From the Lab

DRTV Pitfalls and Passages

No matter what, if you're a DRTV marketer, the reality is that hiccups will happen. The question is how quickly you can become savvy to the most common pitfalls in order to run the smoothest DRTV campaign course.

This month, Take 2 Direct outlines some of the biggest pitfalls (including the most common misconceptions) in the production and telemarketing phases of a campaign.

PRODUCTION

Pitfall: Spending hundreds of thousands of dollars on an infomercial that doesn't work.

Solutions:

Choose the right creative story for your product. For DRTV, true creativity is that which flushes out the best way to create urgency and drive response — not necessarily just finding ways to make a pretty picture. That's not to say that good style isn't important, but *response* is the first priority. The most compelling creative is often the simplest (and less expensive) route.

Involve an industry expert. Either use a

production company that specializes in DRTV *or* contract

a consultant who knows DR

to work with your traditional production company.

Any industry veteran will tell you that DR is not a mystery. There actually are DR principles at work in the most successful shows, so get someone involved who has them mastered.

TELEMARKETING

Pitfall: Getting too hung up on telemarketing results (i.e., conversion rates and upsell percentages).

Solutions:

Lend more weight to the results driven by the creative before focusing on telemarketing concerns. Telemarketer performance averages out over the spectrum of products and offers, so the most established firms have taken telemarketing out of the equation when it come to making or breaking a campaign. Too often, DRTV companies get hung up on telemarketing and neglect the more important gauges of the creative: the media cost-per-call (CPC) and cost-per-order (CPO). If that's off, working on telemarketing strategy isn't going to help.

Don't forget to factor in all elements when reading telemarketing results. If your campaign starts at a strong 80-percent conversion rate, but, after a couple of months, it dips to a disconcerting 65 percent, perhaps it's not because the telemarketer stopped "trying." More often than not, it's because your campaign is maturing and there are more customer service calls, making order-to-call conversion look artificially, low.

Don't move around a lot to seek out better results. If you're with an established telemarketing firm and you're not getting the results you want, work with your telemarketer to improve results instead of packing up and trying someone new every two months. There's a lot to be said for momentum, and every time you make a huge vendor change, you're messing with it. This is not to mention that loyal clients get loyal vendors.

In coming months, look for the following pitfalls in other areas of DRTV campaigns, along with valuable solutions:

Manufacturing — too much inventory; not enough inventory; poor product quality

Media — misunderstanding your break-even rate and ad allowables

Fulfillment — making decisions based on top line pick-and-pack fees; customer data access

Payment processing — charge-backs; high discount rates and transactions fees; slow payout times; poor estimation of set-up schedules **Continuity marketing** — failing to maximize customer without a continuity offer; creating damaging offers and partnerships

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For years, Adam MacDonald has given direct response marketers an edge by combining in-depth knowledge and "big picture" DR experience to provide uniquely creative and practical input in developing successful DR campaigns. We are now excited to announce our transition from TEST Marketing Group to Take 2 Direct, specializing in bringing your vision to screen with unparalleled creative production, taking your product to market and managing all the details in between. As 2004 unfolds, Take 2 Direct will continue to bring "From the Lab" to *Response* readers with as much expertise and curiosity as ever. For the latest trends in creative direct response marketing, contact Take 2 Direct at (714) 979-5555 and ask for Adam MacDonald at ext. 202, or Betsy Sanz at ext. 212.

