

From the Lab

Maximize Your Relationship to Maximize Your Media Dollar

How can you ensure that you're getting the best media power for your dollar? TEST Marketing polled some of the industry's media experts about how the marketer makes the difference.

Experts' Tips

Do your research. Check references and look at client lists. Pick an experienced buyer.

Trust your buyer. The best buyers are going to do their utmost to get you a great deal. If you don't make money, the buyer doesn't either.

Create a long-term media plan. If your buyer knows in advance the extent of the resources available (in terms of budget, market list, etc.), he or she is better able to work with stations to develop a long-term strategy, which can lower the stations' sales burden. A long-term strategy can create preferential treatment when it comes to rates.

Understand your position. Know your break-even and how that affects financial objectives. Understand the market and pricing of your product so expectations are reasonable.

Include your buyer in planning and development of your show. Buyers often have great ideas about the offer itself. In many cases, buyers are also a huge resource for information about what the competition is doing.

Be flexible and available. The magic of media buying can happen in a moment. You can miss great opportunities if you have to approve every last thing. Buyers need some free reign. However, because avails come up unexpectedly, you need to be there for approval of dynamic opportunities.

Let your buyer do their job. Inform your buyer of target audience, budget and desired markets. Then let the buyer use that information and his or her own expertise and experience to place the most effective buys.

Debunk the Myth

Myth: Employing more than one buyer or agency fosters better performance, which will drive rates down.

Debunked: Hiring more than one buyer will not only drive rates up, but consider this: the DR industry gets a bad rap on the television station sales side — bad debt being the top reason and multiple agency use being the second reason. Stations find using more than one agency unprofessional and extremely time consuming.

Myth: Raise the break-even ratio so your buyer will buy for the best ratios.

Debunked: Tell your buyer exactly what you need. If you are really making money at 2:1, but you tell the buyer you only make money at 2.5:1, buyers won't buy at 2.1:1 or 2.2:1, which would make you money.

Myth: If your show doesn't get at least a 2:1, then it's dead.

Debunked: On most shows, there is a lot that can be done to improve results. Give the buyer a chance to make it work.

How Can I Use Per-Inquiry Media? Ask Leading PI/Media Expert Greg Thomas

TEST: What is per-inquiry (PI) media?

Greg Thomas: With PI, a station will run the media until it pays out. There are two ways to do PI. First, your show is aired and you are invoiced after the fact. Or, second, you pay up front and your show runs until your pre-paid funds are depleted and the airings pay out. Then you refresh your account for another round of airings.

TEST: Does PI compete with traditional media buying?

Thomas: PI does not compete with traditional, because in the areas where PI is generated, much frequency is needed. The avails are typically under \$100, so they're generally not worth the traditional agency's effort.

TEST: A client could make up to 8 percent in additional revenue using PI with a hit product. Why isn't everyone doing it?

Thomas: PI works best on weaker broadcast stations or local cable. The biggest misconception about PI is that it will work for everybody. In actuality, it only works for strong shows because it needs to be profitable for the stations as well.

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Test Marketing Group

Founded by Adam MacDonald, TEST Marketing Group operates a "Test Laboratory," where campaigns are developed by experts in a controlled environment. The TEST Laboratory is a specialized inbound/outbound phone center. The center is staffed with a group of specially trained marketing agents working on a state-of-the-art platform designed specifically to develop and measure the most profitable sales strategies for DR campaigns. Once determined, the strategy is "rolled-out" through the primary inbound and outbound telemarketer. The preferred result of this process: massive increases in net profit. TEST can be reached at (714) 546-5555. For Adam MacDonald, TEST CEO, dial ext. 202. For Chris Walshe, TEST president, dial ext. 201.

TEST would like to extend special thanks to its panel of experts: Steve Aquavia, executive vice president/director of media, Prime Time Media Solutions; Stacy Durand, senior vice president of client services, Mercury Media; Peter Koepfel, president, Koepfel Direct; Michelle Cardinal, president, Cmedia.