Take your business to the next level
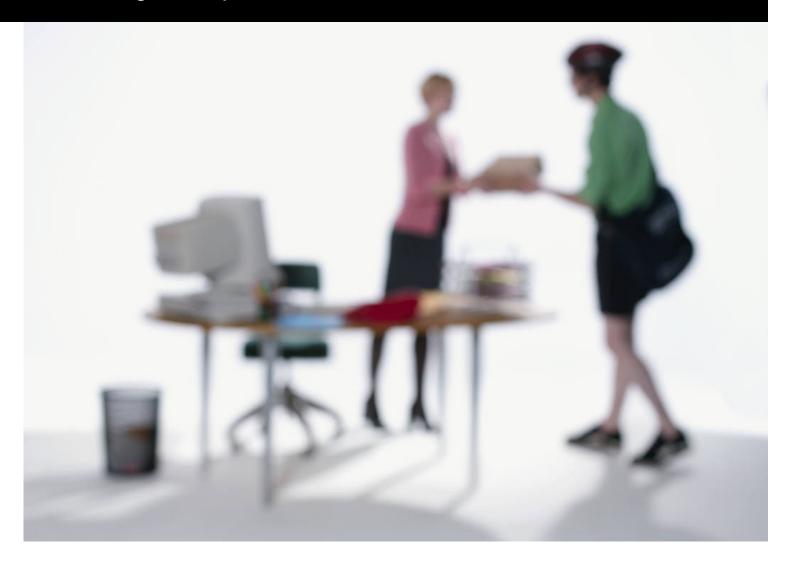
Successful Direct Mail 101
Including 11 Steps for Effective Direct Mail

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Marketing Solutions Provider

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About the DWS Associates

Founded in 1982, DWS Associates is a full service marketing firm that develops and implements multi-channel marketing campaigns for organizations targeting business-to-consumer and business-to-business audiences in global markets.

Our focus is on data-driven, innovative lead generation, lead nurturing, retention, and referral programs that attract, engage and retain profitable customers. Our staff is highly experienced in market research, competitive intelligence, business intelligence and analytics, strategic planning and campaign management - so we help you increase sales and marketing performance while building strong, unique, differentiated brands.

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The Basics: How Direct Mail Works

Direct mail can be one of your most effective, low cost generators of sales – if you know how to harness its powers. If you don't understand direct mail basics, you will create 'junk mail' which not only wastes your time and money, but weakens your brand reputation with prospective and current customers.

In the following sections you will learn the basics for effective direct mail so you can use it to attract profitable new customers and turn first-time buyers into repeat buyers.

Direct Marketing versus Direct Mail

Direct marketing is a highly targeted method of selling directly to the consumer; direct mail is just one of several media or communication channels used in direct marketing. The key to successful direct marketing is effective targeting – and this requires a clear understanding of your 'best' customers as well as your 'worst' customers so you can target prospective customers that

are more like your 'best'. Other effective direct marketing media include:

- Print advertising that includes response devices such as coupons, phone numbers, fax numbers, email addresses and Internet addresses (URLs);
- Insert cards, also referred to as 'blow ins', are commonly found in magazines, and they are another example of direct marketing using print advertising;
- Radio and TV commercials that also include response devices such as telephone numbers, URLs, and email addresses;
- Catalogs which typically include multiple products along with response devices such as telephone numbers, order forms, business response cards and URLs;
- Card decks that include multiple offers from multiple companies and are commonly delivered via the mail or as door-hangers by distributors going door-to-door in neighborhoods;
- Package inserts that are typically found in billing statements or inside the packaging of a product;

- Free standing inserts (FSIs) such as the advertisements found in the daily newspaper;
- Internet advertising, especially banner ads, that invite you to 'click' in order to learn more and order;
- Opt-in email which is the electronic equivalent of direct mail and will include an offer along with clickable links that will take you to a webpage or micro-site that will provide you with additional information and the opportunity to buy the product.
- Telemarketing, also referred to as teleservices, is:
  - Telephone-based prospecting and information collection
  - Talking on the telephone to prospects or customers.
  - Inbound telemarketing is usually customers or prospects calling your toll free number.
  - Outbound telemarketing is when you place the call to a prospect or customer. Telemarketing can be done by your in-house staff or by an external telemarketing company.

