

<sup>2</sup>Advertising costs for the buildings industry are quite high. For example, the costs of preparing 15,000 copies of a two-page color advertising brochure can range from \$3,500 to \$5,000. A full-page color ad in a leading magazine can cost anywhere from \$12,000 to \$21,000 per run, and is typically run three times. These costs are prohibitive to small firms attempting to enter the market with new technologies (Akers, 1988).

<sup>3</sup>For certain kinds of goods, industry data may be appropriate, as when the innovation is a nondistinguishable good and the consumer cannot discriminate one product from the other. The incentives to advertise are not present at the firm level under these circumstances, so industry-wide expenditures are more relevant.