

## TV Advertising De-mystified

We get a lot of enquiries on how to get TV advertising on air. Below are some common questions we get and the answers we give.

(But firstly, if you scan all of the Q&As below, you can be forgiven for thinking there is much to organise with a TV advertising campaign. And yes there is. But relax. We take care of it all!)

- How is TV advertising different to – say – print or radio?

There are pros and cons with every form of advertising. Radio tends to be more subliminal whilst print is only ever a turn of a page away from being missed completely.

Conversely, good television advertising is intrusive.

It is dynamic, and it engages nearly all of the human senses. This assists greatly in appealing to the all important emotional factor.

However, compared to other mediums, TV advertising can be more expensive. It's therefore important to first make sure you carefully choose the message you want to broadcast and to which demographic.

All the basic rules of advertising apply to TV. If you don't already have a copy on your bookshelf, compulsory reading is "Tested Advertising Methods" by John Caples.

There's also a classic formula used by advertisers and it's well worth remembering. The formula is AIDA. This stands for

**A**ttention  
**I**nterest  
**D**esire  
**A**ction

Of course a good producer will automatically take these things into account coupled with visually appealing creative content.

- Is my TVC (industry jargon for Television Commercial) guaranteed to increase sales?

No.

Advertising is a very imprecise science. But if you have done your marketing homework and you broadcast the right message to the right audience, you greatly increase your chances of hitting the mark.

“Half the money I spend on advertising is wasted; the trouble is I don't know which half” -- John Wanamaker

- What makes up the cost of a TV advertising campaign?

The total cost is made up of two parts. The production costs of making your TVC and the broadcasting of it on the networks. For 99% of campaigns, the cost of broadcasting far exceeds the cost of production.

- How much does it cost to produce a TVC?

Refer to our article “How much does making corporate video or TV commercials cost?” by clicking here <http://www.channel1.com.au/articles/corporatevideotvcommercials.asp> .

As a basic guide, the bare minimum for making a 30 second TVC from utilising still photographs, royalty free music, lots of screen titles and basic 2D graphics is approximately \$4,000.

From here the sky is the limit depending on each project's individual production requirements. We can offer you some guidance here based on our experience.

- Why is purchasing TV advertising placement relatively expensive?

Basically, it's reach.

Free to air TV is watched by thousands of people every minute of every day. In fact, this is the measuring stick by which advertising placement is charged. Advertising pricing is largely determined by the CPM (or cost per thousand TV viewers).

No matter how critically acclaimed a program may be, if it doesn't have high enough ratings, it won't be able to draw enough advertisers.

It's these ratings that are used to determine how much networks can charge for commercial time. Networks will look at the ratings and the demographics of their viewers (their age, sex, and where they live) to determine a program's CPM. By way of example, if the CPM is five dollars per minute, and rating surveys show an audience of one million viewers, the cost for a 60 second commercial is five thousand dollars. Therefore commercial cost for prime-time programs can be high.

- What sort of budget do I need to advertise on TV?

This really depends on your target market. To produce an approved TVC, it can cost as little as \$4,000. To get it to air depends on a number of factors:

- Who is your target market?
- Where are they – regional/metro/statewide/nationwide?
- What time of day will you advertise? (It's obviously much more expensive to advertise in the 6pm news slot than in the 3am re-runs)
- What time of year it airs? (seasonal fluctuations)
- One network or multiple networks?
- What placement are you seeking in each network's schedule?
- Regional or Metro? (regional is much more affordable than metro if this is your market – approx. 30% less on a CPM basis)

For a week long (multiple ads) targeted campaign on one regional station, you may spend as little as \$10,000 for a TVC to be produced and aired.

For some advertisers however, this wouldn't cover one tenth of their production bill!

- Who books advertising space with the networks?

We specialise in negotiating packages with the networks on your behalf. We make a modest commission for doing this, but from the network – not from you (a lot like a mortgage broker for a home loan in this respect).

It can be done, but beware of booking advertising placements yourself. We do this on a weekly basis and know the ropes. Let us work on your behalf!

- Should I advertise on one or multiple networks?

Like most businesses, the networks offer incentives for you to spend more money with them and less with the others. The bigger the bag of cash you go in with, the lower unit cost of each ad and the more "bonus spots" may be offered to sweeten the deal.

- I've had my production priced elsewhere and it's half your quote!!

Some networks offer subsidised production costs in conjunction with the advertising schedules they offer you.

These can sometimes work well, but please be sure you know EXACTLY what you are buying into and that you are completely aware of the terms and conditions.

It is unlikely you will "own" either the footage or the commercial and you will be limited to use the TVC on that network only.

- Do advertisements need to be approved?

Yes. Commercials Advice Pty Ltd (CAD) is operated on behalf of Free TV ([www.freetvaust.com.au](http://www.freetvaust.com.au)) and is responsible for approving and classifying each and every advertisement seen on free-to-air television. After each commercial is approved, it is allocated an individual CAD number which is essential prior to it being placed into any network's advertising schedule.

A full document containing approval checklist items can be found here: <http://www.freetvaust.com.au/SiteMedia/w3svc087/Uploads/Documents/6d2caeb1-0cef-4422-935c-e68e81d34d5f.pdf>

One thing to be mindful of is that each individual advertisement needs to be approved. For example you might want a 30 second and a 15 second TVC made for 3 different states. Each state has its own end-tag (i.e. contact details at the end of the TVC). For approval purposes, although the advertisements are essentially the same, all six need individual CAD numbers allocated to them (costs for approval increase accordingly).

- Why should I have both a 30 second and a 15 second TVC produced?

For a number of reasons. Firstly, from purely a production point of view, there are excellent economies of scale in producing multiple jobs at the one time. Usually the cost of making an additional 15 second commercial is relatively minor.

A 15 second TVC is obviously less expensive to air and adds to the frequency of your message being received by your target audience.

Also, having a 15 second TVC in addition to a 30 second TVC assists with negotiating bonus-spots into a network's schedule.

Many advertisers opt for placing their 30 second TVC at the start of an ad break and then reinforce that message with a 15 second ad at the end of the break

- If I want to have my advertisements on air Friday afternoon, what lead time do we have to work with?

Your TVCs should be with the network 24 hours prior to the advertisement going to air. 24 hours is needed for CAD approval and 24 hours is recommended for allowing electronic delivery to the networks via the Dubsat distribution service. Therefore 4 full working days prior to your TVC going to air, the production should be fully signed off.

Therefore in the case above, the production of your TVC needs to be signed off and approved by the Monday afternoon.

- Why Channel 1?

We have produced over 1,000 TV commercials and make the whole process as easy as possible for you. We are very economical for production and we're experienced in buying advertising from the networks.

If you would like to see some of our work, please click here <http://www.channel1.com.au/services/TVadvertising.asp> to see some specific TVCs we've made or here to download our showreel <http://www.channel1.com.au/services/showreel.asp>

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