

In conclusion, after fourteen months of national coverage, or two years of marketing effort, this business has become one of the eight or nine leaders in its industry.

As you know, the work of a selling organization in the handling of a specialty like Ambrosia, which depends primarily on consumer demand, is of secondary importance, although a very necessary and indispensable element.

Some unique methods were followed in this instance. In the New York introductory campaign, dealers were supplied with flacons to be given to the consumer free of charge upon presentation of a coupon and for this service the dealer received a four-ounce bottle which he was free to sell at the regular price. Thus immediate distribution was obtained with comparatively little effort and a considerable amount of good-will was established.

After the Saks Plan of direct-mail tie-up had gone over in New York, it was decided to add three class magazines to help build up a high-grade national distribution at once. A carton containing \$27.00 worth of Ambrosia (retail value) was sent on a complimentary basis to the best department stores and specialty shops in America, two hundred of which, as mentioned above, had followed the example of Saks Fifth Avenue by circularizing their charge customers at their own expense and distributing the complimentary samples.

The national distribution among wholesalers and retail druggists in January, 1930, was obtained in this way: Selected wholesalers chose the names of the better stores to which they were selling and these names were sorted to eliminate duplicates. Then a counter carton containing two \$1.75 bottles and four \$1.00 bottles was sent on a complimentary basis to about thirty thousand retail outlets, including the individual units of the principal chain-store systems.

Amazing good-will, largely expressed in counter displays and enthusiastic sales co-operation, resulted.

That procedure made possible the establishment of sales zones, sales territories and quotas on a reasonably scientific basis. By plotting out county by county the retailers in the list of thirty thousand supplied by the wholesalers and by indicating which wholesale center the retailers had bought from, it was possible to set up sixty-eight sales zones, clusters of which were shaped into workable territories

for the Ambrosia salesmen. Then came the setting of quotas which were based on magazine circulation and other indices of buying power.

While this whole Ambrosia program is a fascinating series of inter-related ideas, plans and methods, it can be boiled down to a few important principles:

1. The interpretation of a universal want among women—sex attraction and beauty—which had carried itself to the point where women were ready for a medically sound treatment, and medically correct preparations.

2. Recognition of women's receptiveness to a new attitude on the part of the manufacturer, the sincerity of which would stand out in contrast to the imtemperate claims and purchased testimonials used by other cosmetic advertisers. This reached its climax in what we may term "dominant sampling," the complimentary distribution of a seventy-five cent flacon.

3. The propagating of the inducement to the public in a wholly new advertising presentation—in newspapers, direct mail, magazines, store displays, etc. The substance of the medical approval of this method was developed in an utterly sincere tone and treatment.

4. The propagating of the facts about product and the courage and sincerity of the maker in conjunction with novel but sound distribution methods. This step covers not only the initial distribution activities but the attitude of the men, the spirit that ran through their daily contacts, the substance, tone and flavor of the trade-paper and direct-mail trade promotion.

Here we have, in a period of twenty months, a successful combination of "fuel mixture" and the propagating of the inducement which corresponds to the power-plant function of "combustion."

Example of Driving Force in Selling Men

This is a summary of the success of the Tidewater Oil Company in marketing a branded oil, Veedol, and a branded gasoline, Tydol.

The conceptions behind both products, compelling inducements to car owners, and the plans and methods of propagating those inducements go back to 1915 and 1917 respectively, showing that, then as now, the driving force in planning sales is an idea.

The Veedol development came first. In 1915, this product, though good, was without marked

individuality. Intuitive judgment, expanded and supported by research among consumers and in the laboratory, showed the need for an automobile lubricant that would resist the high heat of the internal combustion motor. Men who owned automobiles wanted better performance from their engines, more power, smoother operation, less trouble from carbon and other causes, better mileage, less expense. They needed and probably would appreciate an oil that would hold its lubricating body despite the high heat of the engine.

So after months of chemical and dynamometer testing two men perfected a new formula and a new process which yielded an oil that reduced sedimentation by 86 per cent.

Thus an inducement was set up which in five years persuaded automobile owners to multiply their expenditures for this product, increasing the sales from less than \$500,000 a year to \$6,500,000 between 1916 and 1921.

So much for the inducement. The factor of "combustion" involved the advertising campaign and the work of the sales organization. The total automobile owners in the country were then only slightly in excess of two million, a market so thin as to make direct distribution to the retail trade very costly. It was determined to appoint certain jobbers as distributors and to allot each jobber or distributor exclusive territory, provided he turned in a volume that would justify continuing that relationship with him. But the whole burden was not shifted to him. Twenty-five men were busily engaged not only in cementing the relationships with the distributors but in helping the distributors and their men to open up desirable retail outlets in every worthwhile community.

Lining up eight to ten thousand good retailers in one year left the company with another serious problem—converting consumers' buying interest into actual retail sales or reducing loss of "sales energy." A salesman would spend three hours to get an order, but would not spend three minutes to put up a metal flange sign or other display. This problem was attacked in a vigorous way and solved. Thousands of retailers, by putting up the orange and black sign, increased sales three or four to one.

So by a long series of carefully prepared and actively controlled plans and methods, the business grew from nothing to the second largest volume of its kind in this country.

Note the basic factors—the latent underlying want and the inducement in the form of a lubricant that resisted heat for which men gladly spent their money in preference to other brands when they sensed the significance of the Veedol sediment test.

Note also the power behind the propagation of this inducement through the advertising, through sales effort, in all the forms which were suited to this individual problem.

Undoubtedly loss of energy between the buying public and the channels of trade was a heavy drag on the business. Internal friction at times reduced the number of new accounts or the volume of old accounts. But the basic driving force carried the business on to great volume and great profit despite all handicaps. That driving force caused the management and the sales and advertising executives to analyze causes of difficulties and invent ways and means of overcoming them. These men had a sense of power and achievement ahead.

Now let us consider Tydol gasoline. When the company decided to invade the gasoline market in New York, a product was submitted which was as good as any, but no better. It was pointed out that the company had no right to ask for business without deserving it, that they must supply the car owner's want in a better way in order to earn a place in the field.

An examination of all the papers on the subject of gasoline and carburetion in the Society of Automotive Engineers' journal indicated that car owners would welcome a fuel which would vaporize rapidly, using perhaps fifteen parts of air to one of gasoline instead of the usual ratio of eight to one required by sluggish motor fuels.

A presentation of such an ideal product was concreted in the form of layouts, headlines and copy, and the President's son invited his father to view the series of provisional announcements. His comment was, "This is fine, but there isn't a word of truth in it."

He was told that he was being let in on a secret, that the idea was to make a gasoline equal to this presentation. His eyes sparkled. He called a meeting of twelve executives and at that meeting he and his brother "staked out" the specifications of an automobile gasoline that would induce car owners to demand it in preference to other brands. It offered them results they had never enjoyed before.

Less than \$10,000 was appropriated for the intro-