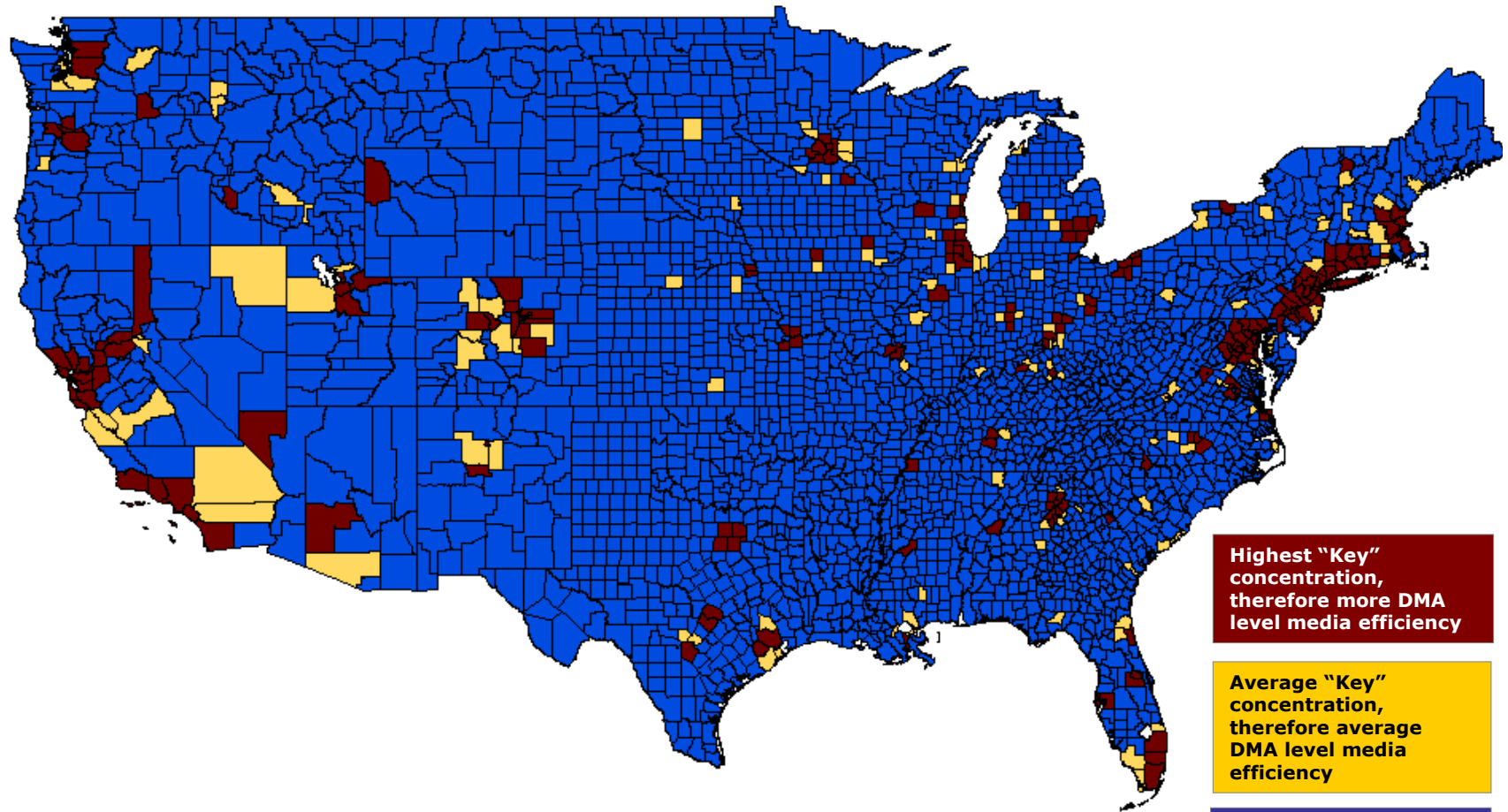


Where To Spend... US By County

In this example, mass media is less efficient in those areas that are "blue." Media efficiencies are contained in very tight pockets. Local market promos/media activity should be much more efficient/effective than a "national layer" only. Use both national and local media if budgets allow, but focus on local opportunities as a priority.



