

NEWS LETTER NO. 21

MARKETING A WATER SOFTENER

The Tromite Corporation became our client in the fall of 1922. Their product, a water softener, was sold in bulk for a number of years. Up to this time it had never been retailed.

Tromite is manufactured from phosphate rock which is quarried, for the most part, from the land owned by the company in Florida. The raw material goes through a series of crystallizations, washings and re-crystallizations which eliminate all impurities. The result is a fine white crystalline substance almost as fine as a powder. It is guaranteed to contain no soda ash, acid or any injurious substance.

At the outset there were five problems to be solved:

- (1) To name the product,
- (2) To decide on the best type of container and the design for it,
- (3) To decide whether the product should be sold as a cleanser or as a water softener,
- (4) To determine the best market; whether to introduce the product into a competitive territory or into one which was non-competitive,
- (5) To build up a sales force in this new corporation.

In May 1923 the name Tromite was decided upon and the organization of the sales force started. We designed a container and the machinery for its manufacture got under way. The color design of this container is blue and gray, the word "Tromite" is in white against the blue background with the other text in green. Tromite crystals in white and green decorate the front and sides of the package.

It was decided to start in Syracuse, Rochester and Buffalo, territory not highly competitive and where the water is not very hard. From there we planned to work toward the middle west -- particularly Ohio -- where conditions are highly competitive and the water extremely hard.

The Campaign in the New York State Territory

In the investigation in this territory 49% of the women interviewed said the water was not hard. It was therefore necessary to sell them the idea that a water-softener was necessary before discussing the specific product.

J. WALTER THOMPSON COMPANY

- 2 -

The system of distribution used here was the "buy-back" plan. We got the jobbers and grocers to stock Tromite. Then the Tromite sales force went to the grocer and bought back a certain percentage of their stock (agreed upon beforehand) at the retail price of 10¢ a package. Then a crew of saleswomen sold these packages to the housewives in the neighborhood of the grocery stores, distributing a booklet with each package.

The advertising campaign ran in six newspapers in Rochester, Buffalo and Syracuse from October 2 to January 30. 10,000 lines were used in each paper -- one page, one 1,000 line insertion, and the remainder of the schedule in 800,500 and 300 line space. This campaign was backed up by the use of painted signs.

Educational copy was run in this campaign. We told women that no water except rain water is really soft and that the water they use is full of hard minerals which destroy the cleansing power of soap; that it also forms a scum that settles on their clothes and ruins them; that Tromite makes all water rain-soft and saves their clothes from this unnatural wear and tear.

Within eight weeks after this campaign opened Tromite was out-selling all other water-softeners in Rochester.

This fall campaign is to be followed by a spring campaign to start the middle of April in which the same copy plan will be followed as was used in the fall.

The Tromite Campaign in Ohio

In Ohio the situation we had to meet was different from that which we faced in New York State. The sales efforts have centered in Cleveland and adjacent cities. In Ohio, 90% of the women interviewed said the water was hard. There being no necessity to sell women on the idea of a water-softener, the distribution of the product was made by means of trained salesmen with portfolios. The preparation of the salesman's portfolio and the training of the sales force was carried on by the merchandising department of the J. Walter Thompson Company. This distribution effort was highly successful.

The campaign in Cleveland opened in February, a 10,000 line schedule being used, with a short schedule of 5,000 lines running in Akron, Canton and Youngstown. As fast as distribution is secured, the campaign will appear in other large cities. It is expected to open a 10,000 line campaign in Toledo the week of March 24th.

Here, in very hard water territory where many competitors have already a firm foothold, the Tromite story was put on a competitive basis and women were told how much safer Tromite is than other water-softeners, shown by tests to be too strong for the fabric. For instance, cotton threads washed in Tromite lost practically no strength while the same threads washed in other softeners lost from about a third to almost half their original strength.

J. WALTER THOMPSON COMPANY

- 3 -

SAN FRANCISCO OFFICE NEWS

James W. Young of the Chicago Office is now visiting the San Francisco office. He and Mr. Ellis have made several trips to Fresno and they are doing some active work preparing plans for the Sun-Maid Raisin account. Mr. Young also plans to devote some of his time while here to the Sperry Flour account and to the Buckingham and Hecht account.