Is Direct Mail Effective?
With so much attention being placed on the Internet, many businesses are forgetting about direct mail – and that's a terrible mistake that could be costing your business tremendous revenue opportunities.   If you need proof as to the effectiveness of direct mail, just take a look at companies like LL Bean, Williams Sonoma and Lands' End – all of which are large, successful corporations using direct mail to attract, engage, convert and retain highly profitable customers.

But best of all, direct mail offers small and medium-sized businesses a low cost opportunity to increase sales in both the near and long-term. How? By allowing you to target your efforts to specific individuals in an extremely personal way for a fixed cost!

Think of it this way – for as little as $1 you can sell a product or service to a new customer. What other media allows you such a potential return?

Junk Mail: How to Avoid It with Proper Planning and Execution
Successful direct mail is targeted and contains a valuable offer that is too good to refuse – junk mail is delivering

the wrong offer to the wrong person. Most businesses will create junk when they focus on the wrong issues – specifically the quantity of distribution – rather than taking the time to create the best offer for the right audience. This kind of 'saturation' mailing is typically sent to 'occupant' or 'to our neighbors at…', and are generally a waste of resources for any business.

The Importance of Ready, Aim, Fire.

For direct mail to succeed you need a plan and a successful plan will thoroughly address the following points:

Objectives: Specific, measurable objectives such as "To sell 5 units of Product X at $100 each to new customers by June 1st, 2010." Why do you need a clearly stated objective? Because if you don't know what success is, you can't create and execute a direct mail campaign that will be successful. After all, if you don't know where you are going, how will you know when you get there?

Strategies: These are planned actions to achieve your objective – and direct mail is your strategy. To improve your chances for success, you should consider making direct mail one of several strategies that you will use to achieve your objective – and this is called an 'integrated marketing campaign'. An effective example of this would be to include [ex] outbound telemarketing as a follow-up to the direct mail effort or to use direct mail in a multi-step approach (sending several direct mail packages/pieces to the target audience over a specific period of time). This will make your overall campaign more effective because your target audience is, most likely, going to require several contacts before your message cuts through the clutter of their lives.

Tactics: These would be the specific actions used to execute the strategy. For example, the initial direct mail package will be #10 envelope with a business letter, 3-panel brochure and a postage paid business response card (BRC) along with toll-free numbers and a special URL

containing information specific for this campaign.

Basic Math Will Help You Decide

Figure 1 (below) shows a simple break-even analysis you should perform before any direct mail campaign in order to determine whether or not you feel the investment makes sense.

In this example, ABC Company is targeting businesses with 10 to 100 employees in a 100 mile radius of their office in Anytown. After speaking with various list brokers, and reviewing their own customer database, they identified 500,000 firms that met the criteria and

Total Available Prospects	500,000		
Direct Mail Campaign Size	100,000		
Costs			
Copywriting		$ 5,000	
Design		$ 5,000	
Printing	$ 0.25	$ 25,000	
Postage	$ 0.42	$ 42,000	
List Rental		$ 5,000	
Other			
Total Cost		$ 82,000	
Cost per piece mailed		$ 0.82	
Offer			
Retail Price	$ 500		
Gross Profit (%)	20%		
Gross Profit ($)	$ 100		
Response Rate (%)			
Projected Minimum Response Rate	0.5%	0.5%	1.0%
Interval	0.5%		
Response Rate (#)		500	1000
Total Revenue		$250,000	$500,000
Total Profit		$50,000	$100,000

Figure 1: Direct Mail Break-even Calculation

they are interested in mailing 100,000 pieces to prospective and current clients. .

