

The Power of a Freebie

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Recently, I ran across two interesting ads in the same paper. Each ad made use of one of the most effective tactics in the marketing toolbox – a free offer. The first ad was for an insurance company, and promised a free key ring – with built-in flashlight – to anyone who called for an estimate on car insurance. The second ad offered a free Mini Cooper automobile with the purchase of a high-end condo.

Obviously, there is a huge difference – in significance and cost – between a new car and a key ring. However, even though these offers are worlds apart, they have a lot going for them. Here’s what we can learn from these two examples:

1. Make it relevant. The insurance ad targeted an older audience, a fact which was clearly stated in the ad. The real estate ad was aimed at hip, young professionals – the audience that also fits the profile of Mini buyers. That was no coincidence.

An offer has to be relevant to the target audience. The condo buyers would not pay attention to a key ring offer. And a Mini would have zero importance to senior readers.

Even though the flashlight feature may seem cumbersome and unnecessary to some readers, that feature makes the key ring particularly desirable for seniors. Many older people have difficulty finding keyholes at night.

The condo developer probably considered a variety of models, once he or she decided to give cars away. But I have a hunch that the choice was quickly narrowed by the fact that the Mini’s “coolness factor” would make a statement about the personality of the development. If you’re cool – or if you want to be cool – this is the place for you. It’s clearly an offer that appeals to their Yuppie audience.

2. Be a matchmaker. The value of the giveaway should match the action you want readers to take. A freebie that accompanies a purchase should be more expensive than a gift that rewards an inquiry. And of course, the bigger the purchase, the bigger the giveaway.

A car is an eye-popping gift – big enough to stop readers in their tracks. A key ring is small. But that’s okay, because each offer is a good match.

3. Keep it fresh. If an advertiser offers freebies all the time, the tactic will eventually lose its appeal. To produce results, a free offer should seem special – and create a sense of urgency. (“Respond now, before we run out of these handy widgets.”)

Each offer should seem new and different, not the same old thing. For years, a business magazine to which I subscribe made the same renewal offer – a free pen. Ho hum. They finally changed their tune, and their most recent subscription notice offered additional issues at no extra cost. That offer is much better.

Although free offers have been around for years, they continue to motivate consumers to take action. The secret is to think it through – and make the right offer to the right audience.

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