



By: Gabriella G Donivan

An Infomercial Pioneer

How to Negotiate THE Best Times at THE Lowest Rates!

A How To Book for Direct Response Media Buyers

COPYRIGHTED OCT. 2008 ©

PRODUCED AND WRITTEN BY:

SUN COAST MEDIA & MARKETING, INC.



Gabriella G Donovan

904-683-2322

gdonivan@comcast.net

West Palm Beach, FL

Testimonials

"Gabriella is the most people savvy buyer I ever trained. She knows the markets, the rates and the best negotiating tactics. There's not a better media buying teacher in the business."

Tim Hawthorne. President: Hawthorne Direct

"If you want to work with an honest media buyer who sees the big picture then you need to work with Gabriella Donivan. We have worked with her for over 3 years because she pays attention to detail, keeps us out of bad markets and most importantly has reduced our cost per lead by over 40%." *Kris Kirschner, C.E.O. - autopilot® complete real estate systems, Inc.*

"Gabriella Donivan is by far the most capable media professional I have ever worked with. She is extremely thorough and works hard to be sure every penny is carefully spent and produces the best possible result. If Cost Per Lead is important to you, then she's the right person for the job." *Cameron Dunlap, President: Specialty Communications, Inc.*

"I believe the tactics taught by Gabriella were priceless and every buyer new in the business or a veteran could learn a great deal to improve their buying skills." *Doug Graving President of Media: Positive Response TV*

"The most valuable part of Gabriella's seminar for me was more ability to be at cause in the communication rather than the effect when dealing with the stations." *Michael McGahee President: The 2M Group*

"Gabriella Donivan is one of the true pioneers of the Infomercial Industry and one of the best negotiators in the business."

Donna Rude, Media Director: Williams Worldwide

TABLE OF CONTENTS

Introduction: "The Core Problem".... 7

Preface..... 8

Chapter 1: The History of Infomercial Media Buying.15

1984: We, the buyers, were calling all the shots!..... 15

The Theory of Least Consumer Resistance.....16

We Educated the Stations, not the other way around!..... 18

1987: Pioneering Opportunities..... 21

The Moral of the Beginning...23

1992: "Tell it like it is Itis" took over..... 24

1994 - 1995: Mayhem!.....27

The Bidding War..... 30

2008: Where We are Now.....33

Chapter 2: The Business Approach to Media Buying.36

Confidence!..... 37

The 12 Concepts for Empowerment..... 38

Concept 1: You are a Franchise of Your Media Buying Agency...38

You are Entitled to Know if You Made Budget!..... 39

A Win/Win Negotiation Looks Like This..... 40

Concept 2: View the Station as a Whole!..... 41

The Small Picture vs. the Bigger Picture..... 41

Concept 3: View Your Agency as a Whole!..... 43

Your 'Story' Creates a 'Pitch' for the Station..... 46

Concept 4: There are 5 Parties Involved in Every Buy You Make..... 47

The Best Negotiations are a Win/Win for All 5 Parties..... 48

Concept 5: Maximize Your Market Reach..... 50

Step 1: Organizing and Prioritizing Your Avails..... 50

Step 2: The 5 Best Past History Reports to Analyze Your Avails.. 51

Step 3: How to Analyze the 5 Best Past History Reports.... 52

Step 4: Maximizing Market Reach.....53

Step 5: Effectively Testing Day Parts..... 54

Concept 6: Always Package the Good with the Bad...57

'Reel Em' In' with a Great Packaging Strategy..... 57

Step 6: 13-Week Pricing..... 59

Step 7: Lead Ins & Lead Outs..... 60

Step 8: Pricing the Best Time with the Worst Time... 63

Recapping the Steps for Analyzing & Pricing

a Great Packaging Strategy.....	67
Concept 7: Picking Up the Freaking Phone!.....	71
Concept 8: Don't Be Intimidated by the Reps!.....	73
<i>Collusion....</i>	<i>79</i>
<i>Collusion is Analogous to:.....</i>	<i>81</i>
Concept 9: Get to Know Each Station Like a Friend...82	
<i>Get to Know Your Station from the Big Picture to Smallest Detail..</i>	<i>85</i>
Concept 10: Dialoguing Your Way to Success!.....	86
Concept 11: Assume Your Rights, but Know What They Are First!.....	90
Chapter 3: Winning the Bidding War.....	92
Concept 12: The Art of Negotiating.....	93
<i>Scripts for Negotiating The Best Times at The Lowest Rates.....</i>	<i>94</i>
<i>Best Negotiating Technique for Weekend Daytime Blocks of Time.</i>	<i>102</i>
<i>Negotiating & Securing First Right of Refusal...</i>	<i>104</i>
<i>Negotiating How to Be First in Line for Fire Sales.....</i>	<i>106</i>
<i>Negotiating Techniques for Opening New Time Periods.....</i>	<i>107</i>
<i>Negotiating How to Get Everything You Want!.....</i>	<i>108</i>
<i>Following Through with Your Contracts...</i>	<i>109</i>
<i>After Your Time is Booked: Mistakes!.....</i>	<i>111</i>

Techniques for Leveraging Your Benefits for Lower Rates..... 113

In Conclusion.....114

The Top 10 Things to Do - To Give the Station All the Power..... 114

The Top 10 Things to Do - To Take Your Power Back..... 115

How to Be Pro-Active vs. Re-Active..... 116

Paradigm Shift..... 117

Current Paradigm..... 118

In Closing..... 120

Introduction

"The Core Problem"

"My media director does not understand at all. What am I suppose to do?

