

"In Shanghai, poster sniping is carried out to a very large extent, and much money is wasted. Any kind of posting, to be effective, must show the article in its true colours, and to get the best result must be erected in prepared locations which will prevent the defacement of expensive posters by gangs of coolies sniping with theatre announcements, one-colour medicine posters, etc. I have seen as many as 5,000 posters, costing \$500, defaced in one day in Shanghai."

Chinese coloured calendars, gift novelties, etc., are an expensive form of advertising, and more in the nature of cumshas to business friends and agents; these are slowly but surely dying out. Sky signs, tram and bus "stickers," and sandwich men are of some value in reaching the native population, but have little effect on the sophisticated foreigner and the better class of Chinese.

There remains the medley of weekly, monthly and spasmodically published periodicals, directories and programmes. Most of these are honestly of little value to the advertiser, but there are a few exceptions which will occur to anyone who has been canvassed by the many go-getters and glib-tongued

syphs who make almost daily calls upon us.

#### To Whom Do You Appeal?

These remarks on advertising may be summed up in a few words. The advertiser must first decide whom he wishes to reach—the foreigner, the fairly well educated Chinese, or the labourer. The foreign newspaper undoubtedly makes the strongest appeal both to the foreigner and the English-reading Chinese, and the choice of a medium in this field is not therefore difficult. The Chinese tradesman should also be approached through a newspaper—but a native one; the choice again is comparatively easy, as there are only two outstanding native daily newspapers. The Chinese factory hand and labourer respond best to the coloured poster which has been developed to such a great extent in the interior of China and to the street hoarding and sky sign type of publicity. From these different media the prospective advertiser may well make his choice.