Public Service Pays Off For Ad Agencies

Creating ad campaigns for nonprofit organizations is proving to be a smart growth strategy.

by Aimée Stern

Three years ago, Clarity Coverdale Rueff, a tiny Minneapolis advertising agency, offered to develop an ad campaign for the Minneapolis YMCA. The campaign was so successful that the national YMCA asked the agency to handle its advertising as well. Since then, the agency's commercial billings have soared five-fold to about $15 million a year, and President Timothy Clarity credits the Y campaign (photo) for this growth. "It helped us build a reputation as a creative powerhouse, got a lot of exposure for the agency and attracted a lot of new business," he says.

Clarity Coverdale Rueff is just one of a number of small-to-medium-sized ad agencies that are using public service advertising (PSA) as a growth strategy. Although most agency executives bristle at the suggestion that business lies at the root of their benevolence, they do admit that creating pro bono campaigns enhances their visibility in the marketplace and is a good way to make corporate contacts. "If a charitable organization has board members that run businesses and they like your work, your name will probably come up when they are discussing agencies," explains Felice Kincannon, media director of Boston's Hill, Holiday, Connors, Cosmopolous, Inc.

The volume of public service advertising has grown substantially in the last few years, due largely to cutbacks in government funds for social, arts and environmental programs. This has forced groups dependent on contributions to become savvy marketers as a matter of survival, and they now expect ad agencies to give them the same comprehensive programs, including research, media planning and creative direction, they give their commercial accounts. "Public service organizations now approach marketing the same way a corporation does," says Elenore Hangley, senior vice president of campaigns for the Ad Council.

A small agency especially covets PSAs as a means of building its reputation as a creative shop. It is much easier to design attention-getting ads for emotionally charged subjects like child abuse and drunk driving than for a brand of soap. PSAs also tend to be more creative because the agency can ignore most of the restrictions that govern product advertising. "It's what we call a silver platter account," says Tom Monahan, executive vice president of Leonard Monahan Saabye in Providence, Rhode Island. "If we are going to do it for free, the client doesn't put too many constraints on us."
nered Seattle agency Livingston & Co. a gold medal at the One Show sponsored by the Art Directors Club of New York; the ad won over Chiat/Day's acclaimed Nike billboard, which took the silver medal. And Clarity's ads for the national YMCA won the agency an EFFIE award from the American Marketing Association for "excellence in marketing."

The Martin Agency's new campaign for the Virginia Chapter of the National Council for Prevention of Child Abuse (photo) has already won two awards from the American Advertising Federation's local chapter. And Fallon McElligott Rice's anti-drunk driving poster featuring Stevie Wonder (photo, page 44) beat out more than 1,000 entries from agencies across the country in a recent contest sponsored by Reader's Digest.

In fact, probably no agency has benefited more from PSAs than Minneapolis' Fallon McElligott Rice. Founded five years ago, it quickly became the industry's hottest creative shop as a result of its campaigns for such public service clients as the Episcopal Church and the Minnesota Zoo (page 44). Several months ago, the agency was acquired by the highly respected Scali McCabe & Sloves.

A nonprofit organization's ad budget

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This is about the only thing you stand to gain by putting off joining the YMCA.

Procrastination is a way of making up as you and your waistline. Those feelings, the YMCA can help.
At the Y you can swim, run, play racquetball, work out with weights, take saunas and whirlpools, stretch, dance, enjoy exercise classes, and all kinds of other exciting physical activities.
So don't let procrastination weigh you down. Call your local YMCA today for membership information.

YMCA
Don't put it off.
is, of course, minuscule compared with that of a corporate advertiser. In taking on such an account, an agency donates its own time and resources and negotiates with printers, photographers and other suppliers to donate their services as well or work for cost. The organization's budget goes to defray production costs.

For instance, it costs the Episcopal Church less than $5,000 a year to sponsor its ongoing campaign to increase church attendance. And a campaign to clean up Rhode Island's Narragansett Bay designed by Leonard Monahan Saabye had a budget of only $2,400 for TV, radio, posters and print advertising. "The only thing they paid for was the helicopter that flew over the bay to take a photograph," Monahan says.

But success based on public service campaigns can be a mixed blessing. On the one hand, as an agency develops a large roster of paying clients, devoting its time to PSA accounts becomes less viable economically. On the other, the better known an agency becomes for PSAs, the more the requests pour in, and it often feels a responsibility to accept them. Confesses Elaine Silverstein, executive vice president of Beber Silverstein & Partners Advertising in Miami: "A direct mail piece for the American Jewish Committee got us our first paying client, and we always feel that if we don't continue to pay back the community, something terrible might happen to us."