The cost of the direct mail campaign, including copywriting, design, printing, postage and list rental, was $$82,000 or $0.82 per package. They decided to focus on an offer that would cost $500, generating $18,000 in gross profit (20%).

Now, the bottom half of this spreadsheet is where you can determine if this effort is a wise investment of your resources because it calculates how many responses (sales) must be generated in order to produce a profit – and in this scenario, the campaign must generate at least 1,000 responses (sales) in order to generate $330 in profit. (This is based on Gross Profit, not Revenue.)

Figure 2 (right) takes the same scenario and calculates the specific break-even rate (0.8%) rather than a range of results based on a variety of response rates (Figure 1, prior page).

You should use these tools to determine if the breakeven numbers

appear to be reasonable based upon historical performance. If you have no prior campaigns to compare with, the Direct Marketing Association (www.the-dma.org) does have reports that can help you identify similar campaign response rates.

Total Available Prospects	500,000	
Direct Mail Campaign Size	100,000	
Costs		
Copywriting		
Design		
Printing		
Postage		
List Rental		
Other		
Total Cost		$ 82,000
Cost per piece mailed		$ 0.82
Offer		
Retail Price	$ 500	
Gross Profit (%)	20%	
Gross Profit ($)	$ 100	
Break-even Analysis		
Response Rate (%)	0.8%	
Response Rate (#)	820	

Figure 2: Direct Mail Break-even Calculation Version 2

11 Steps to Successful Direct Mail

The following are general guidelines for direct mail that will require some additional tweaking based on certain factors such as your business, target and audience.

- **Define your objective.** What do you want to your direct mail campaign to accomplish? Remember to be specific and that objectives should be measurable and set for a specific period of time. Here's an example of an objective: "To sell 100 Product A at $100 per item to first-time buyers by June 1st, 2010."
- **Define your strategy.** Remember that you are not limited to direct mail – and you should be developing integrated campaigns that reach your target audience multiple times through multiple channels. This is especially true when targeting prospective first-time buyers that may have little, if any awareness of your business, products and services.
- **Select your target audience.** Be as specific as possible in your selection – your success is not driven by the quantity of mail sent, but by the quality of the list and the offer.
- **Select your offer.** What is it that you want your target audience to acquire from you? Now, in Step 1 we mentioned an objective that was sales driven – but you could have offers that include free offers in order to generate higher response rates. Why? This is an effective strategy for generating leads in complex sales rather than an impulse buy.

For example, most people are not going to purchase a brand new home based on a direct mail package. They would, however, accept an invitation to visit new model homes. And more might be motivated to visit the new model homes for a chance to win dinner for two at a 5-star restaurant.

There are two important points to consider when considering your offer – what's a realistic goal, and what will be seen as so valuable to the target audience that they have to act on your offer.

- **Develop tests.** If you are going to

invest the money – include tests so you can learn and improve. Now, that said, be sure you have acceptable sample sizes (for a free sample size calculator, visit http://dwsassociates.com/Sample-Size-Calculator-0117/

- **Develop 'response processes'.** How do you want the recipient of your direct mail to respond? Visit your store? Call a toll-free number? Visit your website or a unique URL? Fax in an order? Whatever you decide let your guidance come from one simple rule – make it as easy as possible for the customer to purchase from you!

- **Develop 'data capture processes.** You want to gather data in order to analyze your direct mail campaign so you can determine if the effort was successful or not. This requires staff training as well as a system for capturing the information for easy access and analysis.

A key element is creating a 'source code' for your direct mail effort. A source code is a unique identifier

that allows you to quickly determine key elements for tracking, analyzing and reporting campaign performance.

For example, Company A is mailing 10,000 pieces of mail in June to promote its painting services. Of that total, 50% are recent customers and the remaining 50% come from five rented lists. Company A is also testing two creative packages and two offers.

