

# ***The Atlanta Journal and Constitution (A)\****

Mr. Ferguson Rood, research and marketing director for *The Atlanta Journal* and the *Atlanta Constitution*, was still perspiring from the three-block walk in the hot August sun back to his office from the meeting he had just been to at Rich's Department Store. At the meeting, he had been told that Rich's, the newspaper's largest advertiser, wanted to test the effectiveness of TV and radio advertising versus newspaper advertising for its upcoming Harvest Sale. He had promised to make his suggestions for the research plan in 48 hours and felt he had much work to do in that short time. He wondered what recommendations he should make for the study and was concerned that the research design and questionnaire be developed so the study would represent fairly the effectiveness of *The Atlanta Journal* and the *Atlanta Constitution*. As he began to review his notes from the meeting, he picked up the phone to call his wife and tell her he would be home very late that evening.

## **Background**

*The Atlanta Journal* and the *Atlanta Constitution* are a union of two of the largest circulation newspapers in the South. The *Atlanta Constitution*, winner of four Pulitzer Prizes for its efforts in the area of social reform, was founded June 16, 1868. *The Atlanta Journal*, founded February 24, 1883, became the largest daily newspaper in Georgia by 1889. Also a winner of the Pulitzer Prize, *The Journal* is the Southeast's largest afternoon newspaper.

In 1950, *The Atlanta Journal* and the *Atlanta Constitution* were combined into Atlanta Newspapers, Inc., a privately held company. The two newspapers maintained independent editorial staffs, and there was very little overlap of readers. Exhibits 1 through 4 present data concerning the adult readership of the newspapers, the gross reader impressions, reach and frequency, and readership over five weekdays and four Sundays.

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**EXHIBIT 1** Gross readership impressions, reach, and frequency of *The Atlanta Journal and Constitution*

**Gross reader impressions**

*The Atlanta Journal and Constitution* in 15-county metro Atlanta:

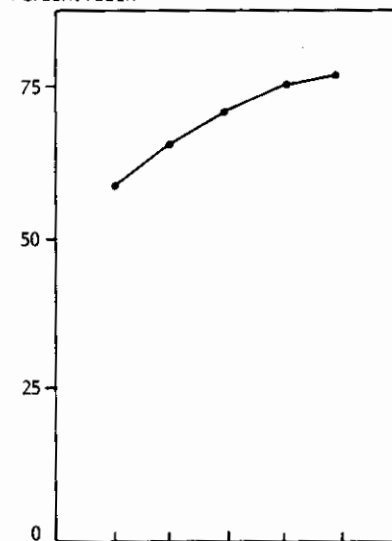
During any five weekdays, 864,500 adults read *The Atlanta Journal or Constitution* an average of 3.5 times for a total of 3,025,800 weekday gross reader impressions.

During any four Sundays, 907,600 adults read *The Atlanta Journal and Constitution* for an average of 3.4 times for a total of 3,085,800 Sunday gross reader impressions.

These newspapers deliver 3,933,400 adult gross reader impressions when one Sunday is added to five weekdays.

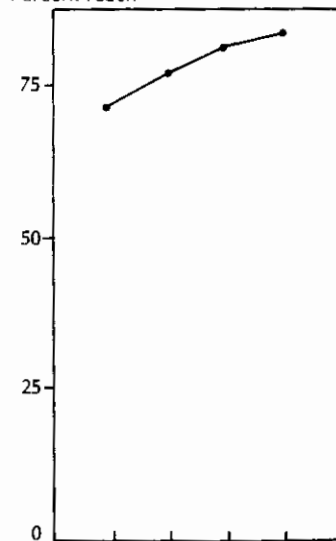
**Reach and frequency of newspaper reading**

