

Campaign Summary E-Mail ROI

Promotion: Back to school bonanza

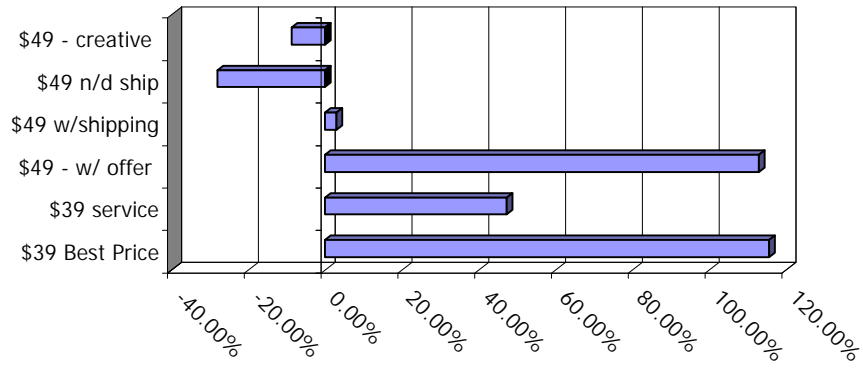
Date: 9/1/01

	\$39 Best Price	\$39 service	\$49 - w/ offer	\$49 w/shipping	\$49 n/d ship	\$49 - creative
Number of E-Mails sent	100,000	100,000	100,000	100,000	100,000	100,000
Number of orders received	1,200	900	878	678	644	567
Rate of response (pull)	1.200%	0.900%	0.878%	0.678%	0.644%	0.567%
Selling price	\$39.00	\$39.00	\$49.00	\$49.00	\$49.00	\$49.00
Other charges (postage & handling, etc.)	6.00	6.00	6.00			6.00
Adjusted price of product	\$45.00	\$45.00	\$55.00	\$49.00	\$49.00	\$55.00
Variable costs:						
Cost of product or service	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
List rental (per 1,000)	222.00	222.00	222.00	222.00	222.00	222.00
Handling and order processing cost (per unit)	1.00	1.00	1.00	1.00	1.00	1.00
Packaging Expense (per unit)	0.75	0.75	0.75	0.75	0.75	0.75
Shipping costs (or digital delivery charges - per unit)	3.00	3.00	3.00	3.00	7.00	3.00
Fixed costs (for entire campaign):						
Creative costs	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Other fixed costs	450	450	450	450	450	450
Total fixed costs	\$5,450	\$5,450	\$5,450	\$5,450	\$5,450	\$5,450
Variable cost per unit of filling order	\$7.75	\$7.75	\$7.75	\$7.75	\$11.75	\$7.75
Contribution margin per order	\$37.25	\$37.25	\$47.25	\$41.25	\$37.25	\$47.25
Number of orders to break-even	146.31	146.31	115.34	132.12	146.31	115.34
Revenue	\$54,000	\$40,500	\$48,290	\$33,222	\$31,556	\$31,185
Contribution margin	\$44,700	\$33,525	\$41,486	\$27,968	\$23,989	\$26,791
Net Income	\$17,050	\$5,875	\$13,836	\$318	(\$3,661)	(\$859)
ROI of Mailing	115.59%	47.28%	112.90%	2.97%	-28.12%	-8.73%

Descriptions of the Offers

\$39 Best Price	This creative will emphasize the best price
\$39 service	This creative will emphasize the best service
\$49 - w/ offer	Includes free roadmaster game
\$49 w/shipping	Fre shipping as offer
\$49 n/d ship	Free next day shipping
\$49 - creative	Very different creative - the corkscrew offer

ROI of Mailing



Net Income

