Value of One

Response is vital in any advertising you invest in. Yet, response today is only one component of return on investment. some of the customers you receive from one mailing will continue on with you a loyal customers. That loyal business means ongoing returns. The same process will occur the next time you mail and so on. Many people give up on advertising before they have given their investment a chance to work for them. When advertising is done properly, the investment in your business, each time you mail, can positively impact your business for months and years to come. To see how your advertising can work for you, complete the following worksheet.

A	Average ticket for new customer				_____	
B	Average value/profit per ticket from new customer				_____	
C	Number of Visits new customer will make (pick one)	Per Week	_____	x 52 =	_____	Total Visits
		Per Month	_____	x 12 =	_____	
		Per Year	_____	x 1 =	_____	
D.	Average Annual value/Profit on ONE new customer (B x C total Visits)				_____	
E.	Average Number of years you keep ONE new customer (Customer Lifetime)				_____	
F.	Average Lifetime Value/Profit (D x E)				_____	
G.	Average number of new customers you can get and keep per month over the next 12 months (total)				_____	
H.	Average Lifetime Value/Profit of total new customers in G above (F x G)					_____

Total Annual Investment in Money Mailer

1	Number of zones you're investing in per mailing		_____
2.	Average price per zone		_____
3	Total average investment per mailing (1 x 2)		_____
4.	Number of Money Mailer mailings you will participate in over the next 12 months		_____
5.	Total average annual investment in Money Mailer over the next 12 months (3 x 4)		_____

Complete the following statement below:

I will/will not invest (#3) $_____ per mailing OR (#5) $_____ per year for the opportunity of a Lifetime Value/Profit from new customers of (H) $_____.