

Beware of the Business Muckraker!

So for Safety Sake Advertise—For a Satisfied Customer May Be a Bitter Enemy

By Amos Stote

LET big business begin as it will, it grows through advertising, endures through being known, is stabilized through being understood. The degree to which it is understood represents the degree of its stability so far as public opinion is concerned. And public opinion can wield a wicked influence.

Big business, on the whole, has been advertising for a considerable period with considerable consistency—for the purpose of making sales. Much of big business has apparently believed the making of sales its entire advertising need. It has overlooked the fact that a satisfied customer may be a bitter enemy. Socialists loll in railway coaches, anarchists smack their lips over beef dressed by packers, communists ride in motor cars built of steel and fueled by corporations against which they vituperate—and the average, casual citizen accepts all the favors of big business while envy makes him critical of every industry which rises above the level of little business.

Now, more than ever before, big business needs to advertise because it needs to educate. It needs to tell with frank clarity the story of its vast service-rendering capacity. There are specific reasons why big business needs to advertise, to educate, now more than ever before. These reasons have been accumulating during the last ten years. They have come to a head with disclosures at Washington which have been painfully well exploited.

The majority of people are always mistrustful of big business. This is due to a combination of envy and of ignorance. Some members of the big business group attempted to relieve this situation,

so far as they were individually concerned, a few years ago by engaging in what was termed "institutional advertising."

The idea was good but the execution was usually bad. Instead of educating the public to appreciate the benefits it derived from the services of the institutionally advertised concerns, the text was devoted to lauding founders, eulogizing high-spirited executives, or to quoting statistics of plant size and product output.

INSTITUTIONAL ADVERTISING BANNED

Naturally the mention of institutional advertising was soon banned, and damned, for the simple reason that those who banned the term had been the ones who had damned the results. If words mean anything, then those who thought they had been engaged in institutional advertising, had not. Institutional advertising is the making known to the public the fact that the institution employing such advertising is also employed in rendering a highly organized and economic service of direct and expressible results of benefit to the public. Institutional advertising is not laudation, exoneration, defense or praise. It is the clear expression of why an institution exists; and if it exists for any other purpose than to render the best possible service in return for a fair profit, it had best refrain from advertising of all kinds, for its evil deeds will soon give it all the publicity it does not want.

As perfect an example of what constitutes institutional advertising as this generation can discover, and which has been in operation for nearly a generation, is that consistently conducted by

the American Telephone and Telegraph Company. An official of a New York bank, a bank which has been rated as the largest in the world, has said concerning this advertising: "It must certainly be the most widely read of all advertising, especially by investors, for it never fails to carry definite information regarding the company's service. I have frequently heard telephone shareholders speak of following these advertisements for the purpose of being, and keeping, acquainted with their investment holdings."

But the American Telephone and Telegraph Company's advertising does much more than inform investors, though the educating of this multitude of people would be ample justification for its consistent and intelligent program. The advertisements have a direct and active influence over the loyalty of its great army of employees, many thousands of whom are also stockholders. By words and pictures the importance of their work is explained and emphasized. That is why there is hardly a day goes by without one or a dozen telephone employees, frequently girls, performing some heroic service in some part of the country, a service which saves lives and property. And these advertisements which inform the investor, inspire the employee and set standards for control have kept the whole public intelligently informed of what the company is doing to serve it.

What the telephone has done insurance, finance, railways, oil, electricity, packers, steel, and many other organized functions of our economic life can do. In fact all institutions which have become such powers as to have a direct influence over the mode of living of our people can, and should, make known the benefits they provide the public through their services. Most of our great institutions, as institutions, are unknown to the public. The people give them passing patronage without appreciation, without loyalty or any desire to defend them against the political or anti-

political voices which are likely again to be raised in denunciation of "vested interests." And this danger is not imaginary.

The resistance which has usually been experienced when educational advertising has been proposed to advertisers has come chiefly through failure to understand its capacity to serve sales while actually engaged in a broader effort. This does not mean that educational advertising can necessarily generate immediate sales, such as is possible with the "go-getter" type of text; yet no one can deny that messages which gain public respect and appreciation are lacking in sales value.

↓ THE OPPORTUNITY FOR INSURANCE ADVERTISING ↓

If some of the great corporations engaged in life insurance would not give all their advertising concern to scaring people into taking out policies; but, like the Metropolitan Life Insurance Company, would present, subject by subject, the vast services life insurance has rendered the noble causes of increasing health, prolonging life, lengthening years of efficiency and so adding to the independence and prosperity of workers; if they did this, who could deny that they would win a public confidence they do not now possess? And fire insurance has an equally strong and dramatic story to tell of its service to property conservation.

If packers would tell, as Swift has done in some degree, what they have done to improve the quality and taste of the meats they sell, how their representatives travel thousands of miles in quest of sheep and cattle herded on distant prairie and mountain slope, how they have developed standards which make ranchers more careful in breeding, feeding, housing and shipping their stock, how they have developed both the science and industry of packing; if they did this, do you think the periodic outcries against them would travel very far?

