



# If You Think You Can't Afford To Advertise, Think Again

By Matt Sicoli, President/Founder of Blue Vista 725

Whether you're in the process of an equity raise, have completed one, or your business is building up momentum, advertising and marketing decisions can be daunting. Investors typically put 'advertising and marketing' budgets under financial microscopes, demanding to know what level of ROI can be expected from this use of funds. As a new company, watching your cash flow on a daily basis can often force your advertising and marketing investments into limbo as you become haunted by the famous 'which came first, the chicken or the egg' dilemma of advertising and marketing.

"Do I advertise to generate sales lift or, do I wait for sales results, watch cash flow and then decide how much gross profit to reinvest in advertising and marketing?"

There is an answer to this question and the beauty of it is that it addresses and solves these sales, advertising and financial issues simultaneously. It's called trade; often referred to as barter. And while you may have heard of it, and possibly used it in certain situations, you may be pleasantly surprised to see the way we are going to present it here – as a dynamic new component of your business model.

The fact is that rarely is a company completely sold out of its existing or future inventory. In light of this, the use of media barter should be considered in three basic situations:

1. The most common situation is one in which a client has slow moving and/or excess inventory or capacity and would like to convert this inventory to cash, however the market is too distressed and a loss would be incurred on the sale. Blue Vista would purchase the inventory at a premium price, issuing payment in the form of advertising trade credits, which would then be used to pay all or part of the cost of the required media.
2. In a second common situation, a client wants to generate additional media in order to support current or new sales, to launch a new product, or to meet competitive pressures. In this case, our transaction would enable the client to convert a portion of its inventory into media trade credits, while providing more advertising media than could otherwise have been bought on a cash basis.
3. A third situation is one where a client has strong distribution and market share only in a selected region, and would like to expand into areas not presently covered, while minimizing incremental marketing costs.

### **Case Study (Common Situation 2)**

The new Broadway show, let's call it "ABC," begins previews October 22nd and slated to open on November 15th. The funding of the show includes a significant budget for spot television in the New York market. However, the competition against other shows opening at this time is heavy, and the show can always use additional advertising presence. Since the first 3 weeks of the show are slated as previews, the producers of the show typically know that advance sales for these tickets will likely leave unsold seating. Rather than let these seats go unused, they are traded to Blue Vista. Blue Vista proposes a selection of print and outdoor companies to the show that will accept theater tickets in exchange for media schedules. The entire process of media placement works exactly as if the show were making a cash purchase, the only difference being that theater tickets are the currency for payment.

Blue Vista is a media, marketing and promotions company specializing in leisure and entertainment brands. Similar to a bank, our barter division acts as a clearing house to convert inventory into a profitable sale quickly and efficiently; delivering a full complement of marketing and media services as payment. We are specialists in handling a full spectrum of consumer products and services categories that require discreet marketing. We are meticulous in all forms of media delivery on the local, regional and national level.

If you have a need to convert slow moving inventory, get in touch with Blue Vista for a thorough orientation of how your product can be converted into profitable advertising through trade. Our program typically takes less than ten business days to execute.