When testing, it is important that the "segments" be of similar size so that the results can more accurately be compared. In this case, 100,000 total mailing quantity with 50% going to (5) outside lists - - each one should be 10,000 approx - - otherwise the results might not be comparable – this is also a very small amount to mail and measure. It is necessary to mail enough to generate at least 100 responses so that you can do some actual analysis on the resulting orders/customers.

Figure 3 (right) shows how to properly assign source codes for

LIST	OFFER A	OFFER B	CREATIVE A	CREATIVE B
Customer	CUSTA	CUSTB	CUSTC	CUSTD
Rented List 1	001A	001B	001C	001D
Rented List 2	002A	002B	002C	002D
Rented List 3	003A	003B	003C	003D
Rented List 4	004A	004B	004C	004D
Rented List 5	005A	005B	005C	005D

Figure 3: Assigning Source Codes for Testing

campaign reporting.

As the campaign is in market and eventually closed, you can run reports based on these codes that will show [ex] how many customers responded to the campaign, and which offer and creative was more productive with customers. You can also use this process to determine which lists performed well enough to be used again.

- Develop the direct mail package(s). Keep your mind open – be creative!

Will you use a postcard, standard business letter (#10 envelope), a package (dimensional)?

Remember that you are competing for the attention of the recipient with everything in their mailbox – make sure your piece stands out.

Also, make each piece in the package work together. There should be a central and relevant theme for your package that is clearly presented on the outside envelope (OE), letter, and any other inserts (brochure, buck slip). As a matter of fact, if one of your response processes is via the Internet, you will want to make sure that the landing page reflects the theme as well.

Basically, your creative presentation is important (just behind your lists and offers) so don't miss an

opportunity to stand out and win with your presentation.

- **Hold internal campaign briefing:** Prior to launching promotional campaigns, you should have an internal kick-off meeting so that everyone in the company is aware of what's going to be in market. You want your sales and service people aware of the new campaigns and offers so they aren't caught unprepared by prospective customers.

  HINT: You should involve sales and service in the early stages of campaign development. Sales and service should be able to help focus the offer and list based on their experiences with prospective and current customers – which can make the campaign much more effective!

- **Launch campaign.** Congratulations – you have brought your campaign to life and it is now ready to be set free upon the world. Now execute the entire strategy and you should be enjoying the rewards of your labor

in no time!

- **Analyze. Modify. Test.** Remember that your campaign needed to produce results – and that it needed to show you how to improve performance in the future so don't forget to make the time to analyze results, modify your strategy and tactics, and then use that knowledge in your next effort.

Your Direct Mail List

Your campaign's success will be driven by your list, offer and creative presentation – but if you have to pick the one key, it's the list. You can have the best offer in the history of the world but if you send it to the wrong lists, no one will buy.

How to build a profitable list

The first step is to start with your customer file. Gather as much information as possible about your current customers so you can identify similarities across the entire group, as well as segments within the entire group. This should also include the 'source of origin' or 'original source code' so you can identify media and lists that are delivering your best customers.

For consumers, you will want to look at demographic, psychographic and behavioral data. (See Appendix A for examples.)

If you sell to businesses, you will want to look at firmagraphic and behavioral data. (See Appendix A for examples.)

If you don't have this information in your database today, there are database services that can append this type of data to your database for a fee. For a list of such firms, visit http://dwsassociates.com/Marketing-Direct-Marketing-Industry-Links-0028/.

Using Rented Lists

Your goal is to spend as little as possible in order to generate as much as possible so the more targeted you can be with your list selection, the more likely you are to generate a higher response rate, conversion rate, and average order size.

Think of it this way- if you goal is to sell 100 units, the ideal scenario would be to mail 100 packages. Direct mail isn't about quantity – like advertising on television, radio or the Internet – it's about quality.

Remember that direct mail offers you the opportunity to test and learn and rented lists are a great place to test and learn.

When you research direct mail lists, you will be evaluating two kinds - compiled lists and responder lists.

Compiled lists are defined as "Names and addresses derived from directories, newspapers, public records, retail sales slips, trade show registrations, and the like, to identify groups of people with something in common."

