

# Insert Media Day 2011

Optimization through Integration

# Today's Panel



**Cindy Karamitis, SVP, Novus**

16 years multichannel direct response experience

Clients include: Guthy Renker, Gerber Life Insurance, Dish Network, Stratford Career Institute



**Anne McCarthy, Direct Response Specialist, Valassis**

12 year veteran at Valassis with 20+ years experience in sales & marketing

Clients include: Checks in the Mail, Custom Direct, Dream Products



**Andrew Nestico, VP, Group Sales Manager, News America Marketing Direct Response Region**

15 year veteran at News America

Clients include: Chase, DirecTV, Oreck Vacuums, The Bradford Exchange



**Robin Bender, Partner, ConvergeDirect**

20+ years multichannel direct response and brand experience

Clients include: DIRECTV, Blue Shield of CA, Clearwire, Loews, ADT

# Yield greater results through local market optimization

- Identify best markets
- Build an index
- Consider models
- Maximize frequency
- Create optimal mix of vehicles
- Isolate 'like' markets for testing
- Gain additional insights
- Eliminate waste and improve results



# Valassis Case Study

Anne McCarthy

# Valassis Portfolio



# Valassis reaches 90% of US households

Shared Mail:

79MM Weekly/Up to 111MM HH Bi-Weekly



Newspaper Inserts:

13,000+ papers daily



Coop FSI: 60MM+ Households 40 times/ year



ROP: 100MM daily



Email

Display: Up to 50MM consumers daily

# Case Study: Insurance Advertiser

- Challenge:
  - Maximize national coverage
  - Optimize reach and performance results
- Strategy:
  - Implement a tiered program to RedPlum Shared Mail Wrap and Shared Mail Inserts in both underweight/remnant & overweight/guaranteed markets.
  - Identify client markets
  - Saturate selected markets via Underweight / Remnant
  - Secure Additional coverage in top performing markets with Overweight / Guaranteed circ
  - Test new products and creative in select markets
- Result:
  - Large roll-out program after 2009 test
  - First half of 2011, insert placement up 139% and wrap placement up nearly 200% over prior year
  - Increased customer activation