MR. PERRIN OF THE J. WALTER THOMPSON COMPANY NEW YORK OFFICE QUOTED IN THE FOURTH ESTATE

In a notice headed "Ads Reason Now Instead of Shouting" the Fourth Estate reports as follows:

"The nature of the message in advertising has undergone a great change in the last twenty years," asserted Edwin O. Perrin, of the J. Walter Thompson advertising agency, in an address to advertising students at Syracuse University recently.

"Twenty years ago the trademark was advertised but today something must be said and reasons given for its purchase. Mere display and constant repetition of a trademark will no longer sell an article against the competitor's advertisement which tells what the article can do. That is now the important feature.

"At that time the staff of the advertising agency was composed of about 98 per cent salesmen who bought and sold space and 2 per cent advertising men. Today the situation is reversed. By this change the burden of the public has been lightened, for a short and direct cut from the producer to the consumer has been reached, eliminating the thousands of jobbers, salesmen and middlemen. Their profits and wages have been dispensed with, lowering the cost of the article to the consumer."

Another point brought out by Mr. Perrin in his address related to the qualities required for success in advertising.

"They are not much different from those required in other businesses," he said. "The financial reward is commensurate with the amount of hard work. Certain qualities are desirable, but all are not usually found in one person.

"A list of the main desirable ones would include imagination, constructive foresight, clearness of expression, originality, selling ability, memory, versatility, analytical ability, artistic ability and enthusiasm."

FRANKLIN BAKER COMPANY TO MOVE HEADQUARTERS

The Franklin Baker Company, Baker's account, will remove its executive offices from Philadelphia shortly after April 1 to its new factory building at Hoboken, N. J.

J. WALTER THOMPSON COMPANY

- 4 -

PAINT AND VARNISH INDUSTRY BUILD UP A BIG BUSINESS BY ASSOCIATION ADVERTISING

Our Client, U. S. Gutta Percha Paint Co., is a member of the association which was formed five years ago by the paint, varnish and allied industries, whose slogan is "Save the Surface and You Save All."

The subscribers to this campaign became convinced that the amount of paint and varnish used each year fell far short of what was necessary to preserve property which should be protected by this means. Their examination of the situation showed clearly that building owners, farmers, railroads and other owners of paintable property were economizing in paint to an extent which entailed serious deterioration of equipment. They decided to make this situation known to the public.

Arthur M. East, business manager of the "Save the Surface" campaign presents some rather interesting figures as follows:

In 1919 the total cost of the campaign was \$152,396 - the 1924 budget slightly exceeds \$200,000.

During the period from 1919 to 1921, when business conditions were so seriously upset, there was a decrease of 26.4 per cent in paint and varnish sales. But, the campaign on the preservative effects of surface protection was continued and, as the cumulative results of this advertising came to be felt, the loss was regained. During 1922 the volume increased 37 per cent over the previous year, and the 1923 figures are estimated at 19.6 per cent increase over 1922. If the industry increases its sales 22.1 per cent in 1924 over 1923 (as it expects to do) it will have almost doubled its volume of business in three years' time.

If we take \$200,000,000 as a conservative estimate, of the value of products in 1921, and figure on a 30% annual increase over the two-year period, we find that the increase for the first year is \$60,000,000 and for the second year \$78,000,000.

"Many manufacturers have attributed the great majority of increase the past two years as being due to the Save the Surface activities through national advertising, the trade objective of the industry and trade promotion work.

"Let us assume that 50 per cent of the increase, or \$30,000,000, is due to the operation of the paint trade through Save the Surface campaign. This was secured by an annual expenditure of less than \$200,000 - which means that it cost two-thirds of 1 per cent to secure \$30,000,000 worth of new business. If we estimated but 10 per cent of the increase, or \$6,000,000, and considered that 10 per cent profit was made on that \$6,000,000, it would mean that an investment of \$200,000 had brought \$600,000 net profit."

