

# The Story of OD and AD

## and the 2 STORES

OD and AD wanted to go into business for themselves. They decided to open retail stores. But they had *different* ideas as to how they should get customers. This is the story of what happened.

### How OD and AD Opened their Stores



OD believed that the way to get customers was to sell at low prices, and that the way to sell at low prices was to keep his expenses down. So he spent as little as possible in fixing up his store. He said he was not going to "waste" money on "trick lighting" and a "fancy front." He bought large quantities of a few lines of merchandise, because that way he got them cheaper.

Then he put an assortment of his goods into the windows, but because he had done so little to make his store attractive, few people noticed that it was a new store, and few came in to buy.



AD decided that the first thing he must do was to make his store *attractive* to customers. So he had it painted throughout in cheerful colors. He completely changed the windows and front, and he put in fixtures that flooded the whole store with light.

He chose merchandise well-known by name to the public, and bought smaller quantities of many lines, thus giving customers a greater selection. He arranged his stock in the store to make shopping *convenient*. He put in window displays of his most interesting merchandise—and changed them frequently.

Because his windows and his store were so attractive, many people stopped to look, and enough people came in to buy so that AD's goods sold quickly and he was soon ordering more of many items.

### How OD and AD went after Customers



OD soon found that he could not get the customers he needed from those who *passed* by his store. So he had circulars printed and hired boys to distribute them from house to house. Sometimes they put them under the door or into the mail box, but often they threw them on the porch or into the yard, and many were blown away. Also, OD found it was a slow and costly way to tell his story, as in a whole day a boy could cover only a few hundred homes.

OD was disappointed to find that after all this work and expense, only a few more people came to his store.



AD decided that the *more* people he could tell about his merchandise, the *more* people would come to his store. So he put advertisements into newspapers read by many thousands of people every day. He knew that people were eager to get their newspapers to read the news. Therefore, his advertising was more likely to be *seen* in a paper people *wanted* to read. Also, the newspapers were delivered all over the city as soon as they were printed.

AD found that the *more* he advertised, the *more* people came to his store and the *more* goods he sold and the *less* it cost him to handle each sale. So he passed on the greater part of these savings in lower prices and better values to all his customers.

### How OD Failed and AD Succeeded



OD found that so few people came to his store that his goods moved very slowly. He could buy very little new stock because his money was tied up. So he decided to have a sale.

He had big signs painted for the front of his store. He had circulars printed and sent boys out to put them into parked cars and distribute them at homes. But the people who came saw so little they wanted that his sale was a failure. At last, he disposed of all his remaining stock to an out-of-town bargain store at less than half what he had paid for it.

OD had had a very unhappy experience, but because he had never advertised in the newspapers, few people in all the city ever knew that his store had opened or that it had closed.



AD found that with more and more people now coming to his store, his stocks moved very quickly. As a result, he was constantly able to have fresh, new merchandise for his customers. He concluded that since people bought newspapers to read the news, he should tell them the *news* about his merchandise and his store. As a result, AD's advertisements were read as eagerly as any other part of the newspaper. Soon every one in town knew that AD had the newest things.

AD did not make exaggerated statements in his advertising. He just made the *truth interesting*. Repeatedly AD had to enlarge his store, and employ more people to take care of his increasing business. And, although his expenses were now very much greater, he sold so much merchandise and turned his stocks so rapidly that his store was very successful and was known far and wide for the values it gave its customers.

### AD Tells OD How Advertising Serves the Store and Its Customers

ONE DAY OD came to AD and applied for a position. He asked AD how he had built such a fine business and obtained so many customers.

AD said, "First, by making the store an attractive and convenient place to shop, and second, by having the merchandise customers want.

"But these are not sufficient without *Advertising* to tell the people about them. So we continuously publish interesting, informative, truthful news about our service and our merchandise. And we tell it in the way that reaches the largest possible number of people quickly—through newspaper advertising."

