

January 7, 2008

Ms. Jane Doe  
CEO  
Jane Doe & Company  
123 45th Avenue  
New Town, California 98765

**Re: Website.com proposal**

Dear Jane,

I hope you are having a good trip out West. I enjoyed our breakfast meeting and found our conversation about conducting a measurable television advertising test for Website.com to be invigorating.

We spoke by phone shortly thereafter to consider how we might structure a test around the two :30 spots you emailed with just \$00,000 to spend. What follows is a proposal that recaps the assignment; discusses creative, production, media, and measurement; and outlines cost and timing.

**Assignment Recap**

In addition to having a simple, unique, and memorable URL, the Website.com website provides a real service to consumers by making it fast, easy, and convenient to compare various offers, then apply online for the offer that is best suited to their individual needs.

Even in the absence of broad awareness-building advertising, traffic on the site is brisk and growing. But a question remains: can Website.com substantially grow the number of online applications through an advertising effort?

The purpose of the test is to answer this question and to do so for \$00,000.

If our goal is merely to drive increased click-throughs to the Website.com website, our test would be relatively simple to construct: choose a test market, pick some dayparts and stations, run the spots as constructed, then measure results.

But our goal is not to measure traffic; it is instead to measure completed orders.

This makes the assignment more complex, and as a result, there are four issues we need to address: creative execution, production, media, and measurement.

**Creative**

For starters, the :30 spots don't explain why or how viewers should apply or benefits for doing so. Music choice is admittedly subjective, but there are alternatives to explore that could be more engaging and enticing. You also explained that we don't have permission from the companies to run their brands on television.

In an ideal world, we would create a new direct-response oriented television (DRTV) spot, geared to encouraging viewers not only to visit Website.com but also to apply for one or more cards when they are on the site. To give us the time we need to tell viewers exactly what we want them to do, and to help us qualify for lower-cost DRTV media, we would create a :60 spot, not a :30.

But the reality is, you've already invested in creating two commercials, and it will be far less expensive for us to convert one of the current :30s into a :60, rather than starting over.

I've watched the spots; I'm confident we can convert either of them into a :60.

We would do this by combining a new voice-over commentary with a range of graphic "slates" that would be intercut into the existing spot. We might, for example, open and close with slates and the new voice-over. We also might insert one or two "breaks" within the commercial itself, to reinforce the message we are trying to convey.

Traditional DRTV marketers would add an incentive to induce the behavior they're seeking, but this isn't something you would consider. Regardless, the goal is to stretch the current :30 into a full :60, without adding any on-air talent and without reshooting any live action.

In the end, we will try to construct a spot that maintains rhythm and flow by designing the breaks to be smooth and efficient. The objective is to create finished advertising that is built as if it was an original :60 DRTV spot.

There's a good bit of creative development to address here. To assist me, I will select a copy/art creative team from among my roster of options. I have several people in mind; my goal will be to select people who can work fast and cheap.

**Production**

We also need to produce a new spot. We will select an actor for the voice-over and choose a recording studio to lay down the track. We need a company to create the slates we will use. We need to relook at the music, make some recommendations, and arrive at a selection. And we need to edit and mix everything together at a studio, do final conforming, then traffic the spots to the stations on which the ads will run.

All of this is fairly technical work, and to assist me I will hire a freelance producer. I have one in mind whom I've worked with in the past. If he's available and the price is right, it will help. If he isn't, I will need to explore other options.

### **Media Planning and Buying**

With DRTV, the best, most efficient way to buy media is nationally, which allows us to gain the efficiencies of a countrywide cable buy. But with just \$100,000 to invest, we need to control cost, which means we will conduct the test in a single market.

I'm not a media expert, and normally I would turn to one of the media planning and buying shops for assistance. I know a number of smaller shops and consultancies who might be willing to take this on at low cost and will explore these.

