



Statistical Fact Book 2013

The Definitive Source for Direct Marketing Benchmarks
Data • Social • Mobile • Direct Mail • And More



Advancing and Protecting
Responsible Data-Driven Marketing

DMA 2013 STATISTICAL FACT BOOK

THE DEFINITIVE SOURCE FOR DIRECT MARKETING BENCHMARKS



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ABOUT THE DIRECT MARKETING ASSOCIATION

The Direct Marketing Association (www.the-dma.org) is the world's largest trade association dedicated to advancing and protecting responsible data-driven marketing. Founded in 1917, DMA represents thousands of companies and nonprofit organizations that use and support data-driven marketing practices and techniques.

In 2012, marketers — commercial and nonprofit — spent \$168.5 billion on direct marketing, which accounts for 52.7 percent of all ad expenditures in the United States. Measured against total US sales, these advertising expenditures generated approximately \$2.05 trillion in incremental sales. In 2012, direct marketing accounted for 8.7 percent of total US gross domestic product and produces 1.3 million direct marketing employees in the US. Their collective sales efforts directly support 7.9 million other jobs, accounting for a total of 9.2 million US jobs.

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ISBN:978-0-9833791-4-0

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DIRECT MARKETING OVERVIEW

CHAPTER HIGHLIGHTS

- Direct Marketing expenditures in the US will grow to \$196.0 billion in 2016, with the strongest growth occurring in digital channels.
- 47% of companies planned to add staff in the first quarter of 2013.
- A database manager with seven-plus years of experience can expect a salary between \$97,000 and \$120,900.
- 56% of adult mail, phone, or Internet purchasers are women.
- 33% of business-to-consumer marketers are investing their marketing time and resources into email.
- 66% of online consumers have made a purchase as a result of an email marketing message.
- Website, email, and social are the biggest priorities for marketers over the next year.
- Consumers' use of coupons has gone up in 2012 to 79.8%.
- Featured articles (62%) have the best content marketing-related ROI.
- Traditional US advertising and marketing spending was \$129.9 billion in 2012.

US DIRECT MARKETING EXPENDITURES BY MEDIUM AND MARKET

(In Billions of Dollars)

Channel	Market	2006	2010	2011	2012	2016	Compound Annual Growth Rate	
							2006 – 2011	2011 – 2016
Commercial Email		0.8	1.4	1.6	1.7	2.3	13.8%	8.6%
	Business	0.5	0.8	0.9	0.9	1.3	13.7%	8.3%
	Consumer	0.4	0.6	0.7	0.8	1.1	13.9%	8.8%
Direct Mail (Catalog)		20.1	16.4	17.3	17.7	20.5	-3.0%	3.5%
	Business	7.7	6.4	6.8	7.0	8.2	-2.5%	3.9%
	Consumer	12.4	9.9	10.4	10.7	12.3	-3.3%	3.3%
Direct Mail (Non-Catalog)		33.0	31.5	32.8	33.4	37.1	-0.1%	2.5%
	Business	12.6	12.0	12.5	12.7	14.2	-0.1%	2.5%
	Consumer	20.5	19.5	20.3	20.7	22.9	-0.2%	2.5%
Insert Media		1.9	2.1	2.1	2.2	2.3	2.4%	1.7%
	Business	0.7	0.8	0.8	0.8	0.9	2.7%	1.8%
	Consumer	1.2	1.3	1.4	1.4	1.5	2.2%	1.6%
Internet Display		5.0	7.2	8.5	9.5	14.1	11.3%	10.6%
	Business	2.8	4.0	4.7	5.2	7.7	11.1%	10.3%
	Consumer	2.2	3.2	3.8	4.3	6.4	11.4%	10.9%
Internet Other		1.9	3.2	3.9	4.4	5.9	15.7%	8.8%
	Business	1.0	1.8	2.1	2.4	3.2	15.6%	8.6%
	Consumer	0.8	1.4	1.7	2.0	2.7	15.8%	9.1%
Internet Search		8.4	11.8	13.9	15.6	22.4	10.6%	9.9%
	Business	4.7	6.5	7.7	8.6	12.2	10.5%	9.7%
	Consumer	3.8	5.3	6.2	7.1	10.2	10.7%	10.2%
Internet Social Networking		0.6	2.0	2.5	3.0	6.1	34.4%	19.4%
	Business	0.3	0.9	1.1	1.4	2.8	34.5%	19.7%
	Consumer	0.3	1.1	1.4	1.6	3.3	34.2%	19.1%
DR Magazine		8.4	6.9	7.0	6.9	7.2	-3.7%	0.6%
	Business	4.3	3.6	3.7	3.7	3.9	-3.1%	1.1%
	Consumer	4.1	3.2	3.3	3.2	3.3	-4.4%	0.0%
Mobile		0.1	0.6	0.9	1.2	3.1	75.2%	28.7%
	Business	0.0	0.2	0.3	0.4	0.9	69.2%	25.2%
	Consumer	0.0	0.4	0.6	0.8	2.2	78.8%	30.3%
DR Newspaper		16.1	8.4	7.8	7.0	4.9	-13.6%	-9.0%
	Business	6.1	3.2	3.0	2.7	1.9	-13.1%	-8.7%
	Consumer	10.0	5.2	4.8	4.3	3.0	-13.9%	-9.1%