Responder lists are defined as "Individuals who have responded to a direct marketing offer, e.g., magazine subscribers, mail order buyers (also response-generated)."

Responder lists will cost more but because they include known direct response buyers, you can select those that responded to similar offers and typically enjoy a higher response rate than what you would generate with compiled lists.

A Few More Tips

Remember to select names based on

your best customers – you want to target people just like your best customers because they are more likely to become new customers. Also, choose 'hot line' names – these are the 'fresh' names added to the file within the past six months and have purchased within the past six months.

When you mail to your lists remember that [a] the owner has included 'seed names' in the list so they can monitor your usage, and [b] you should include your own 'seed names' so that you can monitor the delivery of your mail across the geographic region (city, county, state, nation, world).

Developing Offers That No One Can Refuse

Your success requires the right offer be presented to the right people – and your offer needs to provide the prospective customer with overwhelming motivation to respond immediately. But this requires a detailed offer that addresses all of the buyers concerns!

For example, your offer should address the following elements:

- **Product or service**: The more unique the product/service the better – after all, you don't want the prospective customer to read your offer and realize they can get the same product at the local store.
- **Price**: As mentioned earlier, your offer can be revenue focused or relationship focused – so you can stress a price or a free offer in order to generate responses.
- **Incentives**: Closely related to the Price is the Incentive – act now and receive X, or buy 1, get one free. (Use caution when discounting Price - - it is difficult to get a customer to move to full price offers once they have been acquired as an off-price customer. Other incentives relating to shipping, etc. might be better than compromising on price)
- **Guarantee**: Also closely related to the Price is the Guarantee – do you offer a 'limited time guarantee' or a '100% Lifetime Guarantee'? And what are the specific terms and conditions of the Guarantee?
- **Terms of Payment**: Do you require full payment at the time of purchase or do your offer [ex] four low monthly installments, or a 2% discount if the

invoice is paid within 10 days rather than the standard 30-days?

- **Time Limit**: Is this a limited time offer that requires the prospective buyer to act before a certain date?

Effective Ways to Present Your Offer

Have you ever had someone offer you something for free in a way that made you wonder what was wrong with the item? Then you are familiar with the importance of properly presenting offers – because a good offer can look even better, and a great offer can look terribly weak based on the presentation. Here are a few best practices to keep in mind:

- **Simplicity**. Your target audience has enough going on in their lives – don't add to it by making your offer complex. For example, if you are offering prospective buyers with no prior experience with your business a free white paper that can be downloaded off your website, don't require them to fill out a web form that has hundreds of questions. Some studies have shown that the length of the web form can greatly impact downloads

– so keep your process fast, easy and friendly.

- **Create excitement**. Your excitement will create excitement in your target – excitement is contagious and you have to start spreading it with your presentation of the offer. If you fail, your campaign will fail as well.

- **Be real**. Remember that the reader is searching for a reason to toss your package out so they can move on to the next thing on their list – and making a claim that causes the reader to stop, think and wonder will lead to a lost opportunity. Instead focus on the readers' needs and wants, their practical and emotional sides. Remember they are concerned about affordability and need as well as impressing family and friends.

- **Be relevant**. This ties directly into 'be real' – your offer must solve a specific need or want, so if your audience is searching for ways to save money because of the economy, you should focus on how your product helps them save money. At the same time, focusing on luxury, comfort and self-

indulgence might not be as effective with this audience.

- **Be exclusive**. If they can get your product or service anywhere and at anytime, there is no reason for them to respond to your direct mail package.

A Little Insight into Direct Mail Formats

One of the greatest strengths of direct mail is its flexibility – its ability to take any shape. Let's be honest, an email is an email – but direct mail can be so many things. So, don't get locked into the traditional format (#10 envelope, letter, insert and response card).

Postcards

There are two standard postcard formats – single and double. The single format is your traditional postcard with a front and back, which means you will not have a response card that can be returned. The double format is a larger piece of paper, folded down to the size of a single postcard and it typically uses the extra space to include a response card.