I get all these avails through email, I am suppose to put in my bid, which I do, and then they email me back whatever I get. There's nothing I can do about it! I am doing the best that I can!"

In today's technology the advantage for all media outlets as well as media buyers; is the efficiency of the amount of time saved by emailing instead of talking on the phone. I know buyers that bill a million a month and never talk on the phone to a station. How do they do it?

- ◆ They have long-term station relationships with a great inventory of high pay-out show titles.
- ◆ Or, They pay more than anyone else is paying, preparing to clean it up later when it becomes necessary.
- ◆ Or, God forbid, they are paying too much, and rotating clients into the losing half hours.

Seemingly necessary solutions to 'get' the time, but not very effective for real pay-out, and fair station pricing.

Your job as a media buyer is to have your clients make money, not run a few times at rates that are too high, and lose money because you paid too much.

When you pay too much to 'get' the time, then you are an instrumental part of the rates being too high. When you 'bid' too little, to meet your pay-out requirements, you don't get enough time to meet your budget parameters. It's a tough position to be in!

However: You really can be an instrument to lowering the rates across the board, significantly increasing your billing, at rates that will pay-out for your clients. I have done this successfully for 25 years, no matter 'what' is going on in the US, or with the climate of Infomercial media buying, at any given time.

There is a way to make this happen, which I will cover - thoroughly - in this e-book "How to Successfully Negotiate in an e-Mail World"...

...It really can be done!

Preface

The purpose of this book is to show you how you can take your power back as a buyer. Today, the stations have all the power, and for the most part, buyers are scrambling all day long to take care of a mountain of last minute have to's. The stations are clearly calling the shots... but it did not start out that way. It has been a process of evolution to get to where we are now.

It has always been up to the buyers to 'set the rules' with the stations. The largest agencies have the largest influence. Somewhere along the line, all the agencies became re-active instead of pro-active with the stations.

I saw this first hand in 1993. The largest Infomercial Media Buying agency (at that time) - brought me in to help them reduce their preemptions, which were through the roof. Rather than the normal 5% preemption rate, they were at a 20% preemption rate. This equated into an annual billing of a million dollars. This was definitely not OK!

I went into the agency and interviewed all 10 buyers individually, asking each of them, "Why were you preempted?" Every single one of them said, "I don't know." Which led me to ask: "How does the station notify you of the preemption?" Every single one of them said, "They fax it over." (This is pre-email). "And how do you respond?" And every single one of them said, "I don't. I just put the paperwork through."

My solution: Pick up the phone and call them, and simply say: "It is NOT OK! This is not spot buying, where I expect to be preempted. This is a paid half hour that I bought and I expect it to run. If you really have to preempt me, then I need a make good. If I were cancelling this time period on this short of notice, I would have to pay for it, so the station can make budget. Well, I have to make budget also. So if you really have to cancel my time period, then I need a make good."

In one week, their 20% preemption rate went down to the normal 5%. In our final group meeting, I asked the buyers what they learned about how to handle preemptions, and they unanimously said aloud...

"It is NOT OK!"



Problem solved!

By picking up the phone and communicating their billing needs, they were taking their power back from the station, regarding unfair preemptions. They were easily able to reverse the rules back in their favor.

The buyers stopped the stations from being “allowed” to treat their half hour purchases, like spots – it may or may not run. Back then, all half hours, (pre-bidding wars, were guaranteed). The stations knew that, making it all too easy for the stations to break their agreement with a simple fax, avoiding any unwanted confrontation.

Buyers are so overwhelmed with input, output and paperwork - it is too easy to spend years in a routine of just re-acting instead of taking a pro-active position. Over the years, buyers let the stations take charge of them, instead of standing up for win/win negotiations and fair business practices.

We got here because the buyers let it happen. But I am not blaming the buyers; it is a lack of training. Who is telling the Buyers ‘How to be in charge of the Stations, instead of the Stations being in charge of the Buyers’? I don’t know anyone who is; so I am writing this book to tell you how you can successfully and thoroughly be in the driver’s seat with each and every station.

If you read this book with an open mind, and you really step back from where you are at, and look at the big picture, then I guarantee you, you will see a 180-degree turnaround in being proactive vs. being reactive – significantly increasing your billing - while reducing your cancellations and revisions.

This book is all about how to change your perspective, and therefore your approach to the stations. How to truly take charge of your avails to meet all your billing parameters with your station list. How to re-connect with the human side of the stations, instead of letting them get away with in-human responses, because everything is done in email and fax.

This e-book is about: how to communicate with the stations, to really create a Win/Win for them, for you, your agency, your clients and the viewer!

While this book has a lot of technical how-to’s, I have tried to make it as fun and easy to read as possible. I wrote the book in short chapters, with lots of illustrations, to hopefully, make the reading enjoyable.

My expertise is buying infomercials, but over the years, I have been very successful at buying Spots, Radio and Newspaper by using the exact same techniques I developed in Infomercial buying. The techniques are completely transferrable to Direct Response Short Form, Radio, and Newspaper mediums.

3 years ago I started buying newspaper print for seminar advertisers, and naturally I went to the two largest print agencies for avails. The first agency I went to was the largest and most well known. I was completely shocked at how high their rates were. Even though I was passionately [telling their media director what to say to the paper to lower the rates]... they did not do it, and the rates remained way too high.

