

YOUR OWN HOME SHOPPING SHOW

TV marketing is the new dominant form of distributing products from the source directly to the end user. It's the new electronic mall that brings the retail stores right to your living room.

LONG-FORMATS

Half-hour shows that hawk products from screwdrivers and shampoos to exercise equipment and how-to programs is not at all a new concept. After all, during its infancy, advertising was what television was all about.

These long-form ads, now commonly called Infomercials, has fast become the new growth area in mail order marketing.

CATALOG FORMAT

Unlike infomercials that sell only a single product throughout the 30-minute show, the new twist in TV retailing is the catalogue format. Here, the producer of the infomercial offers products from different sources.

Independent producers are now putting together half-hour shows that showcase "theme" products as in a catalog. There are shows that feature jewelry, audio CDs, electronic items, clothing, etc.

The idea is to present uncommon products that appeal to your target market. These products may be from different manufacturers or importers who will give you the exclusive rights to market their products on television.

CHARGING A BASE FEE

You can charge these manufacturers a base fee for featuring their products on your Home Shopping Show. Considering that their exposure on TV will give their products visibility that can help their regular retail and other marketing efforts, a base fee for their participation is essential and reasonable.

This fee can offset the cost of your production. For example, if you have 15 products that will pay you \$750 each, you'll make \$11,250. This basic fee can more than pay for a simple broadcast-quality production finished on 3/4-inch U-Matic video system.

PERCENTAGE OF SALE

In addition to the basic fee, you can structure your pricing wherein you

can collect anywhere from 10% to as much as 25% of the gross sales for each and every product you feature in your show. Ideally, whatever percentage you charge as your margin should pay for your airtime cost plus give you a decent profit.

The order taking can be done by an independent service which you must hire. Orders received are forwarded to the respective manufacturers who drop-ship the merchandise to the buyer.