

AIA GRASSROOTS 2001 ISSUES FORUM
EXTERNAL DIALOGUE: NATIONAL ADVERTISING
January, 2001

Background: Objective 3 of the AIM Strategic Plan challenges the AIA to help shape the language architects use so that the profession is more easily understood by those with whom they speak, whether clients, users or other stakeholders. The AIM Report paraphrases Dr. Ernest Boyer's statement in "Building Community," that a goal of the profession must be engagement. Furthermore, a healthy relationship with the marketplace requires the architect's commitment to be a good listener and collaborator. The AIA's current national advertising program emphasizes the collaborative nature of the architect-client relationship, with the result being a better built environment.

The current national ad campaign (network TV, National Public Radio, and news magazines) is in its third year; now is the time for AIA leadership to take action to extend it in some fashion, if that is the wish of the membership. Market research shows that this long-term commitment is improving the image of the AIA member in the marketplace. Major findings include:

- Measurable improvement in the public's belief that working with an architect is a rewarding experience, assuring a positive outcome
- Public belief that an architect is responsive to the client
- Preference for working with a member of the AIA

AIA membership support for the program remains high. Many larger components tie into the campaign through local NPR program underwriting. A recent straw poll reveals that a cross section of component executives and firm principals support continuation of the program, and a majority would be willing to extend the \$50 per member dues assessment to support the campaign. (The dues assessment funds the TV portion of the campaign.) However, AIA management and leadership remain committed to the promise made to the membership to fund any continuation of the campaign from the AIA national operating budget, with no dues assessment.

Informal member and leadership polling and the annual campaign measurement results underpin an assumption that an AIA advertising campaign should continue into 2002 and beyond. Such an effort would be perceived as a membership benefit, as well as a contributing strategy connected with AIM Objective 3.

Issues: The fiscal discipline of a balanced budget at AIA necessitates a scaled back 2002 advertising program, one budgeted \$1.5 million anticipated to be available from the AIA operating budget. The current program is budgeted at \$3.5 million, with \$2 million set aside for television and paid for with the \$50 dues assessment. Given that this program is effective, staying the course with the current program into 2002 would make sense. However, this is not an option within the anticipated 2002 operating budget. Furthermore, a campaign funded at this level would include less advertising because of inflation in media costs. In other words, network TV is not an option because AIA would not be able to buy enough exposure.

Management and AIA leadership must make key decisions NOW as 2001 is a year of planning/preparation if the advertising effort is to continue uninterrupted into 2002. The

Grassroots discussion will inform potential Board action in March and subsequent Convention action in May.

Alternatives/Implications: For purposes of Grassroots discussion, we should answer these questions: a) do we continue in some way a national advertising program (integrated campaign, consistent messaging, brand reinforcement); b) should we continue and/or expand the member dues assessment to fund the program; and c) which of three reasonable model programs provides the best direction? In all cases, potential for local component participation/benefit is considered. And, in all cases, the campaign would be highly visible to AIA members because each element is predictable and can be promoted in advance.

A) Scenario #1: (\$1.5 million, funded by national operating budget)

- PBS sponsorship (Our House with Sarah Susanka, AIA) of yearlong series on the impact of design on homes, livable communities. Cost: \$700,000
- NPR underwriting (Morning Edition). Cost: \$300,000
- In partnership with owner-oriented associations (and their publications), combine print advertising with web content broadcast directed to selected, active construction markets (education, healthcare, government, etc.). Cost: \$500,000

Implications: while scaled back, AIA still maintains a multi-media presence with the nation's "thought leader" audience; NPR continues to build with local component tie in, and adds new PBS local tie in potential. We lose broad audience reach achieved with network and cable TV and news magazines, although PBS delivers an affluent, professional audience – the same target of our current TV media buy – with the benefit of a 52-week presence. Cost (TBD) of creating new 15-second TV spots for PBS.

B) Scenario #2 (\$3.5 million, funded in part by continuing the \$50 dues assessment)

This program is similar to the current effort, with several new elements designed to add audience reach and frequency.

- Network TV (spring only, at frequency level consistent with 1999 spending – in other words, less frequency). Cost: \$1.1 million (dues assessment)
- PBS underwriting (Our House, spring and fall). Cost: \$700,000 (dues assessment)
- Magazine advertising (Bus. Week, Newsweek, Inc. and/or Fast Company; possibly some vertical ads in trade publications in active construction sectors), spring and fall. Cost: \$1.2 million
- NPR (Morning Edition) underwriting, spring and fall. Cost: \$300,000
- Web casts in active sectors (healthcare, education, etc.). Cost: \$200,000

Implications: increases audience reach and frequency vs. Scenario #1, but still not to 2000/2001 levels. Added costs (TBD) of creating new 15-second TV spots for PBS, new trade ads. Provides via PBS, NPR tie in potential for local components.

C) Scenario #3: (\$4.8 million, funded in part by \$75 member dues assessment)

This program deals most effectively with long-term media inflation, and develops a significant increase over the current program in audience reach and frequency. It also includes money to create a third "livable communities" TV commercial. Clear benefits in overall image and brand building, and enriched messages concerning a broadening and re-defined architect. It also

includes money to attempt creation of an NPR program series on livable communities (rather than simple underwriting of existing programming).

- Network TV with three spots (education, business, livable communities). Cost: \$2.5 million (dues assessment)
- PBS series (Our House). Cost: \$700,000 (dues assessment)
- NPR underwriting. Cost: \$500,000
- Magazine advertising. Cost: \$800,000
- Web casts in active sectors. Cost: \$300,000

Implications: significant cost impact on membership, particularly large firms.

Desired Action: The Grassroots discussion will provide a sense of membership will and direction to help inform Board and Convention deliberations, and provide management with insight for 2002 planning purposes.

Attachments: Campaign scenario summaries and budget information