So I went to the 2nd largest agency that billed 40 million a year in stand by newspaper. The rates were great, but I became such a nuisance calling everyday to ask if I was going to run. The rules for standby newspaper are that you schedule a one to two week window of time, and if there is 'extra' space the paper will 'drop' you in. It's like 'stand by' with the airlines. And; for a seminar, this clearly was not going to work!



Then it occurred to me: "You can buy this yourself, just use everything you know about the Infomercial consumer and transfer that to the same consumer who is reading the Newspaper.

So I picked up the phone and started buying it myself, doing the same thing I did for Infomercials. I started: By asking to speak to the NSM to establish a win/win dialog of possibilities.

Even though I had never bought newspaper before, by using the same techniques I developed in Infomercial buying, I had the same results in print. Great rates, with win/win negotiations.



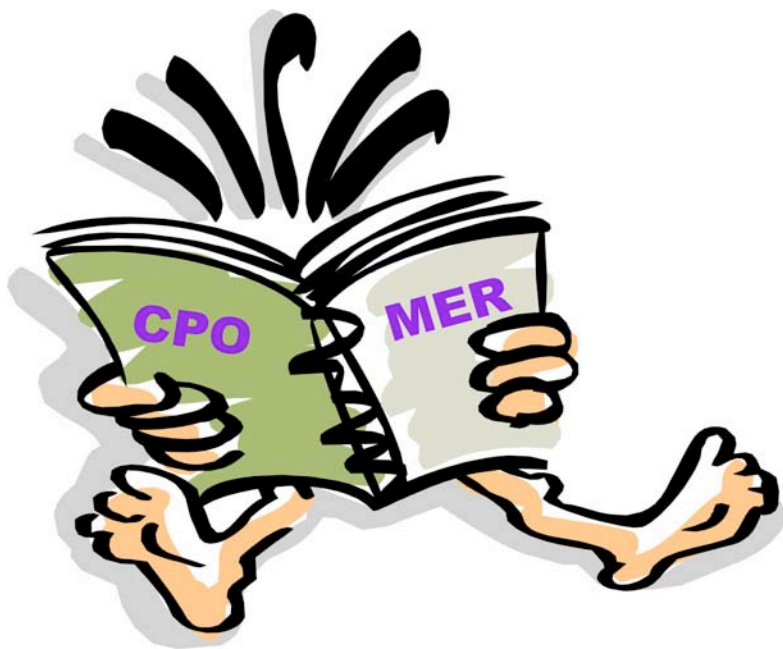
Five years later, I have maintained all my seminar clients by turning the stand by rate into a guaranteed run rate, with guaranteed dates and sections! It took me a full year of persistence with the papers to accomplish this... but the time spent was well worth it. What began, as an uphill battle - has now become - an enjoyable downstream ride.

And, of course my clients love having guaranteed stand by rates! They could easily go to much larger agencies but they know they won't get the same results. At the larger agencies too many clients risk becoming: 'just another show title', instead of having a customized campaign that really meets there needs!

The Key to My Success as a Negotiator, Has been three fold:

1. Understanding consumer response. I've always said, "I work for the consumer... my job is to bring them what they want, and I have a good understanding of what that is, from years of studying results!"
2. Commitment to communicating to the Station: what THEIR Viewer is telling me about THEIR station... based on Results!
3. A genuine interest in listening to the station's needs to create a Win/Win for all parties involved.





There is a complete novel in the 'past history' that actually makes for a very suspenseful thriller! I simply share that intriguing story with the NSM. How could they not be interested? It is all about 'Them and Their Viewer' and what my clients can bring to both of them! I educate them on the 'Norm' of all the markets in the country. I don't hesitate to stand up for a Win/Win deal, when they are pushing a deal on me - which is only in their favor.

It is my intent to empower you with a great sense of Confidence in what your station rights are... to meet your billing goals... and to share with you what has always worked for me to get the best deals at the best rates, so you can thoroughly enjoy being a great D.R. Buyer!

Chapter: 1

The History of Infomercial Media Buying

1984: In the Beginning...

We, (the buyers) were calling all the shots!

