

# A Bang for Your Co-Op Buck

By Shannon Good



Strategic ways to optimize your co-op funding

**A**ccording to the Merriam-Webster dictionary, a co-op, or cooperative, is an enterprise or organization owned by and operated for the benefit of those using its services. As a business owner using a co-op for advertising, it is not always easy to maximize your benefits. There often are regulations to follow, including which logo sizes and media to use, plus exclusivity if you want to get the full financial reimbursement for your effort. Then, when you fulfill all the requirements, you still only receive 50% of your advertising spend.

Fortunately, there are strategic ways to get the most from your co-op funding and see a better return on investment (ROI). This article will discuss the best media options, timing and tracking.

Manufacturers want to see an ROI from your advertising efforts as much as you do—they already have invested time and money to build their brands. However, you should feel like you also are benefitting. Some manufacturers will allow co-op dollars to be used for traditional, and oftentimes more expensive, advertising sources: radio, print or direct mail.

Here is the tricky part: As a small business owner, your service area may not reach as far as the radio or print advertising circulations cover. Therefore, you could end up with many unqualified leads. Direct mail is more targeted, but co-op dollars do not always pay for postage or graphic designer fees. Then, after you submit the final piece to the manufacturer, you only get one-quarter of your advertising expense back (if the manufacturer offers 50% for exclusivity).

## Online Advertising

Don't worry: There is a co-op light at the end of the tunnel. Consider using your co-op dollars for online advertising like Facebook or pay-per-click. Some manufacturers do not include social or online advertising in their current co-op marketing regulations; however, if you ask them to make an exception, they may allow it, as long as you can provide tracking, a screenshot of the advertisement and click-through costs.

These requirements are easy to achieve through quick training or by hiring an online advertising specialist.

Online advertising can be just as targeted as direct mail, but at a fraction of the cost. On Facebook, for example, select a "destination URL" that directs to a specific page on your website that only features the manufacturer's product. Use a photo of a specific brand as the image and include the manufacturer name in the headline.

As you work your way through the various demographic options that help you target your audience, you will be able to choose your advertising budget. Be sure to choose "clicks only" so you can be sure you are paying for interested leads, not just for your ad to be seen on the screen.

Before you make your campaign "live," view the draft and save a screenshot of the advertisement for your co-op submission paperwork. After your ad goes live on Facebook, you can not only follow the click-throughs, but also the cost associated with the campaign. This report also should be included in your paperwork to the manufacturer to prove the co-op dollars were used specifically for a campaign promoting its product.

When advertising online, click-throughs are key to knowing if your advertising was effective. If you create Facebook ads, choosing a destination URL that brings people to your website is critical. Many business owners want to increase the number of "likes" on their Facebook pages, but likes do not always equal sales.

Your company website is where you house more information about your products, services, mission and contact information. It is also the main source for search engines to direct prospects when they search for your product or service. Therefore, you want everything to direct back to your website. If you have a webmaster, be sure he or she helps you customize your site's landing pages to specific advertising efforts so when people read your advertisement—online or off—the response mechanism includes not only your phone number, but also your Web address/custom

landing page. That "/" is a forward slash (below the question mark on most keyboards). Get creative with your landing page name (what comes after the forward slash). For example, [www.mywebsite.com/cleanwater](http://www.mywebsite.com/cleanwater) or [www.mywebsite.com/testmywater](http://www.mywebsite.com/testmywater).

Finally, be sure to keep track of your tracking. If you use one landing page for print advertising, do not use it for direct mail too. If you are running a year-round integrated campaign with different variations, be sure to keep a spreadsheet of which URL you used with which advertisement, when you used it and how much you spent. When the campaign is finished, check your site's Google Analytics referral traffic source for, or have your webmaster research for you, the number of click-throughs that came to that custom landing page.

Many times, an event is the best time to use co-op dollars. Whether it is a community event that will be promoted more heavily by the advertising source or your own annual sales event, some manufacturers will allow for a higher percentage of reimbursement and/or you will get broader awareness from the target audience from the event. This is also a good time to try a new advertising source to see what kind of a response you get. You may not see a big ROI, but, at the very least, you will get brand awareness to support your other advertising efforts.

In summary, co-op advertising can be effective for both you and your manufacturer when you strategically choose an advertising source and timeline that can offer the best ROI. Remember, manufacturers want to benefit from the investment as much as you do, so they are always willing to work with you and try new things as long as there is accountability via tracking. *wqp*

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