Postcards are typically inexpensive

which allows you to focus your budget on testing creative and offers. However, they offer limited space so you must be extremely focused with your copy.

If you try postcards, remember to use both sides for selling. A common mistake is to use one side for the offer, the other side for the address – but since people tend to look at the address first in order to determine if the piece is for them, they might never get past that one side of the postcard.

Self-Mailers

Similar to postcards, self-mailers are more complex and include folded fliers and brochures. Again, these are less expensive than the standard envelope package but they also tend to have lower response rates because they seem to be the symbol for 'junk mail'. The recipient can quickly identify the piece as a sales piece which puts this format at a disadvantage.

That said, this format is used with success when targeting business audiences and promoting conferences, seminars and workshops.

Booklets and Catalogs

Booklets and catalogs are multi-page self-mailers with booklets typically focusing on information, and catalogs focusing on selling products.

Dimensionals

You can also send packages or dimensional mail to your target audience. For example, sending a CD with sample software for an engineer to test at no cost would be an example of a dimensional package.

These are extremely effective for large dollar purchases for either a consumer or business audience because there is an air of mystery and excitement when anyone receives a large package. Think of it in your office – someone receives a box and everyone wants to know what's in it. Suddenly the recipient has a crowd watching in order to see what was sent!

This is a highly effective way to attract the attention of a qualified buyer or valued customer but the costs are obviously higher so you would most likely be using a high quality, low quantity list.

Standard Elements

As mentioned earlier, the most common direct mail package is a #10 envelope with a letter, brochure or insert and a response card (preferably postage paid).

The outside envelope (OE) offers you a great deal of creativity – in terms of size and creative presentation. You should test size, pre-printed messages (teaser copy), as well as printed or written address and metered postage or stamps.

Yes, certain campaigns have shown that a handwritten and stamped envelope produced a higher response rate than a window envelope with metered postage – so be aware of your choices.

The letter is the focus on your direct mail package. The letter should be personalized, benefit-driven (versus

feature-driven) and must clearly present the offer and how the reader can acquire the offer.   And keep in mind that the P.S. can be the most important part of your letter – there are many people that read the P.S. first in order to determine if they should read the rest of the letter!

The letter can be as long as it needs to be – and no longer.   In some instances, effective letters have fit on one-side of paper while in other instances the letter has been multiple pages – it depends on your audience and offer so test the length of your letters.

The brochure or insert is also a standard element in direct mail because it provides you with the opportunity to include color and images – and this will appeal to a certain segment of your target! That's right – some people read letters, others read brochures and even others read the entire package so these elements will overlap in terms of content but they do serve a valuable purpose in improving your overall response rate.

Finally, the response card or order form clearly tells the reader that you want them to buy your product now. You may be amazed to see how many will complete the card and mail it to you – especially since you offer a toll free number or the ability to order online! But response cards and order forms appeal to a certain portion of the target audience so they are important to include in your packages.

A Few Tips
Make your direct mail package interactive – getting the reader engaged will lift response rates. If you have seen direct mail packages with stickers to place on the response card (ex) 'Yes, I want to buy your product' and 'No thank you, I am not interested' has been known to outperform packages without stickers.

Lift letters are extra notes included in the package, always from someone other than the person that wrote/signed the main letter. The lift note can be a third-party endorsement and some have been printed in a cursive font in order to make it look as though it was hand-written.

Lumpy gets opened so if you can't afford a dimensional package; stick something extra in the envelope. Some packages have included a coin or a small pencil or a 'freemium' – just make sure you check with the Post Office right at the start of the campaign because you want to avoid any extra charges that might occur due to the size of your insert.

Designing and Writing Effective Direct Mail Packages

Hire an experienced direct mail writer and designer. If you don't know where to turn, contact the Direct Marketing Association (www.the-dma.org).

Direct mail is both an art and science. Writing and designing direct mail that works is difficult and time consuming so unless you have been successful at writing and designing direct mail in the past, just hire the expertise. They will save you time, money and increase your response rates.

