

What is DRTV (Direct Response Television)?

Direct Response Television, or DRTV for short, consists of either a short form 2 minute (or less) commercial or a Long Form DRTV program. The longer versions run 28 ½ minutes in length. The TV viewers are asked to place an order during the advertisement through a toll-free number or web address.

We will recommend which to use (short or long form) based on the unique selling features and the price of the product. For a two-minute commercial we need to be able to demonstrate the product in 1 minute and 45 seconds. The last 15 seconds is used for the Call To Action. Some products will need more time to educate the consumer, create awareness and demonstrate their function. These typically will have a higher price point and are usually aired in a long form infomercial.

Many long form and short form infomercials that we have produced are called “lead generators”. These have become a much larger segment in DRTV advertising. These campaigns collect leads and the sales are closed at a later date.

Direct Response TV Is Not For Every Product

It all starts with a phone call from an inventor who has seen our web site and is passionate about his or her product. They might go on for an hour telling me how great it is and how it will sell millions. At some point in the conversation I ask these two questions: How much will it retail for and how much does it cost to make? In many cases I’m told the retail price is \$19.95 and the cost is \$9.00. At this point I am compelled to tell them that “Everyone will make money but you”. The truth is if you don’t have at least a 4 to 1 ratio (a 5 to 1 ratio is preferred) between actual cost and retail you won’t make money on television. The DRTV business is very simple--it’s money IN and money OUT, if the ratios are correct.

There are however, exceptions to the ratio rule. If a product will be re-ordered monthly, or you just want TV exposure to generate retail interest, or the product is a higher priced item, then the ratios can be less. These ratios exist to determine whether spending money on airtime, call centers and fulfillment will yield a profit.

So if you have a great product, and would like to use DRTV to sell it, ask yourself these questions.

Does it solve a common problem?

Is the product designed for a big enough buying group?

Is that buying group known to be DR responsive?

Will the category be relatively free of competition?

Does it have a perceived high value?

Does it have room for at least a 4X Markup?

Does it have a patent?

Is the product unique or new?

Is the product highly demonstrable?

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