Percent reach



Weekdays	1	2	3	4	5
Frequency	1.0	1.7	2.4	3.0	3.5
Percent reach	58	66	72	75	78

Percent reach

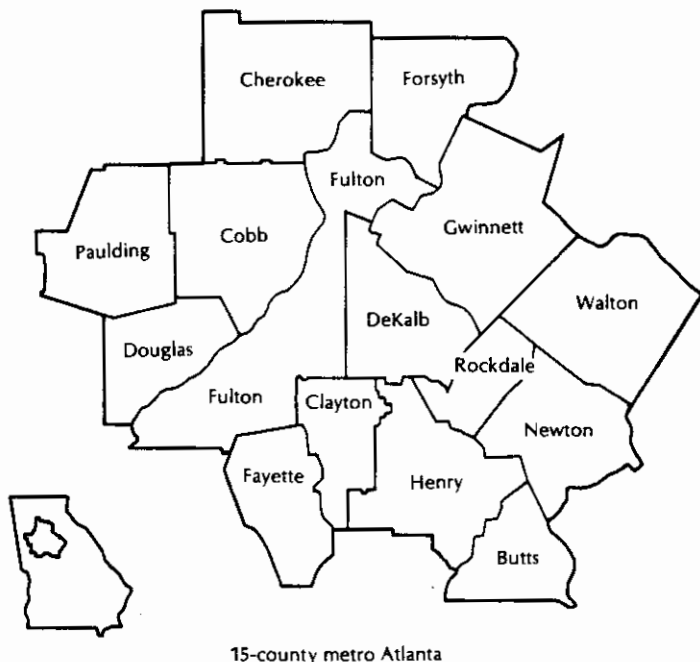


Sundays	1	2	3	4
Frequency	1.0	1.8	2.6	3.4
Percent reach	71	77	81	82

**EXHIBIT 2** *The Atlanta Journal and Constitution* readership information

78 percent of all daily circulation and 66 percent of all Sunday circulation is within 15-county metro Atlanta.

Of all metro Atlanta adults, 644,400 read *The Atlanta Journal* or *Constitution* on the average week-day. Of this total, 412,700 read *The Journal* and 366,100 read *the Constitution*. 134,400 adults read both. On the average Sunday 782,200 metro Atlanta adults read *The Atlanta Journal* and *Constitution*.



Adult readers of *The Atlanta Journal* and *Constitution* in 15-county metro Atlanta

<i>Journal</i> or <i>Constitution</i>	644,400
<i>Journal</i> exclusive of <i>Constitution</i>	278,300
<i>Journal</i> total	412,700
<i>Constitution</i> total	366,100
<i>Constitution</i> exclusive of <i>Journal</i>	231,700

**EXHIBIT 3** Readership of *The Atlanta Journal and Constitution* over five weekdays

644,400, or 58 percent, of all metro Atlanta adults read *The Atlanta Journal* or *Constitution* on the average weekday. Over five weekdays these newspapers deliver 864,900, or 78 percent, of all metro-area adults with an average frequency of 3.5 days.

	Total metro area adults	Average 1-day readership		Cumulative 5-weekday readership		Frequency
		Number	Percent	Number	Percent	
Total adults	1,105,500	644,400	58%	864,900	78%	3.5
Sex						
Female	588,500	331,700	56	447,600	76	3.5
Male	517,000	312,700	61	416,800	81	3.5
Household income						
\$25,000 and over	104,200	85,900	82	102,700	99	4.2
\$15,000-24,999	195,300	146,400	75	181,900	93	4.0
\$10,000-14,999	241,900	152,800	63	203,900	84	3.7
\$5,000-9,999	334,200	170,600	51	241,800	72	3.5
Under \$5,000	229,900	88,500	39	133,000	58	3.3
Age						
18-34	470,500	234,500	50	345,200	73	3.4
35-49	305,600	197,200	65	250,300	82	3.9
50-64	211,900	145,800	69	184,600	87	3.9
65 and over	116,500	66,700	57	84,700	73	3.9
Race						
White	872,800	528,800	61	685,100	78	3.9
Nonwhite	232,700	115,600	50	180,100	77	3.2
Education						
College graduate	173,500	138,000	80	172,600	99	4.0
Part college	194,700	137,600	71	174,100	89	4.0
High school graduate	360,500	225,000	62	302,900	84	3.7
Part high school or less	365,600	137,000	38	202,200	55	3.4

To provide the advertisers and potential advertisers with information necessary to help them make their advertising media decisions, the newspaper does a considerable amount of research, often approaching \$25,000 in a year. Most of the research is designed to be used in selling advertising to a wide range of advertisers, and includes data on retail trading areas, shopping patterns, product usage, and newspaper coverage patterns. In addition to Mr. Rood, the research department had two other trained market researchers and one secretary.

Although there are nine daily newspapers in the Atlanta trading area, all but *The Journal* and the *Constitution* have very small circulations. The principal competition for large advertisers is with radio and TV stations. Exhibit 5 presents information on the circulation of the print media in the Atlanta area. Exhibit 6 contains information on the broadcast media in Atlanta. Although there were 40 radio stations, 28 AM and 12 FM, and 6 TV stations, WSB Radio

**EXHIBIT 4** Readership of *The Atlanta Journal and Constitution* over four Sundays

782,200, or 71 percent, of all metro Atlanta adults read *The Atlanta Journal and Constitution* on the average Sunday. Over four Sundays these newspapers deliver 907,300, or 82 percent, of all metro-area adults with an average frequency of 3.4 Sundays.

