

# CHARTER DIRECT MARKETING

295 MADISON AVENUE #1200\* \* NEW YORK, NY 10017

TEL: (212) 717-2770

FAX: (561) 750-2150

## THREE VARIABLES OF DIRECT RESPONSE

### I. PRODUCT AND PRICE

Long recognized as a powerful and highly influential medium, television is being inundated with direct response commercials. Universal in its appeal and its availability, television is perceived as a panacea for home shopper's purchasing and expenditures. Frequently lost in this market excitement is the fact that the product must be as universal as the medium in order to lend itself to TV sales and impact. The operational marketing adage here is:

**“The right product for the right medium, and at the right price,  
both in terms of actual and perceived value.”**

With regard to actual value, the price is ideally derived from a three or four-to-one ratio, the latter representing the cost of manufacturing, product packaging and premium. Perceived value equates to the product and its respective price having credibility in the purchaser's eye.

Of equal consideration is the pricing structure intrinsic to the direct response marketplace. Consumers are accustomed to certain highly defined response prices-- \$19.95, \$29.95, \$49.95, etc.—and subliminally respond best to these.

### II. COMMERCIAL PRODUCTION

In order to be successful, products must be marketed properly within the medium. Production expenses need not be excessive: the format of the commercial sells the product. Consumer response is traditionally elicited through pushing the right buttons at the right time: teasing with the price, the suggestion of sex, greed, fear or glamour, and displaying the Toll Free Number and Website prominently throughout.

### III. MEDIA

After matching up the product and its price with the correct demographic, the most effective response can be determined by objectively selecting specific station dayparts, market sizes and geographic areas. If budget permits, testing on cable networks can be very effective. Media planning for the proper placement is based on available funding, open inventory and secondary market information.