# Approach

## INITIAL STRATEGY



## ON-GOING STRATEGY

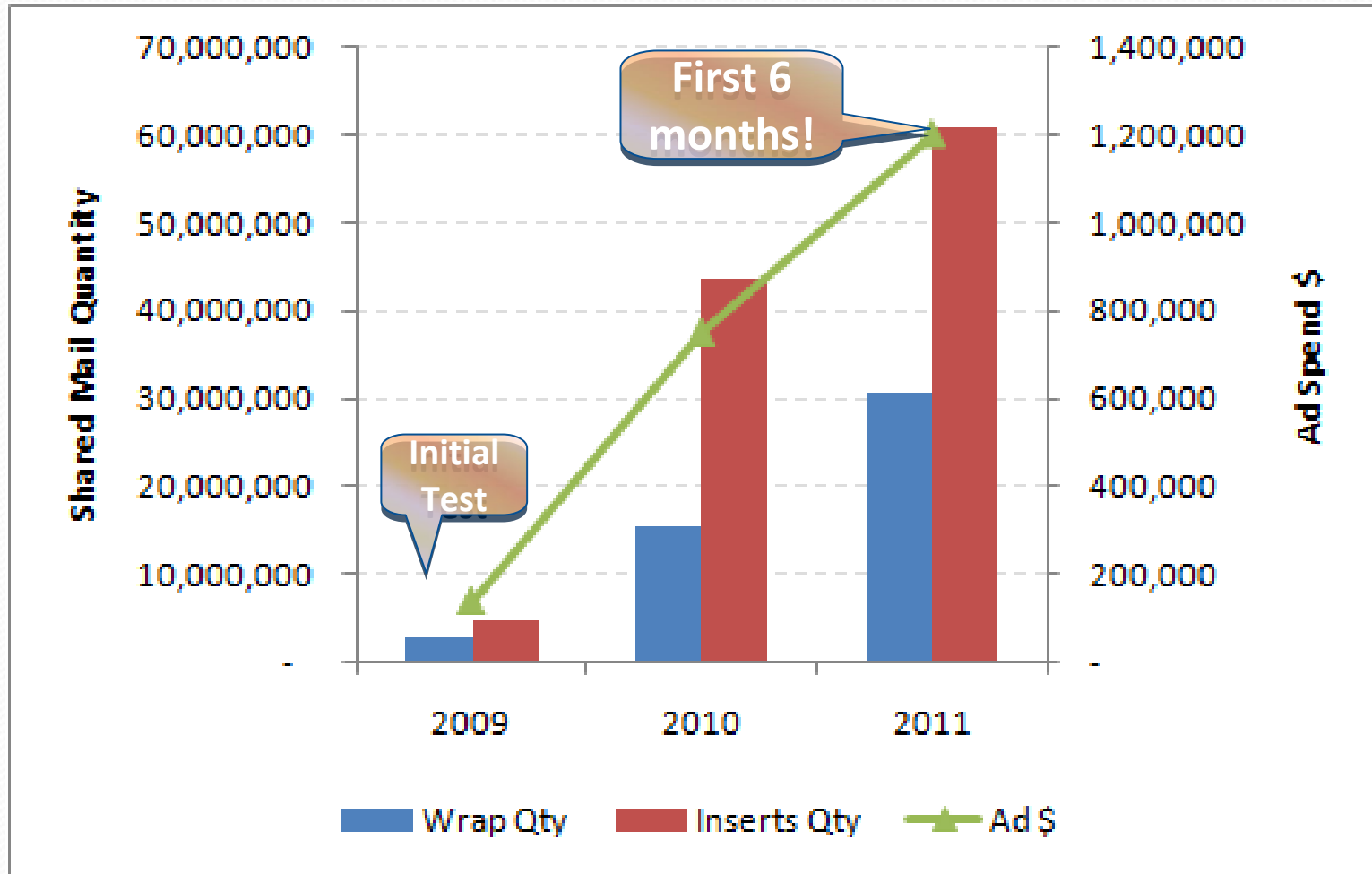


Identify new **Sharpshooters**<sup>®</sup> clusters to help acquire new segments.

## FURTHER OPTIMIZATION

Build Consumer Sourcing Model on transactional & lifestyle data to reveal critical segments & geographic areas for future business growth.

# Results: Increased acquisition with 45% improvement in CPA





# News America Case Study

Andrew Nestico

# News America Portfolio



# News America reaches 158MM Consumers

## SmartSource Magazine

Branded co-op free-standing insert

Circulation:	73.9MM
Issues:	44
Newspapers:	1,614
Regional Versions:	180
Category-exclusivity	

## SmartSource Inside

Customized inserts within SmartSource Magazine

## SmartSource Custom Inserts



# Case Study: Health & Wellness Advertiser

- Challenge:
  - Improve marketing plan for long running insert advertiser
  - Optimize reach and performance results
- Strategy:
  - Identify high potential markets for the initial test
  - Index market list forms to isolate target markets
  - Use control creative with unique key codes
  - Test market forms for effectiveness
  - Analyze responder zipcodes
  - Identify market forms that meet target CPA
- Result:
  - Creation of a core market list
  - 40MM test identified 14MM in target circulation
  - Reprove market list through additional drops
  - Increase frequency in core markets
  - Isolate like markets for creative/offer/position testing
  - Identify markets within acceptable range of target CPA for additional circulation (7.2MM circ within \$10 CPA allowable)

# Identify best indexing markets

Form #	Market Name	Market List Circulation (ooo)	Circ dropped per form (ooo)	Freq.	Media Cost By Form	Responses Per Form	Index Of Response Rate	Market Cost Per Sale
44	YOUNGSTOWN, OH Group	125	250	2	\$1,250	63.48	302	\$19.69
60	LEXINGTON, KY Group	175	175	1	\$875	40.24	273	\$21.74
42	LAKE COUNTY, OH Group	135	135	1	\$675	30.3	267	\$22.28
66	ROANOKE, VA Group	269	538	2	\$2,690	117.8	260	\$22.84
151	TULSA, OK Group	206	209	2	\$1,045	45.64	260	\$22.90
68	DANVILLE, KY Group	37	74	2	\$370	16.06	258	\$23.04
78	GASTONIA, NC Group	109	218	2	\$1,090	43.38	236	\$25.13
54	SOUTH BEND, IN Group	153	153	1	\$765	30	233	\$25.50
75	MONTGOMERY, AL Group	105	105	1	\$525	20	226	\$26.25

# Isolate like markets for testing

Form #	Market Name	Market List Circulation (ooo)	Circ dropped per form (ooo)	Freq.	Media Cost By Form	Responses Per Form	Index Of Response Rate	Market Cost Per Sale
179	RIVERSIDE, CA Group	449	449	1	\$2,245	54.78	145.24	\$40.98
37	CINCINNATI, OH Group	751	1,462	2	\$7,310	174.54	142.14	\$41.88
126	KANSAS CITY, MO Group	399	399	1	\$1,995	47.02	140.24	\$42.43
159	EUGENE, OR Group	299	299	1	\$1,495	34.7	138.81	\$42.87
33	SCRANTON/TOWANDA, PA Group	275	275	1	\$1,375	31.4	135.95	\$43.79
135	BATON ROUGE, LA Group	149	298	2	\$1,490	34	135.71	\$43.82
171	BAKERSFIELD, CA Group	221	442	2	\$2,210	49.86	134.29	\$44.32