	Total metro area adults	Average 1-Sunday readership	Cumulative 4-Sunday readership	Number of Sundays frequency
Total adults	1,105,500	782,200	907,300	3.4
Sex				
Female	588,500	418,800	477,800	3.5
Male	517,000	363,400	429,500	3.4
Household income				
\$25,000 and over	104,200	89,100	97,200	3.7
\$15,000-24,999	195,300	168,800	180,700	3.7
\$10,000-14,999	241,900	190,100	216,400	3.5
\$5,000-9,999	334,400	215,600	267,300	3.2
Under \$5,000	229,900	118,500	145,600	3.3
Age				
18-34	470,500	313,000	390,000	3.2
35-49	305,600	221,300	248,500	3.6
50-64	211,900	167,000	179,900	3.7
65 and over	116,500	80,600	88,500	3.6
Race				
White	872,800	633,100	727,900	3.5
Nonwhite	232,700	149,100	179,100	3.3
Education				
College graduate	173,500	150,200	163,700	3.7
Part college	194,700	157,300	180,200	3.5
High school graduate	360,500	273,900	313,500	3.5
Part high school or less	365,600	192,300	240,000	3.2

and TV dominated the market. WSB Radio, for example, was consistently rated among the top six stations in the nation and had a greater Atlanta audience than the next four stations combined. WSB-TV and WSB Radio, both affiliated with the NBC Network, were owned by Cox Broadcasting Corporation, which also owns television stations in Charlotte, Dayton, Pittsburgh, and San Francisco and radio stations in Charlotte, Dayton, and Miami. Cox Broadcasting and WSB-TV and Radio stations shared corporate headquarters in Atlanta.

WSB Radio was founded in 1922 by *The Atlanta Journal* newspaper. In 1939, former Democratic presidential nominee and Governor of Ohio James M. Cox acquired the newspaper-radio combine. In 1948, WSB-TV was founded, and two years later the newspapers and broadcast media were separated when Atlanta Newspapers, Inc., was established. Today, there is no relationship between the newspapers and WSB Radio and TV.

Rich's Department Store was the largest advertiser for *The Journal* and the *Constitution*, accounting for almost 5 percent of their advertising revenue, and was WSB's largest local advertiser. Founded in 1867, Rich's by 1970 had

**EXHIBIT 5** Circulation of print media in Atlanta

<i>Metro Atlanta newspapers</i>	<i>Edition</i>	<i>Total circulation</i>
<b>Dailies</b>		
<i>Atlanta Constitution</i>	Morning	216,624
<i>Atlanta Journal</i>	Evening	259,721
<i>Journal-Constitution</i>	Sunday	585,532
<i>Gwinnett Daily News</i>	Evening (except Sat.)	10,111
<i>Gwinnett Daily News</i>	Sunday	10,100
<i>Marietta Daily Journal</i>	Evening (except Sat.)	24,750
<i>Marietta Daily Journal</i>	Sunday	25,456
<i>Fulton County Daily Report</i>	Evening (Mon.-Fri.)	1,600
<i>Atlanta Daily World</i>	Morning	19,000
<i>Atlanta Daily World</i>	Sunday	22,000
<i>The Wall Street Journal</i>	Morning (Mon.-Fri.)	16,180
<i>Jonesboro News Daily</i>	Evening (Mon.-Fri.)	9,100
<i>North Fulton Today</i>	Evening (Mon.-Fri.)	2,300
<i>South Cobb Today</i>	Evening (Mon.-Fri.)	2,400
<i>New York Times</i>	Morning (Mon.-Sat.)	500
<i>New York Times</i>	Sunday	3,100
<b>Weekly newspapers</b>		
<i>Atlanta Inquirer</i>		30,000
<i>Atlanta Voice</i>		37,500
<i>DeKalb New Era</i>		16,400
<i>Atlanta's Suburban Reporter</i>		3,900
<i>Lithonia Observer</i>		2,765
<i>Northside News</i>		8,000
<i>Georgia Business News</i>		4,900
<i>Southern Israelite</i>		4,300
<i>Decatur-DeKalb News</i>		73,000
<i>Southside Sun (East Point)</i>		37,700
<i>Tucker Star</i>		10,000
<i>Alpharetta, Roswell Neighbor</i>		6,800
<i>Austell, Mableton, Powder Springs Neighbor</i>		12,123
<i>Acworth, Kennesaw-Woodstock Neighbor</i>		3,242
<i>Northside, Sandy Springs, Vinings Neighbor</i>		20,836
<i>Smyrna Neighbor</i>		6,872
<i>College Park, East Point, Hapeville, South Side, West End Neighbor</i>		18,813
<i>Chamblee, Doraville, Dunwoody, North Atlanta Neighbor</i>		14,963
<i>Clarkston, Stone Mountain, Tucker Neighbor</i>		15,074
<i>The Journal of Labor (Atlanta)</i>		17,500
<i>Austell Enterprise</i>		1,911
<i>The Cherokee Tribune (Canton)</i>		7,100
<i>Rockdale Citizen</i>		6,031
<i>The Covington News</i>		6,000
<i>The Forsyth County News</i>		4,800
<i>Dallas New Era</i>		4,075
<i>Douglas County Sentinel</i>		7,350
<i>South Fulton Recorder (Fairburn)</i>		4,000
<i>Fayette County News</i>		4,500
<i>Jackson Progress Argus</i>		2,635
<i>The Weekly Advertiser (McDonough)</i>		5,650
<i>The Walton Tribune (Monroe)</i>		5,102
<i>Lilburn Recorder</i>		5,000
<i>Lawrenceville Home Weekly</i>		2,000
<i>The Great Speckled Bird (Atlanta)</i>		7,925
<i>The Georgia Bulletin</i>		14,000
<i>The Covington News (Tues. &amp; Thurs.)</i>		6,200
<i>Creative Loafing in Atlanta</i>		30,000