If steel told what it does every
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Beware of the Business Muckraker!

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day to make housing more pleasant, safe, economic, beautiful; factories and office buildings more efficient; if it told of its vast efforts in assembling all the alloys and minerals required in the products it delivers for public benefit; if it told the real story it has to tell of how every person in the country daily, hourly, profits by its service, do you believe its enemies would not only be reduced in number through being converted into friends, but that all denunciations against it would have to be substantiated?

If the railways, instead of spending most of their advertising appropriation in trying to lure people to resorts, would tell, as the Hill lines, under the leadership of the Chicago, Burlington & Quincy, are trying to do, how their lines have developed the territories they traverse, turning wilderness into farms, struggling, sordid hamlets into cities, repair shops into factories, country storekeepers into metropolitan merchants; how they have been the basic means for providing work for millions through opening great empires of waste to life and health and prosperity; how, without them, the population and resources of this country could not possibly have been assembled and made of service in the fabricating of one of the world's mightiest nations; if the railways did this do you think the travesty of Government ownership would ever gain much headway in the minds of the public?

If oil had gone in for educational advertising as long ago as did the American Telephone and Telegraph Company we would not see today the sad spectacle of a multitude of Standard Oil companies forced to stumble over each other in their efforts to live up to the restrictive and destructive laws which hamper their public service. And think of the ser-

vice story oil has to tell, the story of the Standard of New Jersey, which was once, and might still be, *the* Standard of the world, if it had sufficiently valued public opinion. Think of the great pioneer work it has done, its oil land development, its scientific achievements in refining, its great industrial-educational work, its highly developed systems for transportation and distribution, its enlargement of the service of oil to humanity, such as taking stokers out of the intolerable heat of steamship stokeholes. Educational advertising would have forced a stupid, if well-meaning, Government to keep its hands off, and would have saved the public from the burden of paying for the uneconomic condition the Sherman Act dumped upon us.

WALL STREET CAN BE CHANGED IN PUBLIC'S MIND

And if Wall Street, represented by the New York Stock Exchange, and financed by the members of that exchange, would educate the public to the fact that the investment and financing functions of that notorious district and institution are in reality as essential to the actual existence of this country as is the farmer's wheat, do you think "Wall Street" would continue in the public mind as synonymous with Hell? There is a beautiful story, a marvelous opportunity, in selling Wall Street faith and respect to the public. Properly told, Wall Street would have the pulpit supporting it in a year or two.

So it goes. What have the harvester interests, the manufacturers of railway engines and coaches, the mining interests, the electrical equipment corporations, the telegraph systems, the purveyors of foods, and the many other really great industrial institutions of this country, not to mention the producers for production, whose products or even corporate names are not publicly known; what have these done to educate the people who make up their eventual market to an appreciation of the really wonderful

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While the present imperative need for educational advertising rests most heavily upon those industrial units which have the reputation for being in a monopolistic or controlling position, there is no question that every house which has raised itself above its kind has, by that very act, developed a need for educational advertising. The former need such text for protective and stabilizing purposes. The latter need it for safeguards against the future, and for securing a more enduring market position.

As a matter of fact any activity which can profitably employ publication advertising can profitably employ educational advertising. The extent of its use may be dependent upon the position of the concern in its territory or in the class it represents. Yet even that factor need not influence to excess, for the time is not far distant when all advertising will be

more educational than it has been in the past. In other words advertising is at last growing out of its infantile eccentricities. There is evidence that we are beginning to use this gigantic economic force for more reasonable purposes than that of beating a bass drum or acting the part of a ballyhoo.

But for the moment we are more concerned with the disregard of those national organizations which evidently require this service for protection and growth. Big business always needs educational advertising for the very fact that its bigness, its conspicuous prosperity, creates passive resistance born of envy, even in times of most apparent peace. Now big business requires this form of advertising to protect it from the ignorance of the public, an ignorance which indifference to public opinion has fostered.

It is not enough for the executives of these gigantic organiza-

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Over one-half of America's Car Owners make a long distance tour

According to the figures compiled by the National Automobile Chamber of Commerce, in ten representative states in different parts of the United States, 542 out of every 1,000 car owners make a long distance tour.

Over 100,000 of these long distance motor tourists who travel in that section east of the Mississippi and use the 400 leading hotels in this district, can be reached through the Associated Tours Guide.

E. P. THOMPSON, JR., Business Manager

THE ASSOCIATED TOURS GUIDE

Published by The Automobile Club of America

Apr. 24, 1924

Apr. 24, 1924

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tions to shrug their shoulders and say, "Let the public investigate, it will find we are employing means to serve it which it does not imagine. We welcome investigation, let it come." And it is not enough for them to say, "Look at what we are doing! We are forever spending our profits to improve our service. If the people don't appreciate our efforts when they are laid before them in services and wares of the highest type and at prices which only a most economically operated concern makes possible, how are they going to appreciate us by being told the facts of how we developed this business to meet their needs?"

