

How to Make a 60-Second Spot Profitable

We have seen the future of DRTV spot production and, at first, you won't believe it — so keep an open mind.

Here's the quandary: for years, we have worked at convincing new clients that wanted to produce a 60-second spot to create a 120-second commercial instead.

After all, two-minute commercials almost always pay out better than 60-second spots. As a case in point, a two-minute commercial for the Eggtractor (priced at \$19.99) worked very well (consistently driving sub-\$15 cost-per-order results), whereas the 60-second version never quite worked on TV (\$20-plus cost-per-order).

The logical theory has always been that you needed the extra 60 seconds to sell the product. That makes perfect sense, but there is one major problem: there happens to be a lot more 60-second time available out there. If you are supporting retail, you can buy a lot more impressions with a 60-second spot for the same advertising budget. If we could only just make those 60-second commercials more profitable it would be a huge win for everyone in the industry — especially the production companies, media companies and, of course, the short-form marketers.

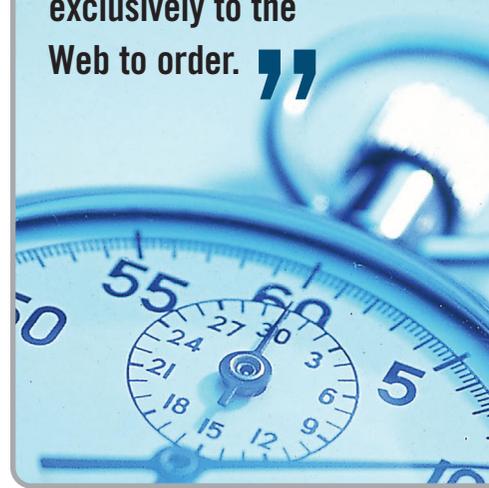
Finally, there may be a solution. It's simple, and though you may have trouble buying into this concept, we are convinced it is the future: take the 800 number off the spot and drive everyone to the Web to order. Since 60 seconds often isn't enough time to sell the product completely, don't sell them on the spot — just get them interested enough to visit the Web site and sell them there.

Here is another measured benefit to support the theory: customers who order from the Web tend to spend more money per order and subsequently have lower overall return rates. But here is the real reason to send everyone to the Web first: by saving on telemarketing costs for taking orders, you can save between 15 and 30 percent of the revenue you collect.

Where, perhaps, you once needed a 1.6 media efficiency ratio (MER) to break even, your break-even point may drop to as low as a 1.3 MER. That may not seem like a lot to you at first glance but, trust me, once you start analyzing the overall profitability of the campaign, it can make all the difference.

For those who don't believe this theory — try it for yourself. If you don't want to go all the way to removing the 800 number, try having the voiceover drive the orders to the Web but keep the 800 number only on-screen, beneath the Web address. Within two years, we believe 50 percent of all spots will drive consumers exclusively to the Web to order.

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Take 2 Direct specializes in providing uniquely creative and highly responsive commercials and campaign management. If you want to sell your product and need a company that has the creative vision to drive the call, as well as the practical experience to manage the intricate back-end process, contact Take 2 Direct at (714) 979-5555 and ask for Adam MacDonald at x202 or Kelly Burke at x203.



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