**EXHIBIT 5 (concluded)**

<i>Metro Atlanta newspapers</i>	<i>Total circulation</i>
Atlanta area newspapers*	
Cobb	28,000
North Fulton	36,000
North DeKalb-Gwinnett	45,000
South DeKalb	44,000
South Fulton-Clayton	53,000
Major magazines in Georgia	
American Home	70,485
Better Homes and Gardens	145,962
Good Housekeeping	114,045
McCall's	139,728
Ladies' Home Journal	128,331
Family Circle	106,245
Woman's Day	100,566
Redbook	86,354
National Geographic	103,941
Reader's Digest	331,240
Newsweek	41,070
Time	60,438
U.S. News & World Report	40,417
TV Guide	345,871
Playboy	98,389
Sports Illustrated	38,263
Outdoor Life	25,918
True	18,244
Southern Living	95,000
Progressive Farmer	70,000
Cosmopolitan	25,075
Calendar Atlanta	50,000

\* These are supplements to *The Atlanta Journal*, and circulation is to *The Atlanta Journal* subscribers only.  
Source: WSB Research Department.

grown to a company with seven stores distributed throughout Atlanta, as shown in Exhibit 7. Sales were approximately \$200 million per year with earnings after taxes of almost 5 percent of sales. The company was classified as a general merchandise retailer, and carried a very wide line of products including clothing, furniture, appliances, housewares, and items for the home. Rich's dominated the Atlanta market, with close to 40 percent of department store sales and approximately 25 percent of all the sales of general merchandise. The merchandising highlight of the year was the annual Harvest Sale, first held in October 1925. The sale typically ran for two weeks and had become a yearly tradition at Rich's.

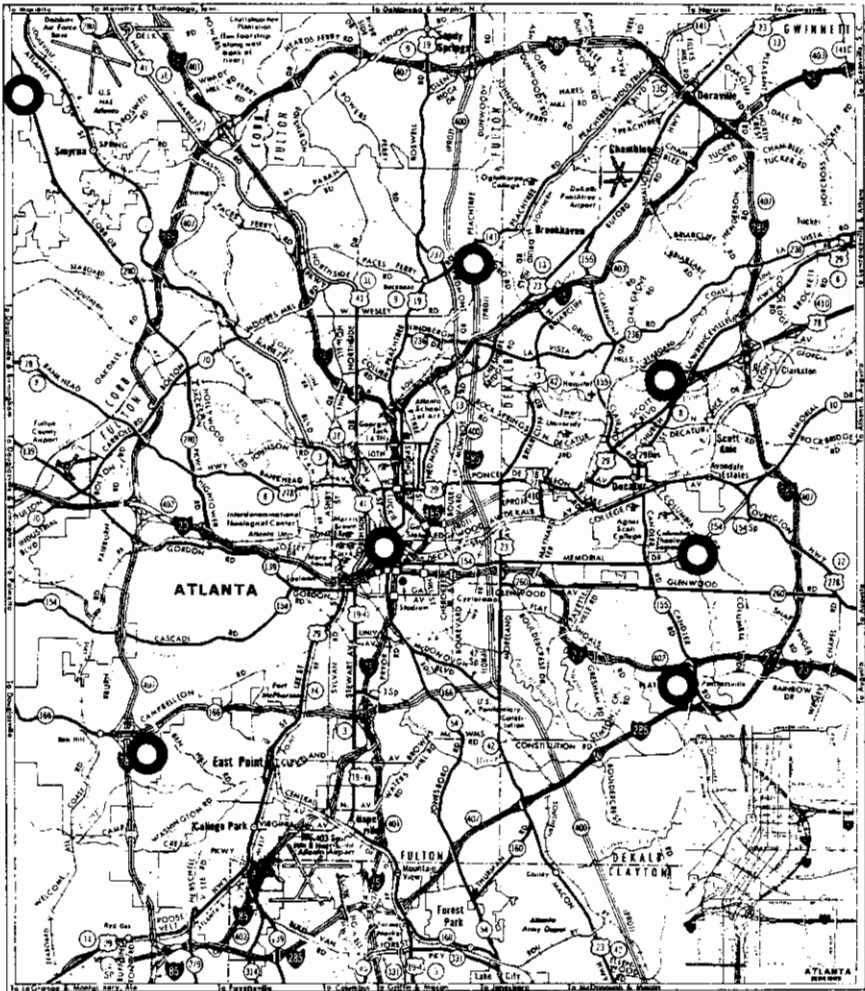
## **Background on the Media Effectiveness Study**

