

J. WALTER THOMPSON COMPANY

March 13, 1924

NEWS LETTER NO. 18

SELLING BAKER'S PIE IN A CITY OF HOMES

To sell a baker's pie in a metropolitan centre where cooking is done in kitchenettes and where delicatessen stores abound is a simple matter. It is an entirely different proposition to sell it in a city of homes equipped with kitchens such as our mothers and grandmothers knew.

The City Baking Company of Baltimore made pies just as other bakers make them, but the Baltimore business in pies was negligible. The housewives in Baltimore didn't want baker's pie and it was believed that in the poorer sections of the city, pies could not be sold that cost more than 10¢.

Then some J.W.T. women went out and talked to Baltimore housewives, making each interview an experience meeting.

Everywhere they heard the same thing "If you can make pie like home-made we'll buy it." Each housewife was questioned as to what she meant when she said "Home-made pie"-what were the piecrust and filling like in her own pies and just what were the ingredients used?

Equipped with this information the City Baking Company made their new pies to Baltimore housewives' specifications. Instead of many varieties of pie, they concentrated on the four pies which had been voted by the housewives as their favorites: apple, lemon meringue, coconut-custard and mince. Formerly they made about 20 varieties.

These new pies retail for 35¢. After the advertising campaign had been running for two weeks, the pies were selling at the rate of 5,000 a week, an increase of 3,000 a week over the former sales.

The ingredients for Rice's new pies are tested by the City Baking Institute for purity and richness with the same care given to the testing of their bread.

The fastidious housewife was naturally unwilling to buy a pie which was exposed to dust and germs in its journey from bakeshop to the consumer, so a carton was designed to contain the pies. This presented a nice problem for it had to be a carton whose top would not "cave in" and spoil a meringue top and one out of which the pie would not slip in carrying it home.

The City Baking Company are still putting out their three other lines of cheaper pies which are not put up in cartons. It is interesting to note that the sales on this line have greatly increased since the first week in February when the campaign on the new pies opened.

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City Baking Company (Continued)

A spring campaign is running in the Baltimore papers. It started the first week in February and will continue until the end of May. The papers used are the Baltimore Evening News, the Baltimore Sun, morning and evening and the Sun roto. Twenty thousand lines are running in black and white and 10,000 lines in roto. The space units used are pages, 1,000 lines, 800 lines and 600 lines.

The investigation was given a unique turn in this campaign by being used as a basis for the selling thought. The copy explains the why and wherefore of our investigation and how the result of the housewives' experiences went into the making of Rice pies.

Proofs of the campaign and a sample pie carton will be routed to the branch offices.

THE NEWS LETTER INDEXED

From time to time members of the organization ask for articles which have appeared in former News Letters. We have now run eighteen issues so in order to give prompt service on such inquiries a card index of the contents of the News Letters has been made.

Miss Symington is therefore in a position to give immediate information on past articles to anyone who may be interested.

CHICAGO OFFICE NEWS

HOOSIER MANUFACTURING COMPANY ESTABLISHES

TEST KITCHENS (See News Letters Nos. 4 & 16)

In connection with its policy of expansion in making equipment for the "complete modern kitchen," the Hoosier Manufacturing Company has found it advisable to establish test kitchens. These kitchens are to be used in connection with the factory for the purpose of studying the requirements of the modern kitchen, and for testing Hoosier Kitchen Equipment.

A building adjoining the factor has been fitted with two kitchens - one, the average large size kitchen with complete equipment; and the other, the average small size kitchen with limited equipment. In addition two dining rooms of corresponding size have been fitted out. The whole suite makes a very pleasing appearance.

The test kitchens are in charge of Mrs. Turner of Antioch College and two young women students who are on duty in the kitchens in alternate five week periods, in accordance with the Antioch system.

One of the young students, who is preparing herself to manage a tea room, serves a luncheon every day to twelve employees of the factory who order their luncheon in the morning. By 2:30 in the afternoon the young woman in charge has figured the cost of the meal she has just served and in this way gets valuable practical experience as to the cost of serving meals.

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"NO NEWS IS GOOD NEWS" - BUT NOT TO AN EDITOR

The News Letter is issued for the purpose of furnishing inter-office news to all departments of the New York office and to the branch offices, together with any outside advertising news that may come in.

Indexing the contents of the News Letter made us realize that some accounts have four or five or even more news items to their credit, while many other accounts have none at all.

We want the news on your accounts when it is news, just as soon as it becomes expedient to release it for office circulation.

Won't everybody please keep this in mind and put us in touch with anything of interest as soon as it comes up?

In this connection special thanks are due to the Chicago Office for the number and interest of the news items they furnish.

MR. REBER REPORTS ATHLETIC PROWESS OF A MEMBER OF THE LONDON OFFICE

Alfred Skinner, who delivers messages to clients of the London Office, carries blocks to City publications, and mails letters to New York, Chicago, Boston, Cincinnati, and San Francisco, excels along yet another line.

After three months hard training he won the final of the 7st.* contest in the All London boy scout boxing championships held at the Stadium Club, Holborn. These contests were final stages of a competition in which 3,000 boy scouts joined.

Mr. Reber adds "We would be glad to take on the 7st. champion of the New York Office any time, anywhere."

* 7st. means 7 stone, a "stone" is 14 lbs.

JANUARY RAISIN SALES UNUSUAL

The following announcement appeared in the Pacific Rural Press, February 16, 1924:

"The Sun-Maid Raisin Growers' announce that during January the actual sales gained 500 per cent over the sales made in January of last year.

