



Co-op Ad Funding for Non-Traditional Media Increasing

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If you're working with local franchisees or retailers that sell a significant number of retail brands, you know these local businesses rely on their parent and brand partners for some of their advertising money. Whether it's co-op or other channel support, the ad money is out there. The [new State of Local Marketing report from BrandMuscle](#) contains fascinating data about the kinds of media local affiliates prefer to use and the types of ads brand partners are supporting with their co-op funds.

Local businesses surveyed by BrandMuscle say they are using the following traditional ad formats.

- Coupons 83%
- Direct Mail 81%
- Email 72%
- Radio 65%
- Newspaper 63%
- Yellow Pages 61%
- TV 50%
- Non-Traditional (cinema ads, vehicle wraps, etc.) 47%
- Magazine 45%
- Billboards 45%

Survey respondents indicate they are most satisfied with coupons, billboards and radio though many are concerned about the high cost of billboards and radio. Analysts say that local businesses could find better success for the print format by using methods like "sticky notes on newspapers or ethnic newspapers."

In addition, the businesses in this survey have widely adopted digital tactics like email, online display, and paid search. However, analysts found that the chief complaint about the new digital marketing tools centers on the difficulty of use.

This attitude may change as brands are offering more co-op funds for digital ad formats. In the past 3 years, co-op funding used to support newspaper advertising has dropped 4%, while for radio, the funding dropped 3%. However, brands have paid out 4% more to help their affiliates with the cost of community sponsorships. Paid search is another area where brand partners

have increased their co-op ad support – by 6% between 2011 and 2013. During that same time period, co-op funding for website advertising rose from 0% to 3% of the total.

The BrandMuscle study shows that co-op advertising support was distributed across the following formats in 2013:

- Newspaper 15%
- Radio 12%
- TV 12%
- Direct mail 7%
- Community sponsorships 11%
- Billboard 5%
- Paid search 10%
- Magazine 4%
- Online display 3%
- Local events 4%
- Yellow pages 1%
- Non-traditional (cinema) 1%
- Email 1%
- Coupons 4%
- Website 3%

If you're selling traditional media formats, you can see that the bulk of co-op funding still supports local spending on newspaper, radio and TV. However, if you're selling digital services like paid search and website development, it's time to talk with your clients about the possibility of securing co-op funding from brand partners to help them cover these costs while your company helps them conquer the technical challenges of handling these ad campaigns. Remember that [AdMall](#) subscribers have access to an detailed Co-op Intelligence database, a key resource as we observe Co-op Awareness Month.

Formerly available at:

<http://www.mediasalestoday.com/co-op-ad-funding-non-traditional-media-increasing/>

