

E-LESSON #19: How to Create Simple, Logical Proposals



GENERAL AGENDA

HOW TO MAKE AN EASY AND VERY EFFECTIVE SOS PROPOSAL

By Paul Weyland

This section will teach you a way to develop a one-sheet proposal called an SOS. What is an SOS proposal? It's a simple, customized **business plan** for your client. Here's why you should stop "winging it" on something as important as a proposal and immediately begin using SOS one-sheet proposals.

No proposal? Bad idea.

I ran into a television salesperson I hadn't seen in a while. He was excited about a second meeting with a new client in the air conditioning and heating business. I asked him what he was proposing to the client and he spouted off several ideas. I asked him if he had a written version for the client and he said, "No, I'll just wing it." The salesperson said goodbye and ran off to his appointment.

The next time I saw the salesperson, I asked how his meeting went with the air conditioning client. He said, "Okay but I didn't close him. He told me he tried television before and it didn't work, but that I could send him more information in the mail. So I guess I'll mail him some stuff." Sound typical?

Not good. The account exec had an appointment but no game plan. He wasted his time and the client's time and he did nothing to change the client's perception that broadcast advertising is at best, a crapshoot. At this point the client probably thinks the salesperson is just another Chiquita.

Complicated proposals are confusing

Nearly every week a local direct client shows me a written proposal from a broadcast station. The client and I are always amazed at how impersonal, complicated and totally off-the-mark most of these "proposals" can be. In nearly every case the only "custom" element of the proposal is the cover sheet. Most of these proposals contain computer-generated sheets referring to confusing concepts like frequency and AQH. I've seen proposals that were over twenty pages thick! Most contain graphs, charts, rate cards and signal

maps. But seldom do they ever contain an original idea on how the client would benefit from using the station. Many of these “proposals” are nothing more than standard media kits. And shamefully, most broadcast “proposals” are nothing more than low-rate ROS packages.

These multi-page proposals often do more to scare, intimidate and confuse a client than anything else. Seldom are they ever thoroughly read. If they’re not thrown away immediately then they will sit in a filing cabinet for a year. Eventually, they’ll be thrown away without a second glance, or they’ll be given away, to a savvy competitor.

Remember that we’re trying to convince local direct clients that advertising with us is a logical and easy thing to do. So, why would we make the proposal look so complicated?

Great reasons to use the SOS one-page proposal method:

1. The one-page proposal is the ultimate tool for drawing out client objections, which must be addressed in order to close a sale. It serves to immediately focus the conversation on the client's business.
2. A one-sheet helps you organize your thinking. It serves as a script, or "notes" for you. You are less likely to omit an important point. You appear more professional and are more likely to impress the client. In fact, by following this method your presentation skills will become greatly enhanced. It helps develop your thinking in a more straightforward and logical way.
3. You are bringing a legitimate idea, something of value to the meeting. Most media salespeople show up either empty-handed or, often worse, armed with a confusing and generic media kit. Your one-page proposal helps you look like you've done your homework.
4. Each time you work on a one-sheet you become more of an expert in different customer business categories.

First, ask the right 7 questions

Your proposal will contain information that you have gleaned from your client. While I’m educating clients with the 10-step presentation process (those ten red icons we’ve been studying), I also ask the client specific questions, in order to glean information that I’ll need to help my client advertise more efficiently and effectively on my station. Here are the seven questions you must ask your client in order to create a good proposal:

1. What are you doing in the way of advertising and marketing?
2. Why are you doing it?

3. Who are you trying to reach?
4. Those people you're trying to reach...what do they know now about your business?
5. What do you want them to know about your business?
6. What is your average sale?
7. What is your gross profit margin?

Even if I think I already know the answers I still ask the questions. Why? Because I need to hear what the client really thinks, from his lips, about marketing and advertising. By asking questions and listening carefully and not doing all of the talking, I learn a lot about my client. When I ask good questions, I discover HOLES in his perception about marketing, media and my station. I also discover many of his strengths and weaknesses and I might learn a lot about the strengths and weaknesses of his competitors. Then I'll use that information to come up with a concise custom strategy on one piece of paper. I'll also come up with information that will help me create an effective spot.