"While some of this buying activity can be traced to vigorous sales work, and renewed advertising, the guess is good that the price has much to do with it. Raisins are cheap, when compared with much other food, and bakers and the housewife are finding out that they are a good buy on a food basis. The bakery trade, which was nearly lost, is coming back and will prove a sustaining factor, as it was before the speculative demand crowded it out."

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"CONSECUTIVE NOT SPASMODIC ADVERTISING" SAYS H.G.SELFRIDGE, HEAD OF THE GREAT LONDON STORE

"Not merely spasmodic outbursts of advertising, but constant publicity with a definite aim in view has always been utilized by us for the two purposes of gaining new customers and turning old customers into still better ones.

"The advertising expenditure should not overreach itself. Broadly speaking, when trade is in a normal healthy state it should not, we think, exceed two per cent of the total turn-over of the concern. It is on the wise apportionment of this appropriation rather than its size that success depends.

"The total appropriation should not in our experience be rigidly apportioned to the various departments but kept free for use as circumstances dictate.

"A house concentrating on new customers can best succeed by 'detail advertising' featuring exactly what items you have to sell. On the other hand, a house which has become known for value can spend its money in the most worth while way by selling service with 'Long range' prestige advertising by means of a consecutive outline of the house policy and its manner of trading.

"The opening of a larger Selfridge store which will be completed early in 1924 demonstrates very clearly what good value and service, coupled with clever advertising, have accomplished for this great London Distributing House."

TYPOGRAPHICAL EXHIBITION AT THE ANDERSON GALLERIES

The Anderson Galleries are having an exhibition of Frederic W. Goudy's typographical work. Of particular interest will be the exhibition of the press which William Morris used and which Mr. Goudy has bought for his own use. A souvenir pamphlet will be printed by Mrs. Goudy who is an expert compositor and who will demonstrate the press.

The New York Times of March 2nd says of Goudy's "Kennerly Type" "It has the distinction - a real one - of being the one type of pure American invention to be accepted in England and used there for most of the best English printing."

This is of interest in connection with Mr. Deerson's letter in News Letter #12 regarding use of American type faces in England.

The exhibition closed March 17th.

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DIRECT COUPON CORPORATION

See Supplement to #16

The Direct Coupon Corporation now have another proposition.

They have contracted with the Associated Exhibitors, Inc., 35 West 45th Street, New York City, large distributors of motion picture films, to supply them 250,000 coupon books for distribution in connection with the film, "Souvenir."

The cost to each manufacturer for one coupon in the booklet to be distributed this way is \$300.

The advantage of this method of coupon distribution over the Direct Coupon Corporation method of distribution from house to house is in price. The cost of the coupon to be distributed from house to house is based on one cent per coupon per recipient; the cost of the coupon to be distributed through moving picture houses is based on slightly over one-tenth of a cent per coupon per recipient.

This method has all the disadvantages of the other, as outlined in our memorandum of February 19th, namely:

- 1) None of the products represented in the booklet is given individual identity in the mind of the recipient.
- 2) The plan involves danger of incurring dealers' ill-will.
- 3) Operation of the plan is contemplated only in restricted territories.

In addition it has these other disadvantages:

- 4) There is less personal contact between the donor and recipient of the coupon than even with the house-to-house coupon of the Direct Coupon Corporation.
- 5) The territories in which operation of this plan is contemplated cannot be chosen by the manufacturer.
- 6) It is impossible to determine how much circulation actually is obtained. This would be very difficult if the distribution were in the hands of the Direct Coupon Corporation and is doubly so since the distribution is not in their hands.

By this method it may be possible to secure a larger redemption of coupons per dollar expended than by the other method. The method has little value over and above this, however. It has little actual advertising value for any of the products concerned.

To make a rough comparison, \$300, the cost of one coupon, will buy six hundred lines of newspaper space reaching 200,000 people once, or 50,000 people four times.

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HAS AMERICA GONE MAD ON ADVERTISING?

Winifred Kirkland says: "If all advertising disappeared tomorrow the high cost of living would go down three steps at a time -- the present era of advertising would develop into an era of achievement, and give a marvelous impetus to every phase of American life: agriculture, education, literature, humor, politics."

In reply Ernest Elmo Calkins says:

"The entire disappearance of advertising and selling would cause a throw-back to the life of the Middle Ages."

The Century Magazine announces the publication of "two entirely original and whimsical stories on advertising in the March and April issues of the Century. Winifred Kirkland and Ernest Elmo Calkins present the strongest possible arguments for and against advertising. These stories will be talked about in advertising circles."

CIRCULATION OF THE LADIES' HOME JOURNAL RECEIVES IMPETUS FROM PRICE REDUCTION

The Ladies' Home Journal reduced the price of their magazine from 15¢ to 10¢ a copy beginning with the October, 1923 issue.

Their publisher's statement for the six months ending December 1923 gives their circulation by months and indicates very clearly the impetus given to the circulation by this reduction in price:

July	1,869,592
August	1,836,619
September	1,869,152 (Increase of 32,533 over August)
October	2,162,770 (Increase of 293,618 over September)

In Bulletin No. 37, sent out by the advertising department of the Ladies' Home Journal they report that 448,674 subscriptions were received by the Journal in December 1923, an increase of 152,355 over the subscriptions for December 1922.

The total number of subscriptions on their books for 1923 is 1,400,641 - an increase of 523,641 over the year 1922.

LATEST NEWS ON CHICAGO COLORADO WEEKLY

(See Supplement to #16)

More circulation has been added to this new magazine. It has jumped from 500,000 as announced at first to 750,000 and is now to be 800,000 beginning with the issue of May 17th.

The plans call for a thorough distribution throughout the country. The advertising campaign has also been increased and the entire 48 states will be covered in the advertising.

The first issue will be distributed in Chicago, New York and Boston on May 4.