Before preparing his proposal to Rich's for the media effectiveness study, Mr. Rood reflected upon the events of the past 24 hours. The day before, he had

**EXHIBIT 6** Broadcast media in Atlanta

<i>Location</i>	<i>Station/ network</i>	<i>Established</i>	<i>Frequency</i>	<i>Power</i>	<i>Channel</i>	<i>Network</i>
<b>Metro Atlanta AM radio stations</b>						
Atlanta	WSB (NBC)	1922	750 khz	50 kw		
	WAOK	1954	1380 khz	5 kw		
	WGKA (ABC)	1955	1190 khz	1 kw day		
	WGST (ABC-E)	1922	920 khz	5 kw day		
				1 kw night		
	WIGO (ABC-C)	1946	1340 khz	1 kw day		
				250 w night		
	WIIN (MBS)	1949	970 khz	5 kw day		
	WPLO	1937	590 khz	5 kw		
	WQXI	1948	790 khz	5 kw day		
				1 kw night		
	WXAP	1948	860 khz	1 kw		
	WYZE (MBS)	1956	1480 khz	5 kw day		
Decatur	WAVO	1958	1420 khz	1 kw day		
	WGUN	1947	1010 khz	50 kw day		
	WQAK	1964	1310 khz	500 w		
N. Atlanta	WRNG (CBS)	1967	680 khz	25 kw day		
Morrow	WSSA	1959	1570 khz	1 kw day		
East Point	WTJH	1949	1260 khz	5 kw day		
Smyrna	WYNX	1962	1550 khz	10 kw day		
Buford	WDYX	1956	1460 khz	5 kw day		
Austell	WACX	1968	1600 khz	1 kw		
Lawrenceville	WLAW	1959	1360 khz	1 kw		
Marietta	WCOB	1955	1080 khz	10 kw day		
	WFOM	1946	1230 khz	1 kw day		
				250 w night		
Canton	WCHK (GA)	1957	1290 khz	1 kw day		
Covington	WGFS	1953	1430 khz	1 kw day		
Cumming	WSNE	1961	1170 khz	1 kw		
Douglasville	WDGL	1964	1527 khz	1 kw		
Jackson	WJGA	1967	1540 khz	1 kw day		
Monroe	WMRE	1954	1490 khz	1 kw		
<b>Metro Atlanta FM radio stations</b>						
	WSB-FM	1934	98.5 mhz	100 kw		
	WPLO-FM	1948	103.3 mhz	50 kw		
	WZGC-FM	1955	92.9 mhz	100 kw		
	WKLS-FM	1960	96.1 mhz	100 kw		
	WQXI-FM	1962	94.1 mhz	100 kw		
	WBIE-FM	1959	101.5 mhz	100 kw		
	WLTA-FM	1963	99.7 mhz	100 kw		
	WJGA-FM	1968	92.1 mhz	3 kw		
	WCHK-FM	1964	105.5 mhz	3 kw		
	WGCO-FM	1969	102.3 mhz	100 kw		
	WABE-FM	1948	90.0 mhz	10.5 kw		
	WREK-FM	1968	91.1 mhz	40 kw		
<b>Metro Atlanta television stations</b>						
	WSB-TV	9/29/48			2	NBC
	WAGA-TV	3/8/49			5	CBS
	WXIA-TV	9/30/51			11	ABC
	WTCG-TV	9/1/67			17	IND
	WETV	1958			30	NET
	WGTV	1960			8	NET

Source: WSB Research Department.

