

DEPARTMENT OF BUSINESS MANAGEMENT

Conducted by Paul C. Olsen.*

OUR ADVERTISING POLICY.

BY H. A. B. DUNNING.**

FIVE FUNDAMENTALS OF THIS ADVERTISING POLICY.

1. Service and research for the physician and without thought of immediate profit.
2. A prominent, convenient location.
3. Attractive business quarters.
4. Detailing of physicians in person and by mail.
5. Professional and trade journal advertising.

R Salol, 3 $\frac{1}{2}$ grains
Oleoresin Cubeb, 5 minims
Copaiba, 10 minims
Pepsin, pure, 1-3000, 1 grain
Make one capsule. Send 30 such doses.
Sig. One as directed.

We deliberately encourage that kind of prescriptions! It is a part of our advertising policy.

I define advertising as something more than printed announcements and circular letters. To me advertising has always meant any effort which would make our business favorably regarded.

There is no direct profit from these difficult prescriptions and orders but the indirect profits are legion. Put yourself in the physician's place. If we are willing to go to infinite pains and trouble to supply just what the physician orders, is it not logical to suppose that he is going to remember and appreciate that service. At another time when he has an unusual prescription or pharmaceutical problem, he comes to us. Friendly relations are established.

This willingness to give superior and unusual service, without thought of immediate profit, has been appreciated not alone by the practicing physicians of Baltimore. The physicians in the medical schools of Johns Hopkins University and the University of Maryland have come to us for their requirements. We have been able to serve them in two ways. We have worked with them in the solution of nice pharmaceutical problems in connection with their medical researches. Many useful products have resulted from these researches. What is more natural than that the firm which coöperated in the pharmaceutical research should be entrusted with their commercial production and sale?

Service thus is fundamental to our advertising policy. But it is only a foundation. Every good building must have a foundation, but the foundation alone is

* Instructor of Merchandising, Wharton School of Finance and Commerce, University of Pennsylvania; Lecturer on Business Administration, Philadelphia College of Pharmacy and Science.

** Hynson, Westcott and Dunning, Pharmacists, Baltimore, Md.

not the building. Once we are sure of our products and service the next thing is to tell people about them, not once, but constantly. While our business is a mighty important thing to us, it naturally is but one of many things engaging a physician's attention. We are apt to lose business unless he is constantly reminded of our presence. Yet we cannot harass or antagonize him.

One of the most valuable advertisements we have is our location. Nearly every physician in Baltimore passes our corner at least once daily. Our building is directly opposite Baltimore's leading hotel, a fact which brings us to the attention of hundreds of visiting physicians every year.

The building itself is of a striking design. In fact, customers have jokingly told us that our name on the windows is the only thing that keeps them from mistaking us for a bank. We spend many thousands of dollars every year keeping this building looking its best both inside and outside. Its immaculate and span appearance makes a good impression upon our customers and, just as important, upon our employees. We find that spick and span quarters tend to promote spick and span work. No druggist needs to be told that neatness and exactness are a cornerstone of success in pharmacy.

The work of our detail men is a more evident phase of our advertising policy. In Baltimore they serve the double purpose of interesting physicians in our preparations and in our retail business. We also supplement the work of the detail men by letters and other literature to physicians and also advertise to physicians in professional and scientific journals. To obtain for our preparations the co-operation of druggists outside of Baltimore we also advertise in their trade journals and send them letters and other descriptive matter by mail.

I suppose that some druggists who read this article will feel that our business is so unusual that few of the policies we use would be applicable to them. That is not necessarily the case. It is true that our retail business is unusual; we have no soda fountain and do not carry candy, cigars and many other sundries usually found in a drug store. In fact, 75 per cent of our retail business is in prescriptions and physicians' orders.

A druggist does not have to restrict himself to these items, however, to be a professional success. I could point to hundreds of stores which are just as ethical as we are, yet which have large (and prosperous) soda fountains, a busy cigar counter and an excellent business in perfumes and toilet articles. The thing which makes them a professional success is the fact that they maintain their identity as drug stores. A patient with a prescription or a physician with an order has confidence that his wants will be cared for intelligently and efficiently. Confidence of physicians and the public has been the keystone of our success. This success we constantly have tried to enlarge by persistent, tactful advertising.

THE CASE FOR CONTINUOUS ADVERTISING.

"Well, well, Mrs. Wharton, I haven't seen you in a long time. Where have you been?" The speaker was Elias C. Bohon, neighborhood druggist, as he beamed upon his good customer, Mrs. Mortimer Wharton. Mrs. Wharton lived several blocks from the store, in a section which Mr. Bohon seldom visited, but

her telephone orders had been a constant source of pride and profit to him. A few weeks ago they had suddenly stopped. Mr. Bohon welcomed the chance to ask for an explanation.

