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Women in Business

Infomercial Pioneer pouring millions into industry

BY JEANNE WINOGRAD

Contributing Writer

When Nancy Marcum first traveled to New York from Phoenix in 1984, her goal was to purchase blocks of media time directly from fledgling cable networks.

At the time, the word “infomercial” didn’t exist.

Today, cable and network television stations rely heavily on revenue streams generated from the lengthy commercials, which Marcum and then-partner Ray Lindstrom helped to pioneer more than two decades ago.

The duo gambled that paying cash up front for infomercial air time on cable networks would give their clients the national product-exposure needed to double what they had paid to create the elaborate ads.

“We figured reaching 50 million homes was much better than the 3 million or so households we could reach in any local market,” says Marcum.

“As it turned out, we saved the cable industry — they were in the red — because we started pumping \$400 million into the industry every year,” she says. “Now, infomercials are a billion-dollar media influx every year for cable networks and will never go away.”

Although the Marcum-Lindstrom partnership ended in 1986 when the duo sold their company to National Media Corp., Marcum rolled her profits back into National Media’s Media Arts division and became its chief executive. She held the position until 1991 when she created Marcum Media.

Her company still is thriving and has placed more than \$500 million in infomercials.

Marcum says infomercials are ideal for customers who have a consumer product that needs to be demonstrated, such as a vacuum with enough suction to pick up a bowling ball.

“Because of complexity and cost, infomercial clients don’t want to go to multiple sources to promote their products,” says Marcum.

She’s created her company to offer one-stop shopping. She helps clients find the right producer, because many



JIM POULIN/THE BUSINESS JOURNAL

The force behind Marcum Media of Phoenix, Nancy Marcum has helped her clients place more than \$500 million worth of infomercial campaigns on television.

of them are best in a category, such as motivational speaking or face creams. Clients are offered services in creative consultation, product positioning, pre-launch cost analysis, production, fulfillment, media management, public relations and results analysis.

Producing an infomercial can cost from \$100,000 to \$500,000. Return on investment has to double this cost to keep clients profitable and meet Marcum’s personal standard for a successful campaign.

With time-tested retail connections in place, Marcum now markets her clients’ products internationally. She says many Fortune 500 companies use infomercials to drive consumer product sales, complementing traditional media and print ads, especially if a product is new.

Her success in the industry prompted her to write the book, “Do You Want to Make a Million?” It provides guidelines about the criteria that must be considered before an advertorial should be pursued.

She says \$19.95 is the basic price at which most consumers don’t think twice about a purchase.

As with most industries, the infomercials have an ‘Achilles’ heel.’ Some infomercial marketers have been accused of making false claims, giving the industry a black eye. To help repair this image problem, Marcum was instrumental in forming the Electronic Retailing Association and still is on its board of directors. The group promotes regulations that protect the industry’s credibility with consumers.

WOMEN MAKING THEIR MARK

Nancy Marcum

Title: President

Company: Marcum Media

Business: Full-service infomercial media-buying agency

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Phone: 602-953-8558

Age: 59

Spouse: Joe Acker

Residence: Phoenix

Children: Two

Over the years, Marcum has worked with some of the most prolific infomercial personalities, such as Esteban, the musician who peddles his guitars and instructional DVDs, and Susan Powter, known for her “Stop the Insanity” workout and diet program.

For more than seven years, Marcum Media has handled media buying for Ingenious Designs LLC of Edgewood, N.Y. The company, a subsidiary of the Home Shopping Network and Interactive Corp., designs, markets and fulfills products for the network such as Miracle Clean or the Clothes It All Luggage System.

Ronni Fauci, operating vice president of product marketing for Ingenious Designs, says Marcum Media has helped the company bring media packages together “that work for our products.”

“They are in partnership with us as though it’s their own product and with great attention to detail,” Fauci says.

Marcum says every time a new client walks through her door, the whole creative cycle happens again.

“It’s exciting for me to take the dream and make it a success,” she says. “It usually takes a lifetime for most people to make a million, but in the infomercial industry, from the beginning to launch, it’s 90 days.”