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US DIRECT MARKETING EXPENDITURES BY MEDIUM AND MARKET (CONTINUED)

(In Billions of Dollars)

Channel	Market	2006	2010	2011	2012	2016	Compound Annual Growth	
							2006 – 2011	2011 – 2016
DR Radio		4.9	3.9	3.9	3.8	3.9	-4.4%	-0.2%
	Business	2.4	2.0	2.0	2.0	2.0	-3.7%	0.1%
	Consumer	2.5	1.9	1.9	1.9	1.9	-5.2%	-0.5%
Telephone Marketing		44.8	36.3	36.6	36.9	38.1	-3.9%	0.8%
	Business	26.8	22.0	22.2	22.4	23.2	-3.7%	0.9%
	Consumer	17.9	14.4	14.4	14.5	14.9	-4.3%	0.6%
DR Television		22.0	20.8	22.1	22.9	25.9	0.1%	3.2%
	Business	9.7	9.5	10.2	10.6	12.2	0.9%	3.7%
	Consumer	12.3	11.3	11.9	12.3	13.7	-0.7%	2.9%
Other		2.8	2.0	2.1	2.1	2.3	-5.2%	1.4%
	Business	1.2	0.9	1.0	1.0	1.0	-4.5%	1.9%
	Consumer	1.6	1.1	1.2	1.2	1.2	-5.6%	1.0%
Total		170.8	154.4	163.0	168.5	196.0	-0.9%	3.8%
	Business	80.8	74.6	79.1	81.8	95.6	-0.4%	3.9%
	Consumer	90.0	79.8	83.9	86.7	100.4	-1.4%	3.6%

Source: DMA, "The Power of Direct Marketing, 2011–2012 Edition."

US DIRECT MARKETING-DRIVEN SALES BY MEDIUM AND MARKET

(In Billions of Dollars)