"Why, haven't you heard?" answered Mrs. Wharton in surprise, "Mr. Wharton and I have taken an apartment in Lynbrook. The children have all grown up. John and Alice are away at college and of course Beatrice has her own home in Hazel Falls. It's hardly worth while to keep that big house just for the two of us."

"Did you sell your house, Mrs. Wharton?"

"Yes, we were very fortunate, and who do you think bought it? A builder, and they say he is going to convert it into six two- and three-room apartments. We don't like the idea, but I suppose times are changing."

Mr. Bohon thought resignedly of the fine business Lynbrook druggists must be getting from Mrs. Wharton. He also looked forward a few weeks to the time when six young couples probably would be occupying Mrs. Wharton's former residence. He made a mental note to have his boy stop there then and leave his announcements in their mail boxes.

The trade of these new people would probably offset the loss of Mrs. Wharton's business, *if he could get it*. The service, the advertising, the good will, all the things he had done in the past to attract and hold Mrs. Wharton's trade would have to be done all over again to interest these new people.

His reverie was interrupted by the appearance of Mrs. Bertrand Noble. He first knew her as Margaret Dixon, a tiny tot with a mass of blond curls and a sunny smile. Here she was, grown, married and with a home of her own, daily buying a host of merchandise for herself and family, where formerly her wants had been confined to penny candies and ice cream sodas.

"The neighborhood certainly does change," thought Mr. Bohon, as he moved to wait on her. "A person has to keep everlastingly at it if he is going to hold the business he has—let alone increase it."

Mr. Bohon is right. Every druggist has not one but a dozen Whartons and Nobles. Old customers move away, new people take their places, young people grow up, not to mention the innumerable losses which occur from competition between stores.

Consider what this means even in such a city as Philadelphia, generally held to be staid, conservative and slow to change. The total population of the city proper was given as 1,824,000 in 1920. In 1910 it was 1,549,000. This increase of 275,000 in population indicates a change, but by no means all of the change in the population of Philadelphia which has occurred between 1910 and 1920.

Thousands of people have moved to Philadelphia and other thousands have moved away. Many foreign immigrants have arrived and a large number have returned to their native lands. People who were living in 1910 have died before 1920 and thousands of others have been born since 1910. As evidence of this constant turnover of population, publishers of city directories point to the fact that almost 100 per cent of all the names and addresses in a city directory are obsolete after 5 years. That is to say, if an advertiser were to send circular letters to names in a 5-year old city directory, virtually every one of them would be returned to him as undeliverable. Thus, what amounts to a complete turnover of

population has occurred in the comparatively short space of 5 years. Part of this change is due to the causes listed above, and a larger part to the movement of people from one part of the city to another neighborhood. To the down-town druggist this latter change is not especially important but to the neighborhood druggist it is vital.

This complete turnover of population in 5 years means that in the 10-year period between 1910 and 1920 the whole 1910 population of Philadelphia moved twice on an average. Part of these removals were of course merely the result of people moving from one part to another part of Philadelphia. Certainly, it is conservative to say, however, that at least 25 per cent of this change was caused by removals from Philadelphia to other parts of the United States. On this basis the following estimates of changes in the population of Philadelphia have been made.

<i>(a) Estimated decreases in Philadelphia's population between 1910 and 1920</i>	
Persons living in 1910 who died before 1920	275,000
Foreign emigrants between 1910 and 1920	64,000
Persons moving away from Philadelphia	690,000
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Total decreases between 1910 and 1920	1,029,000
<i>(b) Estimated removals of people from one part of Philadelphia to another (an average of twice in 10 years for each person)</i>	
	2,070,000
<i>(c) Estimated increases in Philadelphia's population between 1910 and 1920</i>	
Persons born between 1910 and 1920	346,000
Foreign immigrants arriving between 1910 and 1920	160,000
Persons moving to Philadelphia between 1910 and 1920	798,000
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Total increases	1,304,000

Considering Philadelphia as a unit, therefore, an increase in population in 10 years from 1,549,000 to 1,824,000 means not merely an addition of 275,000 people to the city's population. It represents a loss of 1,029,000 people from the causes shown in Table A and a gain of 1,304,000 people from the causes shown in Table C, thus producing a net increase of 275,000 people.

Reduced to percentages, it means that of every hundred people living in Philadelphia in 1910, only 20 of these hundred were in Philadelphia in 1920 (and only a negligible number of these in their 1910 residences). The 80 who were no longer in Philadelphia were replaced by 100 others, thus producing the 20 per cent increase in population.

Now, think of the relation of this population turnover to advertising policy. What happens to the man who stops advertising to-day because he says, "Everybody knows me?" Ten years from now where are the people who knew him? Only 20 per cent remain, and if he is a neighborhood druggist, most of these are not in the trading area of his store.

To-day's advertising attracts and holds present customers. By to-morrow removals and changes will have caused the loss of some of to-day's customers. To-morrow's advertising should attract the trade of new customers so that they may take the place of customers lost.

And so it goes: Continuous advertising through an infinity of to-morrows is necessary to continued business success.