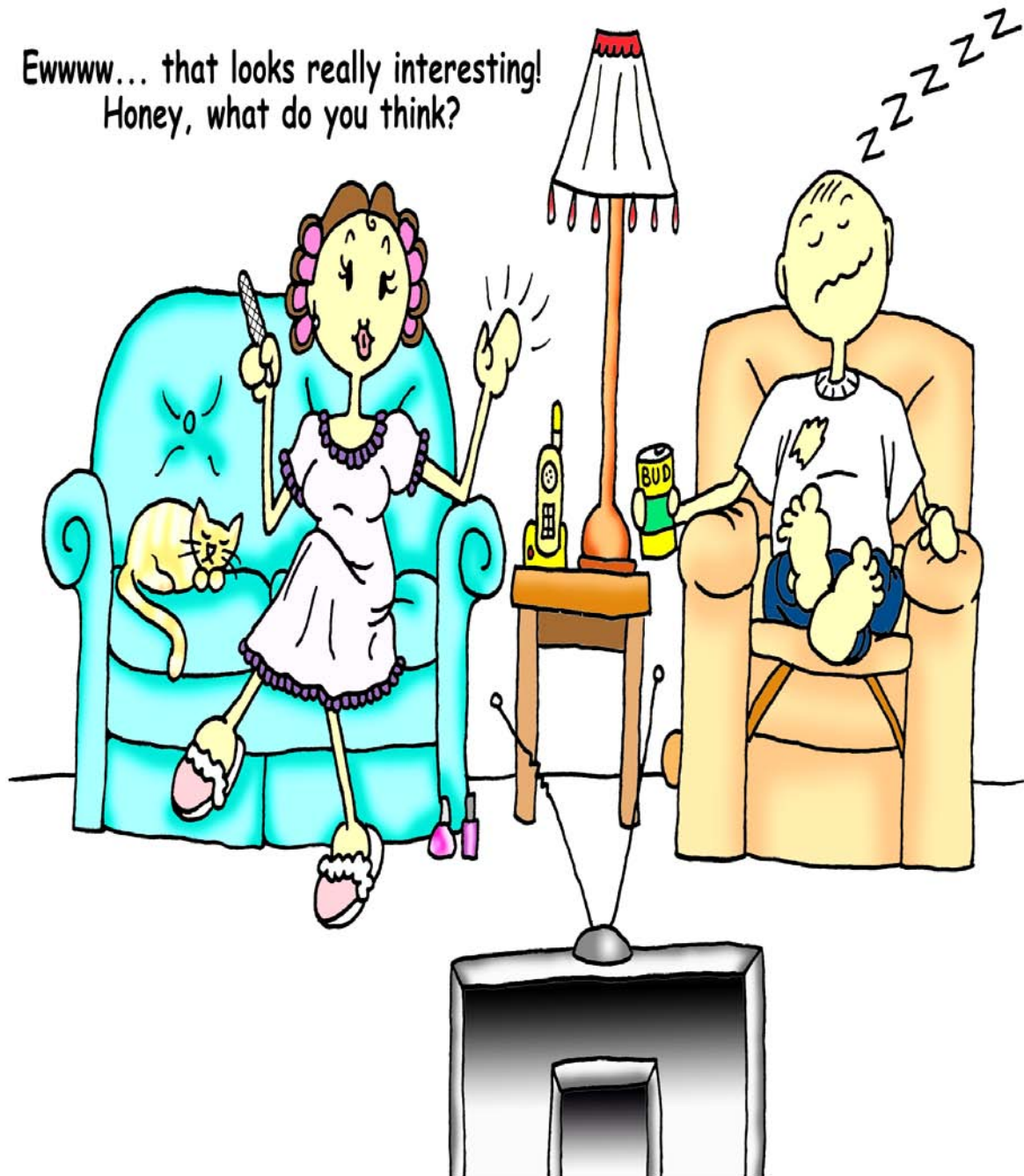
To understand how to negotiate great avails at great rates in an email world, I need to tell you the story of how we (as an industry of media buyers) lost our power to the stations. It's actually an interesting story, if you don't already know it.

It begins with...

The Theory of Least Consumer Resistance

THE THEORY OF LEAST CONSUMER RESISTANCE

Ewww... that looks really interesting!
Honey, what do you think?



1984:

When 30-minute commercials were de-regulated from 5 minutes to 30 minutes in 1984.... Wow! What an exhilarating ride. There were a few no-money-down real estate guys who jumped on the bandwagon. I was in the right place at the rate time with Ed Beckley and Tim Hawthorne.

I was thrilled to be one of their first 10 media buyers. Tim Hawthorne, having a professional TV background, gave us training that made us the very best buyers in the industry.

I immediately loved the buying game. 30 minute paid programming had been off the air since the 1950's - so it was up to each buyer to call every one of our stations and EDUCATE the station as to what we were doing. The philosophy of Infomercial buying was all about 'Operating from the Theory of Least Consumer Resistance'.

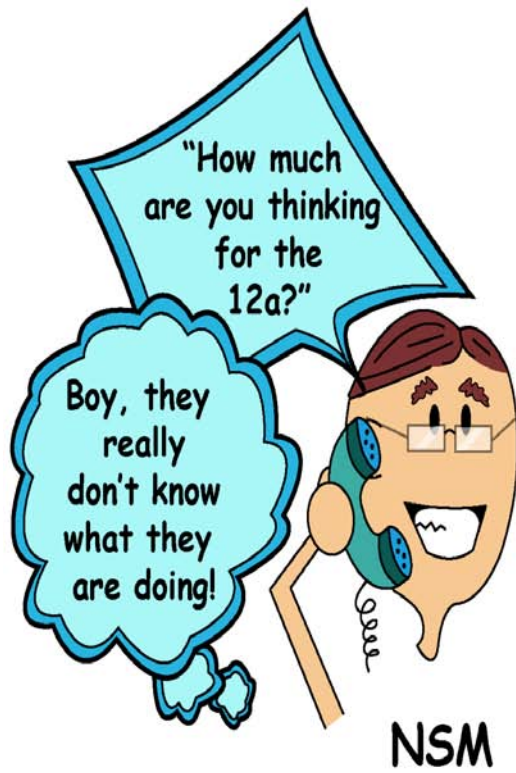
The theory of least consumer resistance was just the opposite of traditional advertising, which is all about the highest rating exposure. This made perfect sense. No one is going to pick up the phone while cooking dinner, monitoring school homework, bathing the kids, feeding the pets and dealing with 'general end of the day chaos'. Direct Response is all about the 'call to action'. Getting the consumer at a time when they can focus on your message, hear it, and want it enough to pick up the phone to buy it.

The theory was, wait until they are completely relaxed and offering no resistance to listening to your message! That meant airing late nights and weekends! This was a whole new ball game for the TV Stations.

And that meant... it was our J-O-B... to Educate the Stations!

We Educated the Stations... Not... the other way around!

Not... the other way around!
We Educated the Stations... the other way around?