J. WALTER THOMPSON COMPANY

- 5 -

LUX PRIZE CONTESTS

The makers of Lux are offering \$12,125 in cash prizes which range from \$25 to \$1,500 - 119 prizes in all.

There are four contests:

- (1) \$250 for the most helpful way to use Lux for a practical new purpose .. second prize \$75 .. third prize \$25.
- (2) \$1,500 for the best letter on "Why I Value Lux" .. second prize \$500 .. third prize \$250 .. 12 prizes of \$100 each.
- (3) State Prizes (including the District of Columbia) amounting to \$6,125. For the most interesting and complete list of purposes for which you use Lux .. numbered in the order of their importance to you. 49 first prizes of \$75 each (one for each of the 48 states and the District of Columbia); 49 second prizes of \$50 each.
- (4) Special Prize of \$1,500. For the most interesting account of an incident in the life of a well-known person in which Lux has figured; second prize \$500; third prize \$200.

The contest is open to every one in the United States and contestants may compete in one or more of the contests. The contest closes June 1, 1924.

The judges are: Miss L. Ray Balderston, author of "Laundering"; Mrs. Ellen B. McGowan, co-author of "Textiles and Clothing"; an editor of each of the following magazines -- Woman's Home Companion, Miss Martha Sanford; Ladies' Home Journal, Miss Martha Dodson; Modern Priscilla, Mrs. Elizabeth Macdonald.

This contest is announced in a Saturday Evening Post double truck of March 29, in a Ladies' Home Journal April double truck, as well as in Pictorial Review, Good Housekeeping, Vogue, Modern Priscilla, Butterick, McCall's for April; in a list of newspapers, in American Weekly for April 6 (1000 lines). We have also the back cover space in the first issue of the new Chicago Tribune Coloroto which will appear on May 3.

ROYAL CONTEST OVERSEAS

Advertiser's Weekly announces that;

"The Royal Baking Powder Company, one of the largest of American advertisers, who in pre-war days occasionally used British publications, is trying out a local scheme in Scottish newspapers with a cake-making competition for a number of cash and other prizes."

The Royal advertising in England is not handled by the J. Walter Thompson Company.

J. WALTER THOMPSON COMPANY

- 6 -

WHAT THE CHICAGO OFFICE IS CONTRIBUTING TO THE ART DIRECTORS' CLUB ANNUAL EXHIBIT

The Chicago Office is this year entering 15 original paintings and two photographic set-ups in the Art Directors' Club Annual Exhibit. They are as follows:

<u>Client</u>	<u>Color</u>	<u>Description</u>	<u>Artist</u>
Burlington	B. & W.	Quest of Heart's Desire	Frank B. Hoffman
"	B. & W.	Lumberjacks	Frank B. Hoffman
"	B. & W.	Poultry Farm	Frank B. Hoffman
"	B. & W.	Farmer with Plow & Dogs	Frank B. Hoffman
Cream of Wheat	4-color	Boy with Sled on Porch	Frank B. Hoffman
"	"	4-color Boy at desk	Frank B. Hoffman
"	"	4-color Girl on Davenport (Listless Age)	Frank B. Hoffman
Davey Tree	4-color	Van Dyke Estate	Frank Chase
Libby	4-color	Still Life featuring Pork and Beans and Catchup	Henry Maust
"	4-color	Still life featuring Canned Meats and Mustard	Henry Maust
Sun-Maid	B. & W.	Photographic set-up - Raisin bread (narcissus in background)	Hutchinson Studios
"	B. & W.	Photographic set-up - Raisin Bread (Bitter- sweet in background)	Hutchinson Studios
Swift Institutional	2-color	The "Wild West" of Two Centuries Ago	Frank B. Hoffman
Swift Institutional	2-color	Soldiers Who Starved Amidst Plenty	Frank B. Hoffman
Swift Institutional	2-color	The Quaker housewife's meat delivery	Frank B. Hoffman
Swift Institutional	2-color	How the Pilgrim Fathers got their meat	Frank B. Hoffman
Swift Ham	4-color	Large slice ham on platter; pitcher of cider in background	Henry Maust
Swift Ham	4-color	Whole ham, bowl of nuts and fruit and candle- sticks in background	Henry Maust