Here's a conversation with a brake repair service called Don's Brake Repair.

Salesperson: Regarding marketing and advertising, what are you currently doing?

Client: We use the newspaper and the Yellow Pages.

Salesperson: Why are you using the newspaper?

Client: Because it works. We do coupons.

Observation: *ALL media work.*

Salesperson: Who are you trying to reach?

Client: Well, we're trying to reach EVERYBODY.

Observation: *We don't have to reach everybody in a campaign, just a percentage of those people who are ON for brake repair. I can deal with that later.*

Salesperson: Those people you're trying to reach, Don, what would you say that those people KNOW about your business right now?

Observation: *at this point, the client usually begins opening up. I start recognizing some potential problems.*

Client: We run a good business here. We have a reputation, especially with women, for being honest, for doing good work and for installing excellent parts. We were the only game in town. But now we have this national competitor. They are advertising prices I can't touch. But they're using cheap parts and they can't keep good mechanics.

Salesperson: Mr. Barnhart, what would you LIKE for people to know about your business

Observation: *At this stage, the real EVANGELIST inside the client starts to come out. I get a lot of ideas for good scripts from this question.*

Client: Hey, we get a lot of repeat business. And, we've got older, more experienced employees that really believe in doing good work. They treat our

customer's brakes like they'd treat their own. Some of our people have been with us for ten years. We have customers who tell us how the work we did really saved their lives.

Observation: *I'm starting to see a great idea for a spot for this client. Real customers telling real stories about how their brakes saved their lives.*

“When it comes to your family's brakes, you don't want to go to the lowest bidder, now do you?”

Salesperson: What's your average sale?

Client: Well, when you consider everything, about \$300.

Salesperson: And, I'm guessing that your gross profit margin is similar to the national average for people in the brake repair business. What...forty percent?

Client: Forty three percent.

See how much information you can get by asking seven simple questions? Now, let's look at how we'll use that information.

Elements of a good proposal

Like I said, this proposal method is essentially a concise advertising **BUSINESS PLAN**. Here are the elements:

SITUATION

A brief overview on how you interpret the client's specific marketing and advertising challenges based on information you've gotten directly from your first meeting with the client. Don't just regurgitate the history of the client's business. He already knows that. Instead, use **SITUATION** to define a specific problem the client might be having with competitors, or with branding or visibility. Maybe the client is advertising in a medium that's too cluttered with competitors that he can't break through.

OBJECTIVE

A brief description of what you and your station specifically hope to accomplish based on the situation described above. Your objective would include your desire to help your client to break through advertising clutter by making his advertising **identifiably different** from that of his competitors. You would also include a *Return-On-Investment* calculation for the number of listeners or viewers your campaign might generate based on your client's **AVERAGE SALE** and **GROSS PROFIT MARGIN**. Combining this information with **YOUR STATION'S TOTAL CUME AUDIENCE AND YOUR AVERAGE RATE** you come up with a reasonable number of paying customers that you'd have to effectively reach in order to reach a break-even point for your client's advertising expenditure. The point here is to try to come up with a calculated goal that both you and your client think is reasonable and attainable.

STRATEGY

A concise strategy on how you propose to accomplish your objective. You would focus on your creative and scheduling strategies and specifically on *how your plan would benefit your client* in language that he could easily understand. Your cost would be included here as well, but not in such a way that it leaps off of the page. Although the cost of a schedule is usually the most negative item in your proposal, I've actually seen proposals where the price was the biggest and boldest font on the page. *You don't want the client focusing on the cost of the schedule. You want the client to focus on the benefits.* It makes logical sense to make your cost as small as possible by literally putting it in a smaller font. Instead of showing the total cost of your schedule, break it down and show it by day, for however many "X" number of days per week. Or, "X" weeks per year. Let the client do the math.

