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# 6 Secrets for Effective Direct Response Advertising

# “We sell or else.”

The insightful words of advertising icon David Ogilvy get to the heart of the real purpose of Direct Response (DR) advertising. In his short film to DR advertising directors, he breaks down the differences between branding or general advertising and DR advertising. He said these two worlds are on a collision course:

- The world of general advertising is about awards and cute or poetic headlines.
- The world of DR advertising is to sell.

And we who are in charge of DR campaigns know what works. In fact, as Mr. Ogilvy so appropriately states it, “You know to the dollar.”

So what does work? What does sell? What makes the phone ring? What makes your website get more visitors and buyers than ever before? What makes television advertising, radio advertising, mobile and digital advertising perform and deliver a positive ROI?

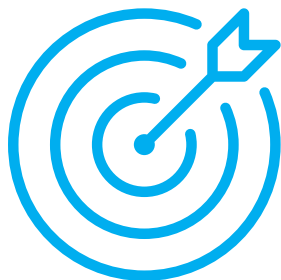
Can your ad campaign actually be a revenue generator and not just an expense? *Absolutely.*

Here are 6 insider secrets to help your campaign  
deliver like never before.



## SECRET #1:

# Know your target



Before you spend a penny on advertising, you need to know your ROI formula. When do you make money? When does the campaign become profitable? How many calls or clicks does it take to generate a sale?

If you don't know what you are aiming for, you will hit it every time.

So develop a metric or standard for success and make sure every campaign, every media buy, every schedule aims for that goal. If you are not quite sure here is how to build it, here is how:

- How many responses does it take to generate a sale? This is your conversion ratio.
- How much profit do you earn per sale?
- What can you afford to invest per response to generate that sale?

Answer these questions. For example, one of our clients had a financial service that costs the customer \$500 upfront and \$35 per month for 12 months. So the total of each sale generated was \$920. Their actual cost on that service was \$200. So they generated a profit of \$720 per sale. They had a 10% conversion ratio. For every 10 people that responded to their advertising, they sold one.

This means our client broke even at \$72 per response. They doubled their money every time we achieved a cost per response of \$35 each. So the goal on every campaign we did—whether national or local television, cable TV, local radio or network—was to deliver a \$35 cost per lead. We knew we could afford to refine the media if it came in a little higher because we knew where the client made money, when they broke even and when they lost. We knew their target.

Develop your target. Be conservative. Figure worst case scenario or lowest average conversion ratio. Then build your target metric from there.

SECRET #2:

# Know your audience



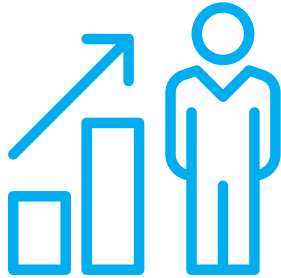
Who is buying your product or service now? Identify them by age, sex, income and shopping habits. If you would like some good insight, check out Nielsen's Prizm data.

This will make you think more in-depth about your best customers. What they are like and where you can find them? Once you know who they are and where to find them, you will generate a much better return on investment. It will help you limit your waste and hit your target faster.



## SECRET #3:

# Develop creative that generates a response



Your entire campaign will be dead on arrival if your creative does not do its job in generating enough response to achieve your target metrics. Direct Response creative is not sexy, poetic or award-winning, but it will make the cash register ring. There is a formula that works. It's the framework to build your advertising creative on.

- **Identify the problem or pain source:** Are you overweight? Is snoring making your life miserable? Do you feel run down?
- **Present the solution:** X product or service can help you stop snoring naturally in one week.
- **Give the benefits:** You will feel more energetic, rested and ready to take on the day.
- **Create a sense of urgency:** For a limited time, you can try Snoring X risk-free for 10 days. Create a desire for the customer to respond now—not later.
- **Deliver a call to action:** Call 800-900-4567 now for your risk-free trial. Or visit [snorenomore.com](http://snorenomore.com). For radio spots, make sure the toll-free number is given at least three times, and have the phone number be the last thing they hear. On your television spots, have the number and call to action up the entire length of the spot.
- **Build credibility with testimonials and risk-lowering strategies.** People don't trust like they used to. So give them real-life examples of customers who have tried the product or service and loved it. Also lower their risk for trying it by offering a money back guarantee, risk-free trials and free information on how to get the best results.

## SECRET #4:

# Match your advertising to your market and sales system

When you are deciding on your media mix, you need to consider how your customers typically purchase your product or service, when they purchase and your own internal sales system. That will determine the best place to test. For example, if you have salespeople responding to customers during business hours only, then radio and daytime television will be the first place to test. If you have a website that captures sales 24/7, you have more flexibility and can take better advantage of media opportunities on the weekend and during primetime television.

## SECRET #5:

# Don't pay too much for your advertising space

National cable, local cable, television programs, radio and print are all a commodity. Rates are negotiable. It will save you time and money to get a reputable direct response ad agency and media buyer on your side to negotiate for you. They have access to rates and deals that a first-timer or outsider may not be able to achieve.

## SECRET #6:

# Test, measure and plunge



You cannot manage what you cannot measure. When you have everything ready, make sure you can measure the results during your testing. Google Analytics is great, of course, for seeing what is coming to your site. If you need good call tracking, we suggest [www.dial800.com](http://www.dial800.com). Once you have discovered what works, then take the plunge. Invest more into the outlets that are working and cancel the outlets that are not. You can build out your campaign based on success.

Mark Twain said, “Many a small thing has been made large by the right type of advertising.”

I hope these secrets help you grow as big as your dreams.

With over 25 years of Direct Response experience DX Media Direct gives you a team of experienced professionals working to deliver the maximum results from each campaign. With cutting edge tracking technology your campaign is refined weekly to maximize your ROI.

You get it all—from media planning/buying, creative production, and reporting/optimization. Our unique approach has worked for familiar, national brands, local hometown heroes and everywhere in between.



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