

ucts and selected product surveys are also featured. To date the magazine does not have many Canadian advertisers.

Trade Press Advertising:

The cost of corporate level advertising in the trade press can be very high. A full page insertion in Byte magazine, for example, costs about \$5,000. In order to maintain a product line or corporate image it will be necessary to advertise consistently. Single advertisements will not achieve the desired effect.

All magazines provide media kits for prospective advertisers. Information contained in media kits includes advertising rate costs, an editorial calendar which highlights the main features to be produced on a month by month basis, and a circulation audit. The circulation audit will be useful in assisting advertisers to assess the value of their advertising through the kind of circulation the magazine achieves. Magazines have either an unqualified circulation (the magazine is obtained by paid subscription or can be purchased directly) or a qualified circulation (the magazine is usually distributed free to a strictly qualified professional audience). In our opinion, qualified magazines offer the best return on advertising. This is because replies from magazines with a qualified subscription are usually from interested professionals or potential end-users in the industry. We suggest Canadian companies who are seriously considering consistent magazine advertising should consult a reputable advertising agency who can advise on how to achieve the best return for their advertising dollar.

Companies who plan to advertise must make sure they are completely prepared to handle the extra workload which could result from large quantities of responses. Few small companies have the resources to follow up effectively. Companies without the extra manpower resources to handle this extra load can consider employing a mail list company. One Canadian company performing this function is MIS — International Mailing System Division of Better Packages of Canada Ltd., 150 Telson Road, Markham, Ontario, (416) 492-1152. It should be remembered, however, that the cost of using a mail list company can be high, possibly \$3-\$5,000 per month.

Editorial Advertising:

Most magazines are constantly looking for industry news items and information on new products. This valuable source of free publicity is available to companies who are prepared to take the simple step of providing regular press releases. Personal contacts made with key writing staff at magazines can be invaluable to any company entering a new market. We recommend all Canadian exporting companies should take pains to build an effective list of trade, business, and consumer publications. Companies should consider using freelance journalists or professional PR agents to produce their press releases or articles. Professional production and writing will always produce a higher success ratio.

Mailing Lists:

Mailing lists can often provide a viable marketing channel. Their effectiveness depends on the customer group to be reached and the type of product to be sold. Lists can be bought from a large number of companies who specialize in list production. Costs vary considerably depending on the source. The most important aspect to be considered is the quality and current nature of the list. Potential exporters should remember that costs on the average range from \$1-\$1.50 to produce an effective and attractive mailing piece. A criticism frequently leveled against Canadian companies during the course of this study was that the quality of Canadian literature and advertising is consistently low. To overcome this poor image, we suggest employing a reputable advertising agency or a professional graphics production organization.

11.3 SEMINARS

We recommend that Canadian manufacturers should consider the possibility of holding seminars for selected customer groups in the market areas. An alternative would be to participate with other manufacturers in government sponsored seminars if these can be arranged. Eighty percent of turnkey systems operators and hardware distributors we contacted during the study were interested in attending this type of event and active business contacts should be made by this method. Manufacturers should discuss this question with specialists in the Department of Industry, Trade, and Commerce/Department of Regional Industrial Expansion (ITC/DRIE), who will be able to outline available assistance.

In our opinion, computer, peripheral and components manufacturers will find the interviews with companies contained in this report, together with effective use of a good trade directory*, and discussions with Commercial Officers from Canadian Trade Commissioner Posts in the market areas, the best way of constructing an effective invite list for a seminar. Software package manufacturers and system houses could find their best course of action is to contact commercial, business or scientific associations directly related to their specialties.

* Data Sources, published four times a year, by the Ziff-Davis Publishing Company (One Park Avenue, New York NY 10016 — tel: (212) 725-4733) is one of the best available.

11.4 PRODUCT LITERATURE

The computer industry, based firmly in advanced technology, relies heavily on hard hitting, factual, attractively designed literature to help sell its products. Most companies we talked to which had knowledge of Canadian computer companies and their products commented that Canadian sales literature is often dull and unexciting. An improvement in the quality and design of product literature could increase Canadian companies' chances in all U.S. markets. Manufacturers should make sure that adequate supplies of literature are always available in the market area.