

Entrepreneurship Building a Business

Chapter 12 The Promotion Strategy

Section 12.2 Budgeting and Implementing Promotional Plans

SECTION 12.2 After You Read Answer Key

Self-Check

1. Advantages of hiring an advertising agency include professional service, equipment, and connections. Disadvantages include cost and loss of control.
2. Advantages are that you don't have to be a computer expert and you don't have to make a large investment. Disadvantages are that the Web site may lack professionalism and functionality.
3. Two ways to determine its effectiveness are running consumer pretests and hiring advertising researchers.

Think

4. Guidelines will vary but should follow the information provided in the text such as obtaining feedback from customers or professional advertising researchers and using the results to make short- and long-term changes to the plan.

Mathematics

5. = 68.875 sq. in., $\$1,050 \div 68.875 = \15.245 ; = 16.3125, $\$295 \div 16.3125 = \18.084 ; $\$18.084 - \$15.245 = \$2.84$; the full page ad costs \$2.84 less per square inch.