**EXHIBIT 7** Map of Atlanta and seven Rich's stores

received a phone call from the vice president and sales promotion director from Rich's, inviting him to the meeting at Rich's the next day. Having been told that Rich's research director and the research director of WSB-TV and Radio would also be there, Mr. Rood had been a little apprehensive before going. At the start of the meeting he was asked if the Atlanta newspapers would be interested in participating in a cooperative research study aimed at measuring the effectiveness of various advertising media during Rich's September Harvest Sale, their largest annual sales event. It became immediately apparent that the research director from WSB, Jim Landon, had met with the Rich's people the week before, and was undoubtedly the source of the idea to conduct the study. A

document was then passed out that had been prepared by WSB and was entitled "Suggestions for Rich's Media Research." This document is included in the appendix, and outlines the objectives of the study, a suggested methodology, together with a questionnaire.

The suggested objectives for the project were: (1) to measure the ability of TV, radio, and newspapers to sell specific items of merchandise in Rich's seven Atlanta stores; (2) to determine how each advertising medium complements the others in terms of additional units sold to various segments of the customer population (age, sex, charge account ownership, and so on); (3) to determine what each advertising medium contributed in regard to additional store traffic. Mr. Rood's broadcasting counterpart stated at the meeting that "If Rich's is interested in conducting research to measure the effectiveness of various advertising media, WSB-TV and WSB Radio will be happy to assist." Rood had no choice, so he volunteered the support of the newspapers to the study.

The Rich's research manager then asked if the media would participate financially in the study. Mr. Rood suggested that each of the three media participate equally and committed the newspapers to \$500 for a study that he figured should cost between \$2,500 and \$3,000 for interviewing. Mr. Landon indicated that Cox Broadcasting would be willing to put in \$500 each for TV and radio.

They then discussed how the research could be conducted. The WSB proposal suggested in-store surveys, with a separate survey conducted for each item of merchandise tested. The survey would be conducted by Rich's employees working overtime in appropriate store locations during the peak shopping hours. The tabulation of the results could be handled by the broadcast station's computer. Care was to be taken to ensure that the TV, radio, or newspaper advertising for the individual items not be "stacked" in favor of one particular medium. The questions in the proposed questionnaire (see the appendix) included questions on how the respondents happened to buy the merchandise at Rich's, if they recalled seeing TV, newspaper or radio advertising, and if they bought anything else. Questions were also asked concerning age and ownership of a Rich's charge account.

Mr. Landon stated that WSB was not trying to take business away from the newspapers and that Rood had nothing to fear. His recommendation was that Rich's not take anything away from the newspaper advertising budget. He suggested that the amount of space purchased in the newspapers be the same as the previous year, with additional monies being committed to the broadcast media. The Rich's sales promotion director then discussed some of his thoughts concerning the study. He indicated that Rich's had been sending 400,000 direct mail pieces to announce the Harvest Sale; this year they would send 200,000, diverting the other money to broadcast. This would make \$7,600 available for broadcast, and another \$12,000 to \$15,000 would be made available to purchase broadcast time.

The Harvest Sale was to open with courtesy days on Monday and Tuesday, September 21-22, with the sale beginning the evening of the 22nd and

running for 13 days. While decisions concerning which sales items were to be included in the study and the media schedules to be used were not yet available, some progress had been made. Approximately 10 items were to be researched, and the newspaper ads on Sunday, September 20, would include all or most of the 10 items. Newspaper ads for the items would be repeated Monday and Tuesday with emphasis on *The Journal*. The interviews were to be conducted Monday through Wednesday.

On Sunday and Monday, with a possible spillover to Tuesday due to availability, Rich's would run 120, 30-second TV commercials on all commercial stations except Channel 17. During the same time they would run 120 radio 30-second commercials on a list of stations which had not yet been determined. With both TV and radio, WSB was to get the lion's share if availability could be arranged. Mr. Rood felt certain in view of the client and the research that WSB would manage to come up with several prime-time commercial openings even if it meant bumping some high-paying national advertisers.

Eleven items were mentioned as possible subjects for the research. The 10 final items selected would come mostly from this list, although one or two other items might be chosen. The items mentioned included (1) color TV console at \$499; (2) custom-made draperies; (3) Sterns & Foster mattress at \$44; (4) carpeting at \$6.99 per square yard; (5) Gant shirts at \$5; (6) Van Heusen shirts and Arrow shirts at two for \$11; (7) women's handbags at \$9.99; (8) Johannsen's shoes; (9) pants suits; (10) Hoover upright vacuum cleaner; and (11) GE refrigerator.