I also will talk with Comcast, Time Warner, and Cablevision about bypassing the media planning/buying agencies and working with them directly on market and daypart selection. I have contacts at Comcast and Cablevision (both clients) who can help me, and I have a source who can help me with Time Warner.

Regardless of the approach I pursue, I'm assuming we will choose a single market in which we will pick three to five local cable channels to run on and in which we will choose several dayparts. From this, I will construct a very simple media plan for a three-to four-week test.

### **Measurement**

In our initial discussions, we agreed that measurement presents a challenge, given the site doesn't presently embed a means of doing this. But in a subsequent voice mail, you indicated there is a way to capture results.

This clearly requires more discussion, but regardless of the approach, once we select our test market, you will need to create some pre- and post-baseline data on application volume, which can serve as our "control." You then can measure results during and immediately after the spots run in-market. You also should measure results in the weeks that follow to see if applications return to their normal levels.

What we hope to see is a significant increase in volume, at a cost-per that meets or exceeds the target number we establish for the test. We then want to convert this into a story to tell investors, with a projection of what the numbers would be like in a broader rollout. We will need good data, and good theater, to merchandise our story.

### **Cost and Timing**

I did a quick, back-of-the-envelope calculation on how I would break down the \$100,000 budget:

My fee	\$ 0,000
Creative fee	\$ 0,000
Production fee and third-party cost	\$ 0,000
Media	\$00,000
Measurement	\$ 0,000
Total	\$00,000

This clearly doesn't leave much to invest in working media, but given we're confining ourselves to one market, and given we're buying available, pre-emptable DRTV time, I assume the \$00,000 will allow us to acquire a reasonable volume of advertising. This is something we will explore in more detail.

But as I look at the budget, there is an even bigger challenge to address.

As I deconstructed the work to prepare this letter of proposal, I realized there is more to do than I initially envisioned, and I need to answer a number of questions to develop a tighter estimate—for my time, or the time of the people who would work with me, for the third-party costs we would incur, and for the working media dollars we have left to invest.

For example, I need to speak with creative teams to see what they would charge. The same is true with a freelance producer. I also don't know what our voice-over talent will cost (I'm assuming this will be nonunion talent, to avoid ongoing holding and renewal fees). I don't know what it will cost to create the slates. I don't know how much it will cost to modify the spots to obscure the credit card brands, should we go this route. And I don't know how much a recording studio and an editing studio will cost.

To address these questions, I propose we divide the work into two phases. In Phase 1, I will contact creative and production people to get an estimate on their time. I will also explore the various media options and arrive at a recommendation. I will develop a tighter estimate of cost—something we can rely on. I will lay out a production schedule. And I will present all of this in a detailed letter or PowerPoint presentation.

Assuming Phase 1 yields answers you're comfortable with, we'll proceed with Phase 2 and execute the work. Phase 1 will take about one or two weeks. My fee for this work is \$0,000, which is below my standard \$000 an hour rate but sufficient to get Phase 1 done and to get you to a sound, well-informed go/no-go decision point.

### **Next Steps**

I realize this letter of proposal has taken you down a path that is different from the one you expected. My apologies for this, but I think it's preferable to raise and address these issues first, before we begin work and prior to committing to a significant investment.

If you decide you want to proceed, you can authorize me to begin work by signing below and returning a copy of this letter to me. I will then issue a \$0,000 invoice, which will need to be paid before I present my findings, which means in about a week.

Stepping back from this detail for a minute, this is an incredibly challenging and interesting assignment, and I'd be delighted to partner with you in developing and executing it. But regardless of your decision, I appreciate the opportunity to submit this proposal and look forward to hearing back from you.

I'll follow up with a call later this week. In the meantime, if you have any questions or concerns, or need additional information or clarification, please call me at (000) 000-0000 or email me at [robert@solomonstrategic.com](mailto:robert@solomonstrategic.com).

Best regards,



Robert Solomon  
Solomon Strategic

WEBSITE.COM AUTHORIZATION:

---

Name \_\_\_\_\_ Date \_\_\_\_\_