Channel	Market						Compound Annual Growth	
		2006	2010	2011	2012	2016	2006 – 2011	2011 – 2016
Commercial Email		42.7	57.8	63.1	67.8	82.2	8.2%	5.4%
	Business	22.3	29.6	32.0	33.9	40.0	7.4%	4.6%
	Consumer	20.3	28.2	31.2	33.9	42.2	8.9%	6.2%
Direct Mail (Catalog)		144.5	120.0	126.1	128.6	146.7	-2.7%	3.1%
	Business	49.4	41.0	43.0	43.7	49.8	-2.7%	3.0%
	Consumer	95.1	79.0	83.1	84.9	96.9	-2.7%	3.1%
Direct Mail (Non-Catalog)		510.4	484.6	504.5	513.8	577.4	-0.2%	2.7%
	Business	176.5	170.3	177.4	180.7	205.3	0.1%	3.0%
	Consumer	333.9	314.3	327.1	333.1	372.1	-0.4%	2.6%
Insert Media		22.1	23.9	24.4	24.7	26.1	1.9%	1.4%
	Business	7.6	8.3	8.5	8.6	9.2	2.3%	1.6%
	Consumer	14.6	15.6	15.9	16.1	17.0	1.8%	1.3%
Internet Display		103.5	141.9	168.1	186.9	279.2	10.2%	10.7%
	Business	53.7	72.3	84.7	93.0	135.5	9.5%	9.9%
	Consumer	49.8	69.6	83.5	93.9	143.7	10.9%	11.5%
Internet Other		30.9	54.1	66.2	76.0	103.3	16.4%	9.3%
	Business	16.1	27.5	33.4	37.8	50.1	15.7%	8.5%
	Consumer	14.9	26.5	32.9	38.2	53.2	17.2%	10.1%
Internet Search		197.1	259.3	309.7	350.2	506.1	9.5%	10.3%
	Business	102.3	132.1	156	174.3	245.5	8.8%	9.5%
	Consumer	94.8	127.3	153.8	175.9	260.5	10.1%	11.1%
Internet Social Networking		7.1	24.7	31.9	38.8	81.8	34.9%	20.7%
	Business	3.4	12.1	15.8	19.5	42.1	35.8%	21.6%
	Consumer	3.7	12.6	16.1	19.3	39.7	34.1%	19.8%
DR Magazine		86.2	69.3	69.6	68.6	70.3	-4.2%	0.2%
	Business	41.9	34.0	34.3	33.9	34.9	-4.0%	0.4%
	Consumer	44.2	35.4	35.3	34.8	35.4	-4.4%	0.1%
Mobile		0.3	6	9.4	14.0	39.1	98.3%	33.1%
	Business	0.1	2.1	3.1	4.5	11.5	91.5%	29.5%
	Consumer	0.2	3.9	6.2	9.5	27.7	102.3%	34.8%
DR Newspaper		212.6	103.0	94.1	84.5	58.3	-15.0%	-9.1%
	Business	66.9	32.8	30.0	26.9	18.6	-14.9%	-9.1%
	Consumer	145.6	70.2	64.1	57.6	39.7	-15.1%	-9.1%