Look at the examples of single-page proposals below.

SITUATION:

For the first time in twelve years local business Don's Brake Repair is seeing a decline in revenues. Much of the revenue decline is because a national brake repair chain just opened several large locations. Don's has two locations and a good clientele but can't match his competitor's cut-rate pricing. Don has on the average, older and more experienced mechanics. He also has a reputation he's developed over the years, particularly with women, for being very honest, communicative and straightforward. And he uses very good parts. His average sale is around \$200. The value for one new customer is very important for him, as he gets a lot of repeat business. His gross profit margin is forty three percent.

OBJECTIVE:

- To position and brand Don's Brake Repair as the shop preferred by more women.
- To teach (listeners or viewers) how they would directly benefit from doing business with Don's.
- To attempt to draw at least forty new customers per week (that's 1/256th of one percent of our weekly audience), each spending an average of \$200 in order to achieve a minimum of break-even on our advertising campaign.

STRATEGY:

Creative-

- Use an emotional headline in our commercial that will instill fear or caution in the minds of (listeners or viewers) who will need brake repair this week. Make a strong point that purchasing cheap brake parts from some companies could result in inconveniences or accidents.
- Tell stories of how actual Don's customers avoided collisions by having high-quality parts from Don's and expert installation from employees who understand the importance of "good brakes when you need them most". Use the line, "When it comes to your family's brakes, you don't want to go the lowest bidder, now do you?"
- Clearly explain how to get to Don's two locations.

Schedule-

- Run ten spots per day on Mondays and Tuesdays, March-(whenever), avoiding weekend-oriented commercial clutter.
- Cost: \$970 per week for _____ weeks

Here's another.

SITUATION:

Blaine Electric is a family-run electrical contractor. Their gross profit margin is forty two percent. They specialize in residential rewiring. Blaine is considering cutting back on newspaper and adding broadcast, because broadcast is less saturated with electrical contractor advertising. Blaine's average sale is \$3,000 for rewiring an older home. Blaine estimates there are hundreds of older homes that risk house fires as a result of faulty old electrical wiring. Blaine wants to do a better job of **BRANDING**.

OBJECTIVE:

- To take advantage of the "hole" in the broadcast market. Neither Blaine nor any of his competitors are currently using broadcast to sell residential business. We'll brand Blaine into the minds of our (viewers/listeners).
- To scare the heck out of people in older homes with old electrical wiring.
- To attempt to draw at least six new customers per week (with a twenty-spot concentrated schedule) who would spend an average of \$3,000. Those six customers would represent 0.01% of our weekly audience. This would achieve a close to break-even on the campaign. An additional three average customers per week (0.013 percent of our weekly audience) with the same schedule would achieve in excess of a thirty percent return on advertising investment.

STRATEGY:

Creative-

- Use statistics from the local fire department to let people know that a great percentage of house fires in our area last year were caused by faulty electrical wiring.

Schedule-

- Run ten spots per day on Saturdays and Sundays, this March-April.
Cost: \$3000 per week for fifty two weeks

If at first you don't succeed...

If your idea is really good and that particular client doesn't buy it, do more research, customize it for a new client and pitch it again.

As you use this method, you will get better and better at writing and presenting ideas. You will become better at handling client objections, closing and ultimately managing client expectations.

SITUATION, OBJECTIVE, STRATEGY all on one or two sheets of paper. A concise idea based on client research and logical thinking. Clients love it.

Don't expect to sell your one-page idea in that first meeting. Expect that the client will say no to at least some of the points in your proposal. The idea is for the one-sheet to evoke a response in the form of *objections*. That's what you want. Be prepared to *listen* so you can appropriately respond. The client may tell you that nothing about your idea is practical. That's fine, as you will ask questions and find out what the client really does need. All you have to do is revise or rewrite the proposal based on what you have learned from the client.

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