Mr. Rood, who had not said very much at the meeting, then asked for 48 hours to review the proposal. Everyone agreed to this, and Mr. Rood promised to present a counterproposal at that time.

Even though it had been rather obvious who initiated the idea for the study and that he at first felt that newspapers were being "set up" by WSB, it had been basically a friendly and relaxed meeting among friends. Mr. Landon and Mr. Rood had worked together in the Atlanta Chapter of the American Marketing Association and had a great deal of mutual respect. Mr. Rood thought Landon was a tough competitor, and understood that he had been successful using awareness-type studies in Cox Broadcastings' other markets to gain additional advertising for broadcast.

When he returned to his office, Rood pulled out some of his files on Rich's. He noticed that the amount of advertising had been fairly constant, approximately 40 pages over the two-week period, during the past three Harvest Sales, and that basically the same products had been promoted. A typical Harvest Sale ad is included in Exhibit 8. He also pulled from the files rate schedules for *The Atlanta Journal and Constitution* and WSB (see Exhibits 9 and 10), even though he realized that the exact media schedule would be developed by Rich's advertising agency. Approximately \$100,000 would be spent promoting the Harvest Sale, with perhaps a third of this amount being devoted to the sale items.

**EXHIBIT 8** Typical Rich's Harvest ad

*fall's choice casual and  
dressy bags 1/4 to 1/2 off...*

**\$8.99 to \$19.99**

orig. \$11.00 to \$40.00 and more

We bet you've been waiting for this major sale. Well, you're sure to find the handbags you need for yourself now, and one's you'll want to buy now for holiday gifts. This group is truly priced to save you money... and packed with right-the-latest fashions! Select big bags, little bags, shoulder bags, satchels, pouches, flats and others... in a huge variety of leathers. Over 6,000 to choose from... but don't miss the really big leather choice!  
 • Dressy bags in smooth calfskin and pebbles \$8.99, \$12.99 and \$15.99  
 • Casual bags in cowhide, bucking pebbles and pebbly-sheen leathers, \$9.99, \$12.99, \$15.99 and \$19.99

*special buys on  
better handbags*  
**\$22.99 to \$24.99**

orig. \$35 to \$45

A hand-picked group from our major leathers for this season and season. The new and unique to some significantly low. Hurry, this is a real sale!

Rich's Fashion, Best Buy, Best for Fashion, and all other stores



**SALE**

ALL 7  
RICH'S STORES  
OPEN MONDAY  
TILL 9:30

**RICH'S**

*dazzling fall  
jewelry samples 1/2 off...*

**\$1.00 to \$7.50 ea.**

orig. \$2.00 to \$15.00 ea.



We've specially purchased thousands of samples from America's 1 best-known fashion jewelry makers, so you can save 50% on right now pieces! All sorts of gold, fun and pretty things. Beads. Things others. Chokers. Pins. Bright enamel, metal or ceramic bought better. Yes, All sorts of earrings, pendants or clips. Come have a see and you'll get so excited about this sale as we get!

Rich's Fashion, Best Buy, Best for Fashion, and all other stores

**EXHIBIT 9** *The Atlanta Journal and the Atlanta Constitution* retail display rates

Open rate per column inch:*	
<i>Constitution</i>	\$8.15
<i>Journal</i>	\$11.27
Combination	\$14.83
Sunday	\$15.56

Yearly bulk space rates:

<i>Inches</i> per year	<i>Cost per inch</i>			
	<i>Constitution</i>	<i>Journal</i>	<i>Combined</i>	<i>Sunday</i>
100	\$6.21	\$8.43	\$11.09	\$11.65
250	6.16	8.35	11.00	11.55
500	6.10	8.28	10.90	11.45
1,000	6.05	8.21	10.81	11.35
2,500	5.99	8.13	10.70	11.24
5,000	5.93	8.05	10.59	11.12
7,500	5.90	8.01	10.54	11.07
10,000	5.87	7.97	10.48	11.01
12,500	5.85	7.93	10.43	10.96
15,000	5.82	7.89	10.38	10.90
25,000	5.70	7.73	10.17	10.68
50,000	5.61	7.69	10.05	10.61
75,000	5.51	7.65	9.93	10.53
100,000	5.41	7.61	9.81	10.46
150,000	5.21	7.51	9.56	10.31
200,000	5.01	7.41	9.32	10.15
250,000	4.81	7.31	9.08	9.99

\* There are 8 columns by 21 inches or 168 column inches on a full page.