Highest "Key" concentration, therefore more DMA level media efficiency

Average "Key" concentration, therefore average DMA level media efficiency

Lowest "Key" concentration, therefore less DMA level media efficiency

Data Not Actual

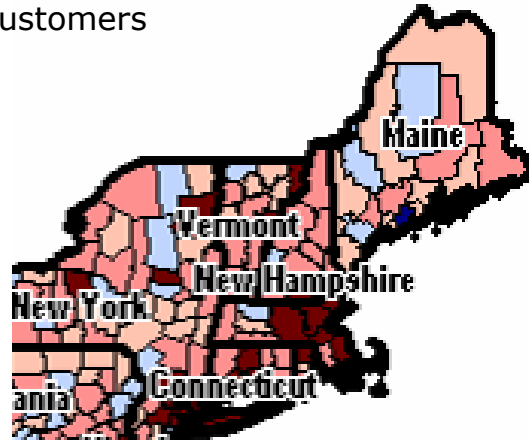
::Executive Summary Presentation::

RED IS HOT · BLUE IS NOT · YELLOW IS CLOSE

Sources: handshake Marketing, Scarborough, Claritas

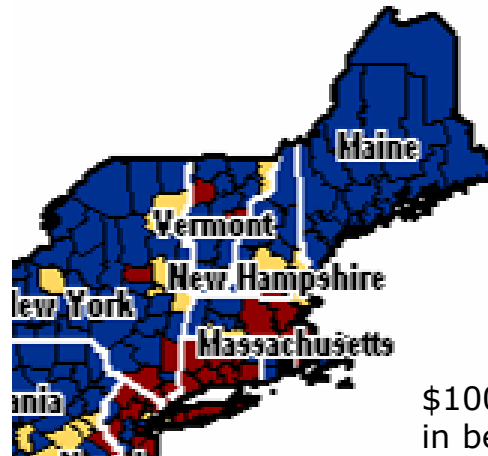
Balancing Efficiency And Volumes...

\$100,000 spent to reach volumes without regard to "where" may result in 1,000 new customers



Opportunity Volumes

Target Concentrations & Conversion



\$100,000 spent to reach volumes in best quality markets may result in 2,000 new customers

Where you spend is just as important as *how* you spend

Low CPM Versus Target CPM

CPM/Cost Per Order Comparison	Low CPM	Higher Targeted CPM
CPM	\$ 5	\$ 10
Budget	\$ 100,000	\$ 100,000
Overall Reach	20,000,000	10,000,000
Target Reach	2,000,000	3,000,000
Target CPM	\$ 50	\$ 33
Target Response Rate at 0.2%	4,000	6,000
Conversion at 30%	1,200	1,800
Cost Per Order	\$ 83	\$ 56

For illustration only, costs and results will vary

- There is much debate regarding whether or not it is worth the cost to pay a premium (a higher cost per thousand/CPM) to reach target audiences.
- The higher CPM may end up actually costing less per (000) when measured against the target reached, and actually deliver higher levels of target reached and hence higher sales volumes... versus lower CPM options.

Cost Per Sale Versus Cost Per Piece



Based on 100k Hits To Home

Cost Per Sale and Volume Comparison, Higher Per Piece Expense	Business As Usual		handshake "Key" Targets		
	Cost Sale	Volume	Cost Sale	Volume	Rate with Lift
Mailing	100,000		100,000		
Print/Mail/List	\$ 40,000		\$ 52,000		
Starting Customer Acquisition Rate	0.50%		0.50%		
<i>Cost Per Sale/Volume (With No Lift)</i>	\$ 80	500	\$ 104	500	0.50%
<i>Cost Per Sale/Volume From 10% Lift</i>	\$ 80	500	\$ 95	550	0.55%
<i>Cost Per Sale/Volume From 20% Lift</i>	\$ 80	500	\$ 87	600	0.60%
<i>Cost Per Sale/Volume From 30% Lift</i>	\$ 80	500	\$ 80	650	0.65%
<i>Cost Per Sale/Volume From 40% Lift</i>	\$ 80	500	\$ 74	700	0.70%
<i>Cost Per Sale/Volume From 50% Lift</i>	\$ 80	500	\$ 69	750	0.75%
<i>Cost Per Sale/Volume From 60% Lift</i>	\$ 80	500	\$ 65	800	0.80%
<i>Cost Per Sale/Volume From 70% Lift</i>	\$ 80	500	\$ 61	850	0.85%
<i>Cost Per Sale/Volume From 80% Lift</i>	\$ 80	500	\$ 58	900	0.90%
<i>Cost Per Sale/Volume From 90% Lift</i>	\$ 80	500	\$ 55	950	0.95%
<i>Cost Per Sale/Volume From 100% Lift</i>	\$ 80	500	\$ 52	1,000	1.00%

For illustration only, costs and results will vary

- Cost per printed/mailed piece is not as important as total level of sales generated.
- Even with higher expense, the cost per sale will be lower with only modest improvement in order rates
 - *handshake's* average lift over non-*handshake* efforts over the last 13 years have ranged from a low of 42% to a high of 116%.