Since we were wanting the traditional advertiser's "worst" time periods from the stations, this made negotiations a blast, as the stations felt guilty to be giving us such 'low rating' time periods, even though we were specifically asking for them.

Getting a low rate was incredibly easy, since they felt guilty to be selling us an 11p or 12m instead of prime time. You could actually feel them sympathizing with our 'ignorance'! Of course... we capitalized on their pity to the max! Especially sympathetic was every station when we went to purchase first quarter... the worst time of the year for Traditional Advertisers.

Traditional Advertising budgets follow retail-buying trends, where consumers are financially maxed after the holidays, and therefore spend considerably less retail dollars in first quarter.

In a nutshell: Traditional Advertising budgets go down in first quarter, along with consumer spending. So while the rates were lower in first quarter, the HUT levels were the highest, due to everyone hunkering in for the winter.

We had to call and educate each and every station. And ... it was the NSM's 'sales job' to educate us about their station, position in the market, limitations and possibilities of their programming time... etc. Together, the NSM and the buyer were opening the time periods for paid programming, and we the buyers, were setting the rates.

Since there was no past history, we strictly used rating books to gauge the value of our avails. We looked up the HUT levels for every time period as well as the HH for each day of the week and the weekly average for HUT and HH levels on every time period. We then used what we learned from each station in a market - as a factor. As we accumulated past history, then we would simply take all the factors into account and use our best hunch on what the price should be for any given time period.

When we went into a new market or station, we would use our rating books to look up a comparable market that we had already run

in - then look up our past history in the comparable market, and use that as our gauge, until we had accumulated some consistent past history.

We felt so savvy with our rating books... like we were not making it up... we were talking apples to apples, using languaging the stations lived and breathed by - while introducing our education of what "pay-out" meant.

As a result: When we negotiated with each station, we educated them on our 'accumulated factors' and how we came to our decision on what the rate should be. We were very confident in the rate we wanted, as we had thoroughly done our homework on each station. If the station did not meet the rate we proposed - we knew we had all the other stations in the market to reach our market goals with.

We were taught how to look at the market as a whole, always be friendly, and when we went to renew a contract after a few test times, to always say, "I need a lower rate." We were taught to: Never say the actual profits, only the losses. We were buying for an in house client, Ed Beckley - so no matter how great the pay-out was, we always wanted an even better rate - never hesitating to ask for one.

For example: At that time, I bought all the cable networks, and I vividly recall on BET, I had Sat and Sun 7:30a & 8a and was paying \$300. for 7:30a and \$350. for 8a. Well, true to my training, I called the NSM and said, "I need a lower rate."... She was like, "Wow, Gabriella, you already have the lowest rates on the network, but OK." Now, I did feel guilty about this, but I did not lie, none of us did, we did not say why we needed a lower rate, just that we needed one. She lowered my rate to \$250. for 7:00a and \$275. for 8a. Ed Beckley was literally making 10k on each time period! OMG! I did feel guilty, but... what a thrilling ride we had... All of us!

Eventually I got some backlash for being so 'rate aggressive'. Tim Hawthorne was continually bringing people in, so we could learn more about what we were doing, and how to do it. One guest was Frank Cannella, who was working at Eicoff in Chicago. Alan Eicoff had written a book titled "Direct Marketing Through Broadcast Media" that was

required reading for us, so we had a lot of respect for the Eicoff agency.

Frank came in to teach us about buying cable. In his 'talk' he said several cable stations had mentioned that 'we' (meaning I) had rates that were too low. All he had to do was say that... and I stopped 'low balling' the networks, as well as the stations. My first lesson in truly win/win buying. The pay off was... no more guilt!

The early days were a true win/win for the agencies and the stations. The stations were getting cash in advance - with uncapped budgets, the advertisers were making a killing, and as buyers... we were calling all the shots by educating the stations on what to do, instead of the other way around. We were heroes in the eyes of our clients - and our bosses.

We also had our first tough lesson in unprofitable offers. The Beckley Group was selling a \$400. book and tape with a 6-month return. Back then it was an assumed risk that very few people would return their product after 6 months...

Well... not only did they, they did it in droves - and it put the Beckley Group out of business. The stations got their first bad taste of being "ripped off". Many stations did not get paid. As the buyer for Cable and all of Canada, I was mortified. It never occurred to me I could be in a position to hurt the station financially, and it never occurred to the stations either, as we were all riding on such a high.

1987:

Pioneering Opportunities

A few years after the Beckley Group closed, I joined Katie Williams in Los Angeles, help to help her start her own agency. With only a few agencies in existence, once again, we had the opportunity to continue pioneering the industry.

We had one of the very first home shopping shows on the air. Instead of sending tapes, the stations just had to 'turn their dial' to the satellite channel and pick up the show. We called every station to ask them if we could buy their overnight time.

At this point in time, all the stations went off the air at a certain hour. The stations were baffled at our request.

They would have to pay an engineer a couple of hundred dollars to stay at the station to fulfill our request. Plus it would cost them electricity. It was a decision for management!

I remember we had set a rate parameter for ourselves: we would not pay over \$200 for any given half hour - for any station in the country. If the station wanted more than that, then we would just pass.

Well, the rest as you know... is history. While our overnight home shopping client eventually fled the country - overnight avails are now

the accepted norm. But back then, once again, we had a blast pioneering new time periods at great pay-out rates.