THE MULTITUDE MUST BE TOLD

Such defenses are not enough. Just as fine days and good health are taken for granted, so fine service is accepted without appreciation. Big business is not justified in blaming the majority for lack of appreciation. And it need not expect the majority to understand without explanation, without constantly repeated, detailed and simplified explanation. The fact that big business is rendering remarkable service is never self-evident to the majority.

All the majority sees is that big business is amassing wealth and power. Nor can big business safely assume the attitude that rendering service is enough. The qualities which make it big business are as exceptional as is understanding. If big business did not have to explain it would be because all business was big, because all men understood.

Moreover, big business has occasionally slipped from the chalk line of rectitude; it has taken the law into its own hands. Let us admit that it has done so for the public good as well as for its own good; let us give big business all the benefit of the doubt, even so a little slip on its part makes a mighty big story. Forty thousand corner grocers might each weigh in a thumb, several times a day, without making delivery or without creating a scandal. But the

Publishers

AND BUYERS OF PRINTING

Read this

Nowhere will you find better facilities for the making of large editions, books or printed matter.

Nowhere will you find large editions made better than by HADDON PRESS Craftsmen.

Nowhere will you find an executive personnel better qualified to give you complete service.

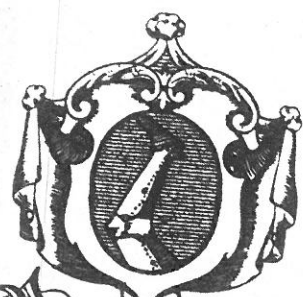
Exquisite typography, perfect plate making, the best Black and Color Printing.

Artistic bindings in cloth and leather.

Manufacturing facilities and equipment the equal of any, anywhere.

It will pay you to consider HADDON PRESS with its excellent shipping advantages, prompt deliveries and low operating costs.

A competent representative will call on request.



Haddon Press

INCORPORATED

Where Federal crosses Nineteenth Street
CAMDEN, NEW JERSEY

Apr. 24, 1924

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corner grocer is a little man, in personal contact, commercially and socially, with the little people he serves. He may contribute a joke to make up shortage in weight, and remain an affable little merchant; but growth and greatness are not arrived at in this manner. The price of mediocrity may be short weight and affability; but the price of prominence is service and public proof of service.

We are told that nature abhors a vacuum. Not so human nature. It loves the comfort and freedom of littleness, and those who climb out of the common rut onto higher ground automatically become strangers who have to be explained. Their size and position make them prominent. The progressive methods which carried them out of the rut make them misunderstood. All of which means that however much the majority may profit by the exceptional ability of the few there must always be messages of explanation from the latter to the former—with prayers that the messages will be understood.

The strange events of the last ten years have kept the mass of people so interested and active they have not had the usual time to spend in envying the prosperity of big business. Not every generation of men has been permitted alternately to sit in the amphitheatre of the world and to act as supers on the stage of international affairs while empires have been overthrown, kings exiled and maps hacked to pieces. They have been glutted by excitement. The greatness of this age has been emphasized by the greatness of its upheavals.

But there was a long intermission, with much restlessness and questioning. Nations not at war were still nations in turmoil. Old routines had been broken, little minds made to think, but not to think very correctly. Doubts, questionings, fears arose. Then when the curtain of excitement went up again in our own country the whole character of the play had changed. From the pomp and heroics of war and

crashing empires our people saw the disgusting spectacle of Washington vomiting scandal.

Rule by epidemic and Government by frenzy will force anyone's interest when it is on a grand scale; but to have such action followed by certain elements of big business and big politics giving an exhibition of cheap trickery makes reprisals certain.

What is more to the point, for the consideration of big business in connection with its need for educational advertising, is the fact that, even if some of its members had not been splattered by the spewing of Washington, the exhibition of the shame of our national Government would react against big business. The stability of the State and the stability of business are interdependent. These two arms of national life form an interlocking economic force. When you strike at one you also hit the other. Consequently big business has been hit, and hit hard, by the happenings at Washington, or rather by the publicity these happenings have had; and no one can deny that for detail and expressiveness the advertising has been educational.

Consequently there is danger of the return of the muckrake. We do not need it. It is questionable if we ever needed it. Experience (as evidenced by Washington) has proved that big business cannot exist over any protracted period without rendering service commensurate with the price it demands. If scandal does not take care of this, competition will, and neither business nor the casual citizen needs the protection of the muckraker.

Yet the only way the casual citizen will ever be convinced of this is through being told in plain language just what big business does for him. He does not want to feel his dependence upon big business. No one cares for the position of the "poor relation." He must be made to feel that big business is his big brother by being taken into its confidence and permitted to see the service which never appears on the surface.

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