Where To Plant And Serve Up Online...



Context & Behaviors	XYZ Client Marketing "Key"	Sub-Target A	Sub-Target B	Sub-Target C	Sub-Target D
Music download	✓	✓	✓		✓
Listen to internet radio	✓	✓	✓	✓	✓
Streaming video	✓	✓	✓	✓	✓
Play/download games	✓	✓	✓		✓
Send electronic greeting cards	✓	✓		✓	✓
Reading news/looking up weather/directions	✓	✓	✓	✓	✓
Online banking	✓	✓	✓	✓	✓
Stock trading/get financial info	✓	✓	✓	✓	✓
Browse real estate listings	✓		✓	✓	✓
Looking for job	✓	✓	✓	✓	✓
<i>Shopping for:</i>					
•Books	✓	✓	✓	✓	✓
•Travel (air, hotel, car rental)	✓	✓	✓	✓	✓
•Tickets (entertainment, sports)	✓	✓	✓	✓	✓

DATA NOT ACTUAL

How To Go After Diversity Growth Opportunities...



When looking deeper into market situations, sub-target opportunities will emerge. In this example, each target is broken down by overall, diversity, men/women.

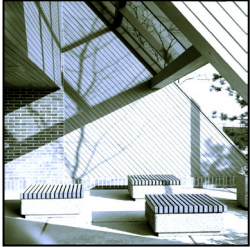
This type of tool is often used to determine what creative assets should be placed where (e.g., where to push competitive messages, how to circumvent the competition by targeting diversity)

Name	Market Situation Category	Overall "Key" Target						African American "Key" Target					
		Overall "Key" ^A		Men's "Key" ^A		Women's "Key" ^A		Overall "Key" ^{AA}		Men's "Key" ^{AA}		Women's "Key" ^{AA}	
		# Est. HHs	Index	# Est. HHs	Index	# Est. HHs	Index	# Est. HHs	Index	# Est. HHs	Index	# Est. HHs	Index
St. Louis, MO	Average	45,899	102	28,984	107	29,607	103	46,353	103	19,441	101	26,912	105
Syracuse, NY	Worst	14,338	69	9,842	79	9,107	69	16,468	80	7,396	84	9,072	77
Tallahassee et al, FL-GA	Down	187,423	122	104,701	113	124,074	127	173,586	113	73,658	112	99,928	114
Tampa et al, FL	Competitive	3,614	22	3,698	37	2,235	21	10,807	64	4,894	68	5,913	62
Terre Haute, IN	Good	107,390	116	61,260	110	69,310	118	94,303	102	40,723	103	53,580	101
Seattle-Tacoma, WA	Best	176,105	146	101,814	141	120,652	157	144,165	120	63,265	123	80,900	118

Name	Market Situation Category	Asian "Key" Target						Hispanic "Key" Target					
		Overall "Key" ^A		Men's "Key" ^A		Women's "Key" ^A		Overall "Key" ^H		Men's "Key" ^H		Women's "Key" ^H	
		# Est. HHs	Index	# Est. HHs	Index	# Est. HHs	Index	# Est. HHs	Index	# Est. HHs	Index	# Est. HHs	Index
St. Louis, MO	Average	16,146	96	7,427	96	8,719	96	23,405	101	10,922	101	12,483	101
Syracuse, NY	Worst	4,680	61	1,978	56	2,702	65	8,260	78	3,743	76	4,517	80
Tallahassee et al, FL-GA	Down	70,357	123	33,553	127	36,804	119	94,785	120	43,161	117	51,624	123
Tampa et al, FL	Competitive	1,295	21	406	14	889	26	5,054	59	2,628	66	2,426	53
Terre Haute, IN	Good	39,240	114	17,980	113	21,260	114	52,945	112	24,287	110	28,658	113
Seattle-Tacoma, WA	Best	68,171	152	32,155	156	36,017	148	78,343	127	34,767	121	43,575	132

Data Not Actual

measurable



results

“Each time the all tactics application was delivered and learning applied, **I could count on 20-25% improvement in performance**, meaning if I spent \$100,000, I would only have to spend \$75,000 to get the same sales volume that would come from \$100k. More often than not, I just increased the spend to get to higher sales levels.”

~ **Corky Roth**