The early days were exhilarating for both buyers and the stations. Traditional Advertising works strictly on specific budget parameters and pay no less than 30 day net - while paid programming brought unlimited budgets (governed only by pay-out) and was cash in advance. As any business would, the stations loved this new increase in their cash flow, greeting our calls with much enthusiasm for more possibilities.

The other major advantage for the stations: by selling us the half hour - they didn't have to worry about selling x amount of spots per half hour - to meet their budget requirements. They were getting cash in advance, selling us the most unpopular time periods and they had less work! They loved us

The Moral of the Beginning...

We had to call each and every station since the avails did not even exist yet. We had to OPEN up 30 minute paid programming with EACH station. Essentially, in every single call to every single station, it was we, the buyers, who were educating the station to Infomercial buying, not the other way around.

We really spent time with the NSM's going over ALL the possibilities in their program schedules of what they could

preempt for us to test. Where could they squeeze us in, what was the minimal damage to the viewers habitual viewing habits, what were they absolutely locked into by the networks that governed their programming? Surely the viewer could miss a few Gilligan Island's, I Dream of Genie and Andy of Mayberry!

Our goal as buyers was to very strategically test every day part. Early mornings, weekdays for the housewives, different nights of the week and several different day-parts on the weekends.

We fastidiously analyzed our results and ratings data to make the very best educated guess, in every single buy. Our attention was always on the market as a whole... on saturating the market reach... while never losing sight of our overall billing goals vs. pay-out... with our market lists.

1992:

"Tell it like it is Itis" took over!

I need some more of those great time periods. They really paid-out!



Buyer



NSM

We were on our 3rd and 4th generation of Infomercial media buyers, and the art of training was already a thing of the past... so buyers would call the stations and say, "First quarter is our best quarter of the year, I need some more of those great time periods!" Well, you can imagine what the stations thought and you are right... "Cha-Ching!"

It is now well known that first quarter is a great time for Infomercials - except now the rates are so high, that it is not uncommon for first quarter to be one of the worst pay-out quarters of the year.

Negotiation 101 is: You never tell how much money you made - only how much you lost! The stations will only use your 'profits' as fuel for higher rates. How could they not? Can you imagine anyone from a station telling you what his or her profit is? Of course not - No one would even consider it! They only tell you how much they have to have for the time - like the station will disintegrate if they don't get it!

By now, buyers were no longer working with rating books, only past history, and calling stations and saying, "My CPO is too high."

Can you imagine what the stations thought: they weren't sure if they were hearing something too personal or just misunderstood what the buyer was saying. "Excuse me, but your what is too high?"

Buyer: "My CPO! IT IS \$54 AND IT NEEDS TO BE \$25!!!"

Station: "I'm sorry, and exactly what I am suppose to do for you?"

I used to do in-house training for my peers, and the first company I went into; was the largest in the industry at that time, and I was astonished to discover that in their past history computer program, the buyer could only view CPO's, no dollars and cents. Clearly, Infomercial media buyers were so overwhelmed with the combination of meeting budget and CPO parameters that they were not even aware - on a business level - how to talk to the station, in terms that the station could understand.

Stations understand nothing better than Dollars and Cents!

Not only was our languaging very self-centered, it was an immediate alienation between seller and buyer. Paid Programming has always been a sellers market - so we need every advantage to sell right back. Talking in our own language that the stations could not equate into dollars and cents was our first real inroad as an industry to losing respect with the stations.

Brand new buyers were being hired, and just thrown into the task of media buying, without any big picture understanding of what they were doing. The general instructions were pretty much the same: 'Bill as much as you can, use past history, test 2 times, 2 weeks apart so you can get out if it bombs, if it pays out - buy more, if it doesn't, get a rate reduction or cancel.' Buyers across the country were being trained on how to focus on the trees without a clue to what the forest looked like as a whole.

1994 - 1995: Mayhem!



The industry was thoroughly booming! The stations started flip flopping ownerships like crazy: Independents getting on UHF channels and Affiliates switching to VHF channels. The Independent on channel 54 was suddenly the NBC station! The stations were very excited about all kinds of possibilities for their income growth.

By now; it was also a well-known fact that Infomercial clients went bankrupt, were shut down by the FDA, the FTC, the FCC and the IRS - leaving outstanding media payments in the millions. The stations were continually being hurt, so they had started implementing some very strict policies. No check or tape by a certain date and you don't run!!!

Infomercial money was long past an enthusiasm for the stations – instead, it was a necessary evil. Stations now relied on that cash flow, and their initial gratitude for it - was long gone. They had been hurt too many times – from non-payment and late tapes. Too many stations were never paid, and now with a vengeance, they started taking matters into their own hands.

We had proven at this point, that as an industry, we did not care who we hurt. In reality, this was not true of the media buyers and the agencies that care very much about their win/win relationships with the stations, but it certainly was true of our clients. They were out to see how much money they could make with no true regard for the stations or the consumers.

**We had become an industry all about
Greed!**

And... the Stations had, had enough!

"You don't care about us, so we are no longer going to care about you! We are going to sell our time to the highest bidder, and that's that!"

When everyone accepted those terms, the stations took it a step further...

"If someone comes in with a certain amount higher than you are paying, you are outta' here!"

Ouch!

And thus began...

The Bidding War

SOLD!
**To the Highest
Bidder!**



About this time, I had acquired Charles Givens' account, which was buying a million a month for his seminar business. I had to call about a hundred markets to secure guaranteed time for his events. Boy was I shocked, when I was introduced to the Bidding War!

And even worse... the stations would not guarantee the time. Even if I bid the highest, someone else could come along, pay more, and I would be pre-empted.