When looking for your designer and writer, make sure they have direct mail experience. Being a 'writer' is not enough because direct mail requires a specific talent and experience – and you don't get it by writing articles for the community newsletter or papers for school.

The same is true for the designer so have them bring in samples and references. Ask them about the process they go through in order to make certain the package is designed for the right audience.

You can expect to pay anywhere from $2,000 to $25,000 or more for your direct mail campaign – and that includes several concepts to choose from to the finished pieces for any and all test scenarios. (Remember, if you are testing, you might be getting several different packages!)

What to look for in effective direct mail copy

You never know what the audience will respond to – but here are some basic guidelines to help you evaluate direct mail copy:

- **Personalization**. Start off with 'Dear Jim' rather than 'To whom it may

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concern' or 'Dear Sir/Madam', and mention their name throughout the direct mail package.

- **Benefit-driven, not feature-driven**. People buy benefits (save time, save money, lose weight) not features (8 horsepower snow blower).

- **Use common language**. If you or anyone in your office needs to reference a dictionary in order to understand the copy, tone it down.

- **Ask for the order** – and remember to ask again.

- **The P.S. is critical**. As mentioned earlier, research has shown that most people will read the P.S. at the bottom of the letter in order to decide if they should read the letter from the top down.

- **Make the letter 'scanable'.** Formatting (bulleted lists) and use of bold text can help draw the reader's eye to copy you feel is key – action oriented text **(Call 555-555 -5555 today!)** Again, there are people that scan letters rather than read them line by line so present your copy in a way that people can easily scan. White space is important – yes, you did pay for the entire piece of paper but that doesn't mean it's wise to cram something on to every square inch.

- **Correct grammar is crucial.** Proofread. Have others proofread. When it doubt, rewrite.

- **As for design, focus on layout, images, colors and fonts.** Is your eye drawn to the key elements or is the package so busy you aren't certain where to look? Do they images and colors add value? And are the fonts easy to read?

Appendix A: Market Segmentation Checklist

Category	Criteria
Demographics	- Gender - Age range - Household Income - Marital Status - Telephone numbers - Occupation - Religion - Race/ethnic group - Language spoken - Education - Social class
Geographics	- Country - Region - State - County - City/town - Size of population - Climate - Population density
Psychographics	- Leader or follower - Extrovert or introvert - Achievement-oriented or content with status quo - Independent or dependent - Conservative or liberal - Traditional or experimental - Society-conscious or self-centered - Religious or non religious
Consumer Behavioral	- Products purchased - Specific channel products purchased through - Rate of usage - Benefits sought - Method of usage - Frequency of usage - Frequency of purchase
Lifestyle *	- Credit cards used - Investor - Length of residence - Home ownership - Length of residence - Dwelling type - Cooking/dinning preferences

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Appendix B: The Creative Brief

- **Overview**
  - General project information
  - Goals
  - Measurable Objectives
  - Deliverables Needed
- **Primary audiences**
  - Provide enough detail to enhance everyone's understanding of who the audience is. Include some user demographic information if possible.
  - Who are your primary target audiences? Choose a typical audience member or two and profile including occupation, age range, gender, what her day looks like, etc.
  - How will your audiences use this brochure, white paper or website?
  - What should be avoided in talking to these audiences?
- **Tone and Image**
  - Funny and casual, or formal and buttoned-up, or...
  - What do the audiences believe or think, before you start communicating with them?
  - What tone and imagery should we use to engage

them?
  - Specific visual goals?
- **Messages: Features, Benefits and Values**
  - List top features and/or facts about the program, service or organization, and its value to target audiences
  - How do these stack up against the competition?
  - If you could get one sentence across, what would that be? How would you prove it?
  - Other major points?
- **Budget and Schedule**
  - Has a budget been approved?
  - When must the message get to the audience for greatest impact (e.g. service introduction date, conference, special event)?
  - What is the due date for the finished work?
- **Process**
  - Who are the point people (client and agency)?
  - o What is the internal review and approval process?
  - o Who needs to sign off on final execution?

