E-LESSON #16: ROI #2

MANAGER OR FACILITATOR MEETING GUIDE

NOT FOR DISTRIBUTION TO SALESPEOPLE

In this E-Lesson we continue to explore the benefits of calculating ROI with local direct clients. We'll look at how to double or triple what the client "thinks" he should be spending on our station and we'll take a good look at where rate resistance comes from.

Educate and manage expectations by knowing the client's average sale and gross profit margin. Use those numbers against your station's CUME and your schedule cost to show the client the odds are good that your station looks like a good calculated risk.

The purpose of this lesson

E-LESSON #16: ***ROI #2*** continues with the process of managing client expectations about results. In this lesson we focus on:

- Using ROI to more accurately determine what a local direct client should really be spending on your station.
- How to double or triple the amount of money your client is spending with you
- Where rate resistance comes from
- How to know when to "fire" a client

How to effectively deliver this lesson

1. Know the total persons weekly CUME for your station. We're looking for the biggest total audience number you can find. If you're in an unrated market or do not subscribe to a ratings service, then come up with a CUME number that both you and your client agree is fair, based on a percentage of the population in your signal coverage area.

2. Work out the answer to problem number two on the Salesperson's Worksheet #16 before the meeting so you can discuss it intelligently with your staff. Answers will vary station to station, depending on your average rate and CUME audience. Pay careful attention to salespeople indicating problems understanding the ROI concept.

3. Begin the session by giving each salesperson a copy of the General Agenda for E-LESSON #16: ***ROI #2***.

4. Download and view the corresponding on-line video with your staff and discuss how your salespeople are presently coming up with the budgets that they propose to direct clients. Did the salesperson just

"manufacture" the number? If your salespeople tell you that the CLIENT determines the budget, try to determine if that client is basing his decision on any kind of actual ROI calculation.

5. Stress that salespeople must discontinue recommending budgets to clients without first working out an ROI calculation.

6. Give salespeople 10-15 minutes to complete the worksheet.

7. Collect and examine worksheets. If salespeople indicate that they do not understand the ROI concept, work with them individually until they do. SALESPEOPLE WILL NOT USE A SYSTEM THEY DON'T UNDERSTAND. Continue to work with the salespeople one-on-one to develop ROI strategies for local direct clients.

8. Examine worksheets for signs of progress or problems in contacting new local direct clients. Consider reassigning accounts you feel are not being called on or are not being called on properly.

Sales Meeting Extras

- Continue to assign red presentation icons in sequence to salespeople. In front of the staff, have them cover the material in their own words. Then ask the staff to evaluate the presentation.
- Regularly schedule "Creative 101" seminars. Ask salespeople and production people to work together to come up with better spot creative.
- Start the next few meetings with an ROI refresher course. Come up with a client and work out an ROI calculation in front of the sales staff. Work one on one with any salespeople who don't get it.

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