“What the Hell is This!?”

I could not have been more shocked. Since I personally bought the time myself, I had to speak to every single NSM, and in many cases, the GSM to fight for my rights. It is now a well known fact that seminars automatically pay more and pre-empt already sold half hours, for double and even triple the going rate. I think this is just wrong. They actually have the toughest pay-out criteria of all the offers on the air!

Not only do they have to make the phone ring, the person has to register for the free event, actually get off their rear end the day of the event, show up, and then be sold to buy the product. Thousands of dollars are spent weeks in advance of one single sale. And, to top it all off, the flight window is so short, they never cancel, and they always pay! Give these guys a break; don't rape them because they have to run on certain dates!

It was, and remains by far... the toughest negotiations I have ever done. And yet... I was able to get every single station to exempt me from the bidding war, at regular – not inflated – rates, with a guaranteed run!

However; it was interesting, because I added “Guaranteed Run – NO Pre-emptions” to my booking sheet they had to sign, and then it was like another round of negotiations to get them to sign off on it. They all did - because I was like... “Hey, you already agreed verbally, so you are just putting your verbal agreement into writing!” Jeeza Louisa!

One of the biggest negotiation leverages I had; was the flight window was only a two week run and cash in advance - so there was no way my client could cancel. It was a guaranteed deal for the station in return for a guaranteed deal for my seminar client. I solved their

problem... they could not get ripped off and they had guaranteed billing!

Equally important to note here: I tenaciously pushed through their anger and frustration to get them to re-connect to fair business practices on behalf of my clients and myself, and the persistence paid off!

The other big surprise I had at that time... calling so many individual stations, in so many markets around the country... was that... 90% of the stations directly said to me... "We can not stand you! We do this only for the money. You have ripped us off so many times, we are sick of it! You have no professionalism! You don't do what you say you are going to do. You don't pay; you don't get your tapes here on time... Annd, a new buyer comes into your industry, works for two weeks and then leaves to start his own business! It's ridiculous!"

I will never forget just sitting there listening to this, very quietly I might add, taking it all in, letting them really vent... and in truth, very saddened by the reality of what we had become, as an industry.

My response was simple. "I understand completely. But I need you to understand, what you are describing, you have never experienced with me or my agency. I am in the industry, but I do what I say I am going to do, and so does my client!"

I had to really stand up to each and every one of them, to get that point across!

Just to write this, I have to take such a deep breath... it was truly a tough turning point... the love of it all was clearly gone, between the buyer and the station.

Now that bidding wars are the accepted norm of Infomercial media buying, I will thoroughly cover in this book, how to reverse your rights in this unfair Win/Lose business practice.

2008!

Where We are Now

Twenty-four years later!

Now here we are... doing 98% of our buys strictly through email and fax. Totally powerless to know exactly what we are getting until we get it. This is really bad business for all but the largest agencies that do know what they are getting... so much so, they get to buy it on an annual contract instead of a monthly or quarterly contract like every one else. Essentially, the majority of buyers, are buying the leftovers.

There are a handful of very successful media agencies that have proven their reliability to the stations over the years, and they get special treatment because of it.

They have 'their' times, which they can buy annually, at rates below the normal bidding war rates. And trust me, they are getting a good share of the best times the station has available. Why? Because the stations know that for the most part they will hold their own, because they have plenty of show titles to rotate into the time - and they pay on time & send their tapes on time - making the station's life easier. The stations know they can 'rely' on 'them'!

Long gone are the NSM conversations of opening new time periods and wheeling and dealing a great package deal. Every station has an NSA (National Sales Assistant) who is pretty consistently 20 years old, too young for any prior businesses experience.

And yet, this is the person in charge of 'Negotiating' our avails. Our avails are the life and breath of our agencies and our clients! Clearly the NSA's have been given their parameters of highs and lows and that's it. And for some, there is zero negotiation. I quickly realized this is the toughest negotiation of all! Put an NSA in place - that only has the authority to take the rate they were told - with no flexibility to go any lower... is nothing short of... YIKES!

That means the NSM feels no guilt about hurting us, because he or she never knew they did. They just know if their NSA or 'paid

person' did their job or not. This new way of operating, takes away all the powerful win/win influence – that OUR side of the story has - on the outcome of what time periods we get and at what rate.

The NSM is a businessman! When you talk to the NSM about your business, believe me – he understands! In contrast, the NSA probably still lives with their parents rent free; completely deficit of life experience, much less understanding the nuances of how to manipulate and negotiate a win/win deal for all parties involved!

Today, all avails are emailed or faxed... you put in your bid... send it back... wait and see what you get! For me, this has got to be one of the most dumbfounding business practices of the 21st Century!

How can you budget your quarter? How can you plan your billing goals for each client and your agency station list as a whole, not to mention the most fundamental thing of all... maximizing market reach!?

I already know the answer. You can't! All you can do is keep scrambling every single day for leftovers, fallouts, cancellations, new time periods and fire sales to keep upping your billing. That is, if you can even find the time of day, with all the bid requests, cancellations and revisions!

