

Spring 2004, Volume 2
Cotton Promotion Bulletin
The Journal of the International Forum for Cotton Promotion

A Recipe for Cooperative Advertising

Developing a co-op advertising program with your key customers is an excellent way to promote cotton to the retailer, and to your ultimate customer, the consumer.

There are many levels of involvement, depending on the budget that you have allocated for the project. Some approaches such as television or consumer magazine advertising can be very expensive. Other projects such as developing in-store promotions can be handled by most budgets. The real goal is to create excitement for cotton products in the mind of your customer.

Cooperative advertising was a mainstay of the synthetic fiber companies for many years as a way to sell more pounds of fiber, and the amount of money allocated for co-op advertising was directly tied to the amount of pounds sold. Today, fiber companies are taking a fresh look at targeting specific programs to build brand awareness, and allocating the budget for each individual program. The old rules with approximately 3% of the selling price allocated for co-op advertising no longer applies. Targeted advertising for brand identification has become the norm.

Obviously you can develop an advertising or promotional program on your own, but the real "win-win" situation occurs when you are able to get a partner to cover part of the costs in an advertising program, or to develop an additional promotion effort to continue to support the growth of cotton. Your initial introduction into co-op advertising may involve some or all of the following:

- Fully paid ads by your organization
 - You can offer to pay for an ad or series of adds for a key manufacturer or retailer if they promote cotton products using your cotton logo predominately in their ad.
 - Develop your own ad and offer to highlight a key manufacturer in the ad if they use and promote cotton and use your cotton logo on their products.
- Partially paid ads by your organization
 - You can offer to pay 25%, 50%, or 75% of the cost of an ad depending on the level of involvement by the manufacturer or retailer. The normal approach is a 50/50 payment option with your organization paying half of the cost of the ad if the manufacturer or retailer pays the other half.

- You can offer to pay for one ad if the manufacturer or retailer pays for an additional ad. The objective of the "one and one" approach is to commit your advertising partner to promote the program on their own, using their own dollars and advertising department, but promoting cotton using your cotton trademark. These approaches can effectively double your advertising effort and dollars.

Here are some time-tested winners to promote cotton products in the marketplace:

- Work with some of your **key manufacturers** to develop an advertising program to promote cotton.
 - Develop an ad to run in key **trade magazines** to promote cotton products, and offer to tie-in your target manufacturers' cotton programs. Require that the manufacturer use your Cotton Mark or Logo effectively on their products and in their own advertising. These approaches will effectively double your advertising effectiveness.
- Find a **retail partner** who will advertise cotton programs in newspapers and circulars and pay for a portion of the advertising cost.
 - This is a great way to reach the consumer at a relatively low cost. By covering a portion of the advertising cost, you can insure that the cotton message will be seen. You might offer to support a one-page supplement of new fashion items from cotton if the cotton logo is predominantly displayed on the page.
- Find a **retail partner** and offer to develop a point of purchase display promoting cotton products.
 - This is an effective use of your advertising budget. Counter cards are inexpensive, and promote your cotton message directly to the consumer. Retailers like it because it because the cotton message helps to promote sales of their cotton products. Try to tie this in at a time that the retailer is developing a promotion specifically for cotton products. Offer to help defray the cost of a window promotion of cotton products if you can display signage promoting your cotton logo.
- Develop a hangtag program
 - Most manufacturers use hangtags to promote the features of their garment, sheet or towel. They are a built-in advertising opportunity aimed at the consumer. Take advantage of this approach and develop your own, aimed at the benefits of cotton.
 - Offer it to your manufacturing partners at your cost. Because you are buying it in a larger volume and offering it to many manufacturers, the volume cost will be lower for the individual manufacturer. You should verify that the product meets your specifications for cotton products. By developing your own hangtag, you will assure

that the cotton message is effectively told.

- This approach works well if you actively support your logo to the consumer, and the added recognition at retail will build brand awareness for cotton products.

Do's and Don'ts!

- **Do** take control of the program as it relates to the use of the cotton logo and the cotton message. Remember it is your money- so spend it effectively!
- **Do** begin with a small program until you are comfortable that co-op advertising works for you. If the program is too unwieldy, it may be too difficult to control, and too difficult to quantify the results
- **Do** be sure that any co-op ads that you pay for have been run! It is too easy to take the retailer or manufacturer's word that the money was spent in the manner agreed to.
- **Do** put everything in writing! Make sure that your retail or manufacturing partners understand what they are expected to do to receive payment for their part in the partnership. If the rules are vague and open to interpretation you will have no one to blame if you are not satisfied with the results.
- **Don't** make the program too complicated! It is difficult to control your cotton message and proper use of your logo unless it is clearly defined, but remember the real goal is to expand the cotton message. Making it easy for your manufacturing or retail partner to comply is an important step.
- **Don't** forget that this should be fun and beneficial to all. True partnerships work best if all parties feel that they got value for their time and effort. Proper planning and attainable goals will lead to growth in cotton awareness and sales of cotton products for all parties involved.

© 2004 International Forum for Cotton Promotion
Last Updated Wednesday March 7th, 2004