# ConvergeDirect Case Study

Robin Bender

# Case Study: blue of california

- Challenge:
  - Used inserts on a minimal basis
  - The cost to acquire a new customer was higher than other media
  - Volume generated was not worth paying the incremental costs
- Strategies:
  - Use basic creative elements recommended for insert media
  - Identify format that lowers cost and drives response
  - Test different vehicles that can geo-target and overlay audience demographics
  - Determine the zip codes that drive the highest volume, cost efficiently
- Results:
  - Currently, inserts are used in all IFP and AEP active customer acquisition campaigns
  - Optimize buy across 6 core programs
  - Consecutively meets and/or exceeds cost per customer acquisition goals YOY

# Recommended Creative Elements

**Don't go without health coverage.**  
Get affordable plan options from Blue Shield.

- ▶ Don't pay too much for health coverage. To help protect you against the high costs of health care, our plans are designed to be competitively priced. We make it easy for you to find the right coverage at the right price.
- ▶ Choose from a wide range of plans to fit your budget. We offer many individual and family plans with generic and brand prescription coverage options, choice of deductibles, and access to a broad provider network.

Not available in all states. Blue Shield Plan 1000 (Standard) rates for individual under age 65. \$61 is the lowest rate available for individuals with good health in Arizona, California, Colorado, Connecticut, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Nevada, New Jersey, New York, North Carolina, North Dakota, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Washington, West Virginia, Wisconsin, and Wyoming. Other restrictions apply. Visit [blueshield.com](http://blueshield.com) for more information. © 2010 Blue Shield of California. Blue Shield of California is a service mark of Blue Shield of California.

**Adult plan rates start as low as \$61\* per month.** Lock in your rate until 2010.

For more information, call **(888) 273-4164** today.  
See the chart on back.

[blueshieldca.com/save](http://blueshieldca.com/save) blue  of california

Unique 800 # for tracking vehicle; white background to make it pop & lower printing versioning costs

Bold offer located in coupon-like box with perf edge

Callout burst to create urgency

Get an affordable health plan that's right for you – just when you need it most.

Age	Individual*	Individual & Spouse*	Family*
Under 1	\$113	n/a	n/a
1-18	\$50	n/a	n/a
19-29	\$61	\$141	\$292
30-34	\$67	\$164	\$327
35-39	\$82	\$211	\$319
40-44	\$105	\$281	\$382
45-49	\$139	\$363	\$454
50-54	\$188	\$457	\$530
55-59	\$257	\$577	\$639
60-64	\$376	\$725	\$792

**Adult plan rates start as low as \$61\*/month**

For more information, call **(888) 273-4164** today.

Monday through Thursday, 8 a.m. to 7 p.m.  
Friday 8 a.m. to 6 p.m.  
Or call your local Blue Shield authorized broker.

[blueshieldca.com/save](http://blueshieldca.com/save) blue  of california

Clean-white space; make it simple!

# Plan at the most granular level

## Search Criteria

Date Range:  Start Date:  End Date:  Category:  SubCat:

Date:  TFN:  Program:

Choose Filter  >  Choose Filter  >  Choose Filter  >

Keycode Summary

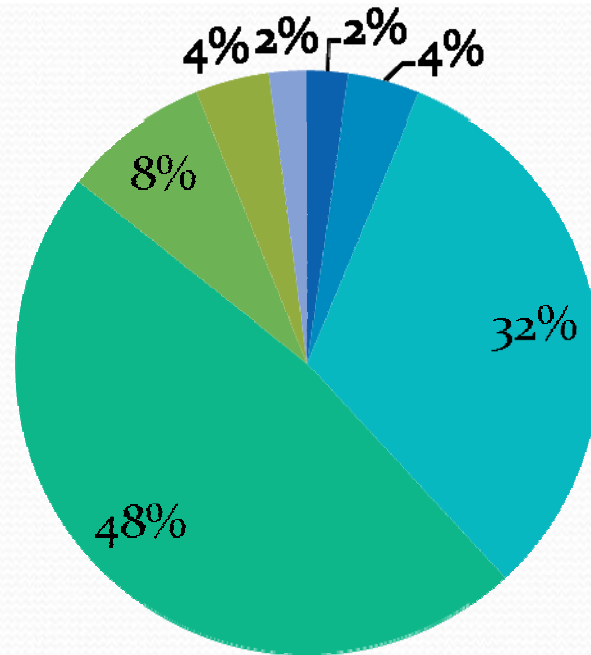
TFN	Program	Channel	Category	Vendor	Month	StartDate	Curve EndDate	Plan Name	Status	Creative Name	Creative Format	Creative Position	Offer	Client Zone	Curve	MRGIO	CDIO	Creative Due Date	GW
<a href="#">8884521849</a>	<a href="#">Money Mailer</a>	<a href="#">Alt Media</a>	<a href="#">Mailed Coop Envelopes</a>	<a href="#">Money Mailer</a>	7	<a href="#">07-26-10</a>	01-26-11	3Q 2010	<a href="#">Booked</a>	Super Fast Internet	7.375 X 5		Plans Start at \$30/mo.	Houston	Money Mailer		222602	05-15-10	
<a href="#">8883089980</a>	<a href="#">Money Mailer</a>	<a href="#">Alt Media</a>	<a href="#">Mailed Coop Envelopes</a>	<a href="#">Money Mailer</a>	7	<a href="#">07-23-10</a>	01-23-11	3Q 2010	<a href="#">Booked</a>	Super Fast Internet	7.375 X 5		Plans Start at \$30/mo.	Chicago	Money Mailer		222602	05-15-10	
<a href="#">8885888917</a>	<a href="#">Money Mailer</a>	<a href="#">Alt Media</a>	<a href="#">Mailed Coop Envelopes</a>	<a href="#">Money Mailer</a>	7	<a href="#">07-14-10</a>	01-14-11	3Q 2010	<a href="#">Booked</a>	Super Fast Internet	7.375 X 5		Plans Start at \$30/mo.	Seattle	Money Mailer		222602	05-15-10	
<a href="#">8882961386</a>	<a href="#">Money Mailer</a>	<a href="#">Alt Media</a>	<a href="#">Mailed Coop Envelopes</a>	<a href="#">Money Mailer</a>	7	<a href="#">07-13-10</a>	01-13-11	3Q 2010	<a href="#">Booked</a>	Super Fast Internet	7.375 X 5		Plans Start at \$30/mo.	Baltimore	Money Mailer		222602	05-15-10	
<a href="#">8884521847</a>	<a href="#">Money Mailer</a>	<a href="#">Alt Media</a>	<a href="#">Mailed Coop Envelopes</a>	<a href="#">Money Mailer</a>	7	<a href="#">07-09-10</a>	01-09-11	3Q 2010	<a href="#">Booked</a>	Super Fast Internet	7.375 X 5		Plans Start at \$30/mo.	Philadelphia	Money Mailer		222602	05-15-10	
<a href="#">8883163693</a>	<a href="#">Money Mailer</a>	<a href="#">Alt Media</a>	<a href="#">Mailed Coop Envelopes</a>	<a href="#">Money Mailer</a>	7	<a href="#">07-02-10</a>	01-02-11	3Q 2010	<a href="#">Booked</a>	Super Fast Internet	7.375 X 5		Plans Start at \$30/mo.	Dallas	Money Mailer		222602	05-15-10	
<b>Grand Total</b>																			

- Program
- Date Range
- On Page
- Insert CPM
- Zip code
- Positioning
- Format

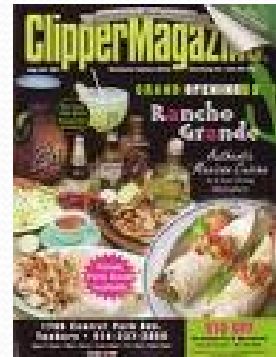
# Optimization Across Vehicles

Region	Program	Circulation	Leads	Cost per Lead	Response Rate
1	Clipper	210,000	34	\$ 100	0.016%
1	Money Mailer	500,000	74	\$ 72	0.015%
1	Smartsource	2,300,000	550	\$ 68	0.024%
1	Red Plum	3,800,000	900	\$ 70	0.024%
1	Pennysaver	330,000	56	\$ 101	0.017%
1	Valpak	540,000	67	\$ 95	0.012%
1	Newspaper Insert	190,000	40	\$ 85	0.021%
		7,870,000	1721	\$ 72	
2	Clipper	150,000	30	\$ 95	0.020%
2	Money Mailer	-			
2	Smartsource	2,600,000	570	\$ 72	0.022%
2	Red Plum	500,000	100	\$ 69	0.020%
2	Pennysaver	1,000,000	190	\$ 87	0.019%
2	Valpak	-			
2	Newspaper Insert	150,000	25	\$ 90	0.017%
		4,400,000	915	\$ 76	
3	Clipper				
3	Money Mailer	500,000	85	\$ 65	0.017%
3	Smartsource	500,000	120	\$ 71	0.024%
3	Red Plum	3,500,000	830	\$ 72	0.024%
3	Pennysaver				
3	Valpak	200,000	40	\$ 120	0.020%
3	Newspaper Insert				
		4,700,000	1075	\$ 73	

# Optimization of Spend



- Clipper
- Money Mailer
- Smartsource
- Red Plum
- Pennysaver
- Valpak
- Newspaper Insert





Questions?



**Thank You!**