**EXHIBIT 10** WSB radio and TV advertising rates

	<i>One minute</i>	<i>20/30 seconds</i>	<i>10 seconds</i>
WSB-AM radio: Spot announcements— package plans*			
12 per week	\$40.00	\$34.00	\$24.00
18 per week	38.00	30.00	21.00
24 per week	32.00	26.00	19.00
30 per week	28.00	24.00	17.00
48 per week	26.00	20.00	15.00
WSB-FM radio: Package plan—52 weeks†	16.00	14.00	
WSB-TV			
Daytime rates			
60 seconds	\$ 75-235 depending on program		
30 seconds	40-140 depending on program		
Prime-time rates			
60 seconds‡	\$540-660 depending on program		
30 seconds	390-725 depending on program		

\* Available 5:00-6:00 A.M., 10:00 A.M.-3:30 P.M., and 7:30 P.M.-midnight, Monday-Saturday; and 5:00 A.M.-midnight, Sunday. Best available positions in applicable times—no guaranteed placement.

† Quantity discounts available. For example, 18 times per week for 52 weeks is one half the above rates.

‡ Very few available.

Mr. Rood decided that he would have to assume confidence in the effectiveness of the newspapers. He felt if the study were done right he would get his share of media exposure and influence. The other decision he quickly made was that in preparing his comments on the proposed research, he would take Rich's point of view rather than that of *The Atlanta Journal and Constitution*. He then began to review the events of the day and the WSB proposal in light of what he felt Rich's needed to know. He also knew that whatever he proposed would have to be acceptable to Mr. Landon. Noting the lateness in the day, he began work on the counterproposal.

## Appendix

### Suggestions for Rich's Media Research

#### Objectives

If Rich's is interested in conducting research to measure the effectiveness of various advertising media, WSB-TV and WSB-Radio will be happy to assist. As a basis for discussion, here are suggested objectives for this project:

1. Measure the ability of TV, radio, and newspapers to sell specific items of merchandise in Rich's seven Atlanta metro stores.
2. Determine how each advertising medium complements the others in terms of additional units sold to various segments of the customer population (age, sex, charge account ownership, etc.).
3. Determine what each advertising medium contributes in regard to additional store traffic.

#### How the Research Could Be Conducted

The project could consist of a series of in-store surveys. A separate survey would be conducted for each item of merchandise tested. The more items tested, the more reliable the results of the overall research project.

If possible, all seven Rich's stores in the Atlanta metro area should participate in the research.

Each survey could be conducted by placing interviewers (Rich's personnel working overtime) in appropriate store locations during "peak" shopping hours with instructions to complete *brief* questionnaires with customers purchasing the item being tested. (See accompanying questionnaire.)

The interview could cover how the customer got the idea to buy the item, other planned purchases in the store during the same visit, charge account ownership, and any other pertinent data. Each interview would last less than a minute and would not bother the customers.

The sample size would vary, depending upon the number of stores participating, the type of merchandise and the sales volume. Interviewers would

strive to include all customers purchasing the items during peak hours. Tabulation of the results could be handled by the WSB computer.

## Careful Attention to Items and Media Schedules

In order to make the research valid and meaningful, the items to be tested must be selected carefully. In addition, care should be taken to ensure that the TV, radio, or newspaper advertising for these items is not "stacked" in favor of one particular medium. Close attention to the items being tested and the media schedule for each is necessary.

## Questionnaire

The proposed questionnaire follows:

(All customers purchasing the item advertised are interviewed.)

1. How did you happen to buy this merchandise at Rich's?

Saw on TV	( )
Heard on radio	( )
Saw in newspaper	( )
TV and radio	( )
TV and newspaper	( )
TV, radio, and newspaper	( )
Saw on display	( )
Other: _____	( )

ASKED OF CUSTOMERS NOT MENTIONING A MEDIUM: (2, 3, 4)

2. Do you recall seeing this merchandise advertised on the TV?  
 Yes ( )  
 No ( )
3. Do you recall seeing this merchandise advertised in the newspaper?  
 Yes ( )  
 No ( )
4. Do you recall hearing this merchandise advertised on the radio?  
 Yes ( )  
 No ( )
5. Are you buying *anything* else at Rich's today?  
 Yes ( )  
 No ( )  
 Maybe ( )  
 Don't know ( )
6. Do you have a charge account at Rich's?  
 Yes ( )  
 No ( )

7. In which group does your age fall?

Under 25 ( )

25-34 ( )

35-49 ( )

50 and over ( )

Store \_\_\_\_\_

Time of Interview \_\_\_\_\_