Appendix C: Calculators and Tools

The following are just some of the free online calculators and tools available at the DWS Associates' website (http://dwsassociates.com/Direct-Marketing-Marketing-Financial-Calculators-0129/):

- **Sample Size Calculator** : Use this Sample Size Calculator to determine a sample size for testing the response to an upcoming B2B or B2C direct marketing campaign, or for a research survey in which you want to determine how many people to interview or send questionnaires (the minimum sample size). http://dwsassociates.com/Sample-Size-Calculator-0117/
- Direct Response Inquiry Calculator : Use this Direct Response Inquiry Calculator to determine the number of mailings needed for your B2B or B2C direct response campaign in order to generate the desired number of inquiries. http://www.dwsassociates.com/Direct-Response-Inquiry-Calculator-0196/
- CPI / CPL (Cost Per Inquiry or Cost Per Lead) Breakeven Calculator : Use this Cost Per Inquiry (CPI) / Cost Per Lead (CPL) Breakeven Calculator to determine the breakeven and CPI / CPL for your B2B or B2C direct response campaign. http://dwsassociates.com/Cost-InquiryLead-Breakeven-Calculator-0111/
- Direct Order Campaign Breakeven Calculator : Use this pro forma Breakeven Analysis - Direct Order Campaign BE Calculator to determine the breakeven response rate and orders required for your B2C or B2B direct response, direct marketing campaign. http://dwsassociates.com/Proforma-Breakeven-Analysis-Direct-Order-Campaign-0118/
- Lead Generation Breakeven Calculator : Use this pro forma Breakeven Analysis - Lead Generation Campaign BE Calculator to determine the breakeven percentage and inquiries or leads required based on a desired cost per lead / inquiry (CPI / CPL) for your direct response B2C or B2B marketing campaign.http://dwsassociates.com/Proforma-Breakeven-Analysis-Lead-Generation-Campaign-0119/
- Average Order Value Breakeven Calculator : Use this Direct Response Average Order Value Breakeven calculator to compute the breakeven response percentage and number of orders for your B2C or B2B direct marketing campaign based on advertising costs and the average order value for orders

Appendix C: Calculators and Tools

filled during the campaign. http://dwsassociates.com/Simple-Direct-Response-Breakeven-Calculator-Based-0121/

- 1-Step B2B Campaign Lead Conversion Breakeven Calculator : Use this 1-Step B2B Campaign BE (Breakeven) Calculator to compute the overall response rate required to achieve breakeven and also the number of inquiries, leads, opportunities, qualified opportunities, and closed sales needed based on the advertising circulation and costs for a program, the average revenue per transaction, and the gross margin percentage for that transaction that you enter. A 1-Step campaign involves contacting a prospect once and having them respond to your initial offer and based on that response move into your lead qualification process. http://dwsassociates.com/1Step-Lead-Conversion-Breakeven-Calculator-0128/

- Campaign Response Rate Calculator - Based on Desired Profit Margin : Use this Campaign Response Rate Calculator tool to calculate overall response rate required to achieve your desired gross profit percentage for this B2C or B2B direct response campaign and also the number of inquiries, leads, opportunities, qualified opportunities, and closed sales needed to achieve this profit based on the advertising circulation and costs for a program, the average revenue per transaction, and the gross margin percentage for that transaction that you enter. http://www.dwsassociates.com/Desired-Profit-Known-Campaign-Response-Rate-0142/

- Simple Campaign ROI Calculator: This Campaign Return on Investment (ROI) Calculator tool will compute the simple return on investment (ROI) for a marketing campaign based on gross sales for the campaign, cost of goods sold and the total advertising costs. It can be used for both B2C and B2B direct marketing and non direct response campaigns. http://www.dwsassociates.com/Simple-Campaign-Return-Investment-Calculator-0143/