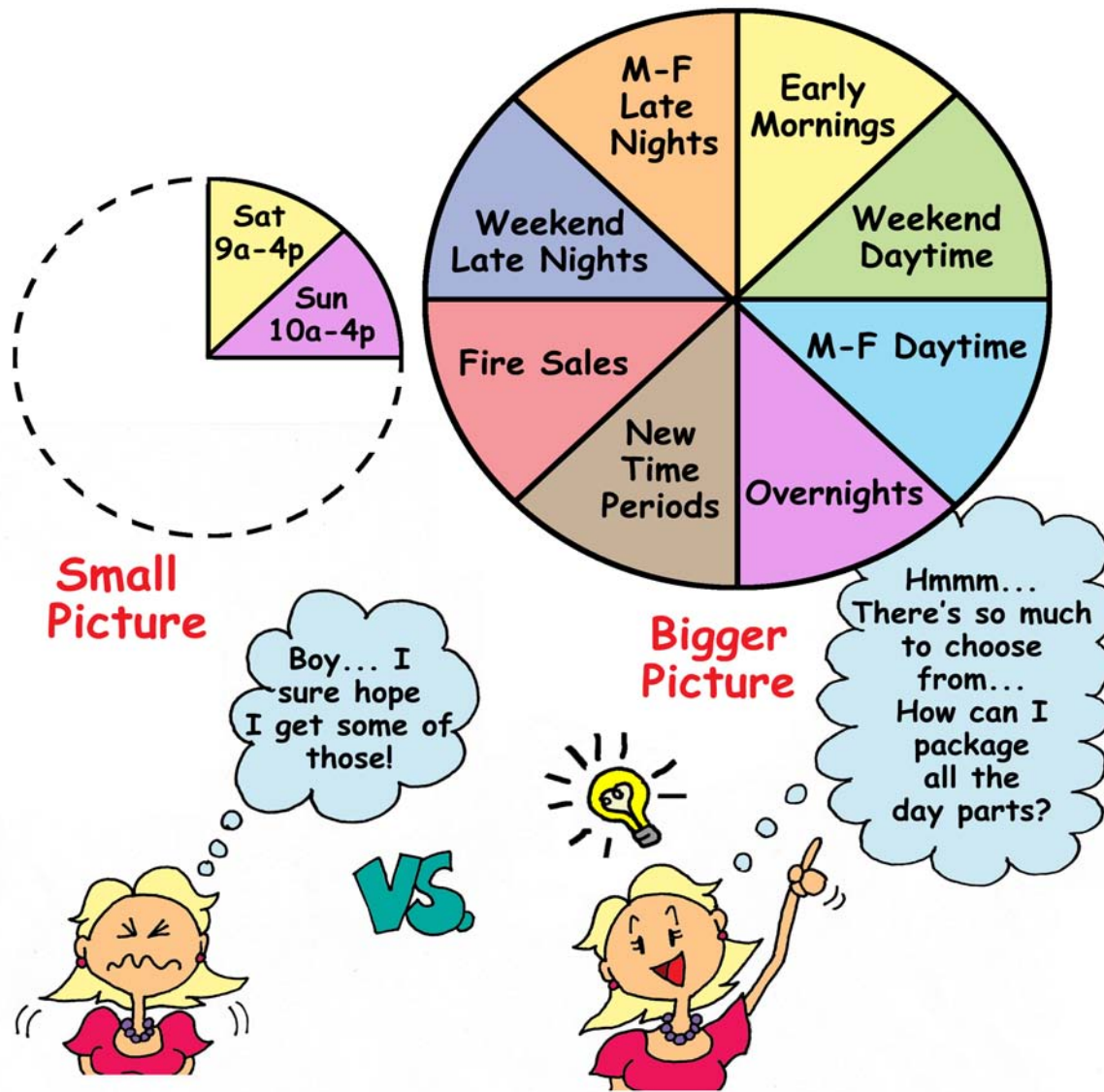
By never picking up the phone, you have absolutely zero chance of turning this around! And... since you can clearly see where I am headed, let me admit it now....

Yes! This is about picking up the phone to call the station. But I am going to tell you what to say to avoid any conflict with your 'paid person' or the 'Rep', as well as offer you effective questions to ask your 'paid person' so you KNOW what outcome to expect from the bidding war, long before it is over!

I am going to show you how; by spending time UP FRONT of a buy, you can save yourself untold hours of work for the duration of your contract! If you apply yourself to reading this book, I guarantee you: I will show you how to stack the deck in your favor. I have done the same for myself using the exact same techniques I am going to share with you. I always know; Pre-Bidding War, what I am 'getting' from each station, no matter what the situation!

Chapter: 2

The Business Approach to Media Buying



The Bigger Picture vs. the Smaller Picture

You can't win the bidding war without...

Confidence!

And you can't get the necessary confidence without a bigger picture view of your agency and your avails as a whole.

This section of the book, gives you 12 concepts to empower you with a strong conviction of why you are 'Entitled' to Win the Bidding War, on each and every station.

If I could magically zap you with anything... it would be with a businessman's confidence... whether you are a man or a women... Confidence is a very crucial and Empowering element in your core approach to all potential contracts.

Knowing your rights as an equal, and how to communicate that to your fellow businessman or woman at the station, is 50% of your success. The other 50% is knowing your business – and theirs – inside and out!

The stations are in this solely for the business aspect of bringing in cash, and guess what? So is your agency and so are your clients! Feeling entitled and confident that you need each and every deal to bring profits in the door for your agency and your clients...

Is no different than 'Theirs'.

Since I can't magically zap you with the confidence I would like to: I am going to cover '12 Basic Concepts for Building Your Confidence' as the Station's Equal.

Buy e-book Now \$29.95

60 Day Refund

<http://1.gdonivan.pay.clickbank.net>

Go back to the Home Page

<http://www.greatmediabuyer.com>