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US DIRECT MARKETING-DRIVEN SALES BY MEDIUM AND MARKET

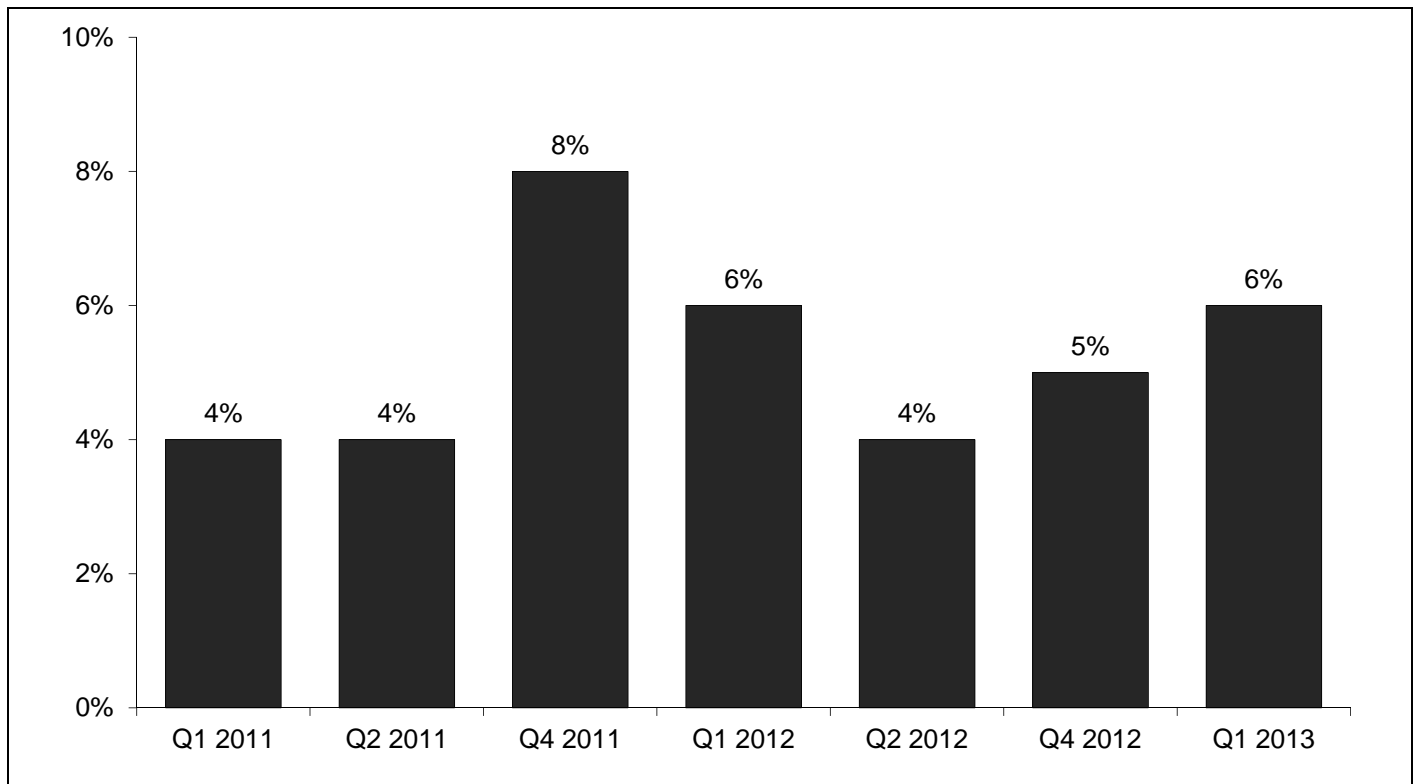
(In Billions of Dollars)

Channel	Market	2006	2010	2011	2012	2016	Compound Annual Growth	
							2006 – 2011	2011 – 2016
DR Radio		41.9	31.9	31.9	31.2	30.6	-5.3%	-0.8%
	Business	16.0	12.5	12.5	12.2	11.9	-4.9%	-0.9%
	Consumer	25.9	19.4	19.4	18.9	18.6	-5.6%	-0.8%
Telephone Marketing		379.2	303.6	303.6	305.1	310.0	-4.3%	0.4%
	Business	206.5	168.9	169.5	170.4	174.3	-3.9%	0.6%
	Consumer	172.6	134.7	134.2	134.7	135.7	-4.9%	0.2%
DR Television		150.6	136.6	143.3	147.6	163.4	-1.0%	2.7%
	Business	54.2	50.7	53.2	54.9	61.0	-0.4%	2.8%
	Consumer	96.4	85.9	90.0	92.7	102.3	-1.4%	2.6%
Other		19.3	14.0	14.6	14.6	15.5	-5.4%	1.2%
	Business	6.2	4.6	4.8	4.8	5.1	-4.9%	1.4%
	Consumer	13.1	9.4	9.8	9.8	10.4	-5.6%	1.1%
Total		1948.4	1830.7	1960.5	2052.3	2489.8	0.1%	4.9%
	Business	823.2	798.7	858.0	899.1	1094.8	0.8%	5.0%
	Consumer	1125.2	1032.0	1102.4	1153.2	1394.9	-0.4%	4.8%

Source: DMA, “The Power of Direct Marketing, 2011–2012 Edition.”

DO YOU PLAN TO REDUCE HEAD COUNT?

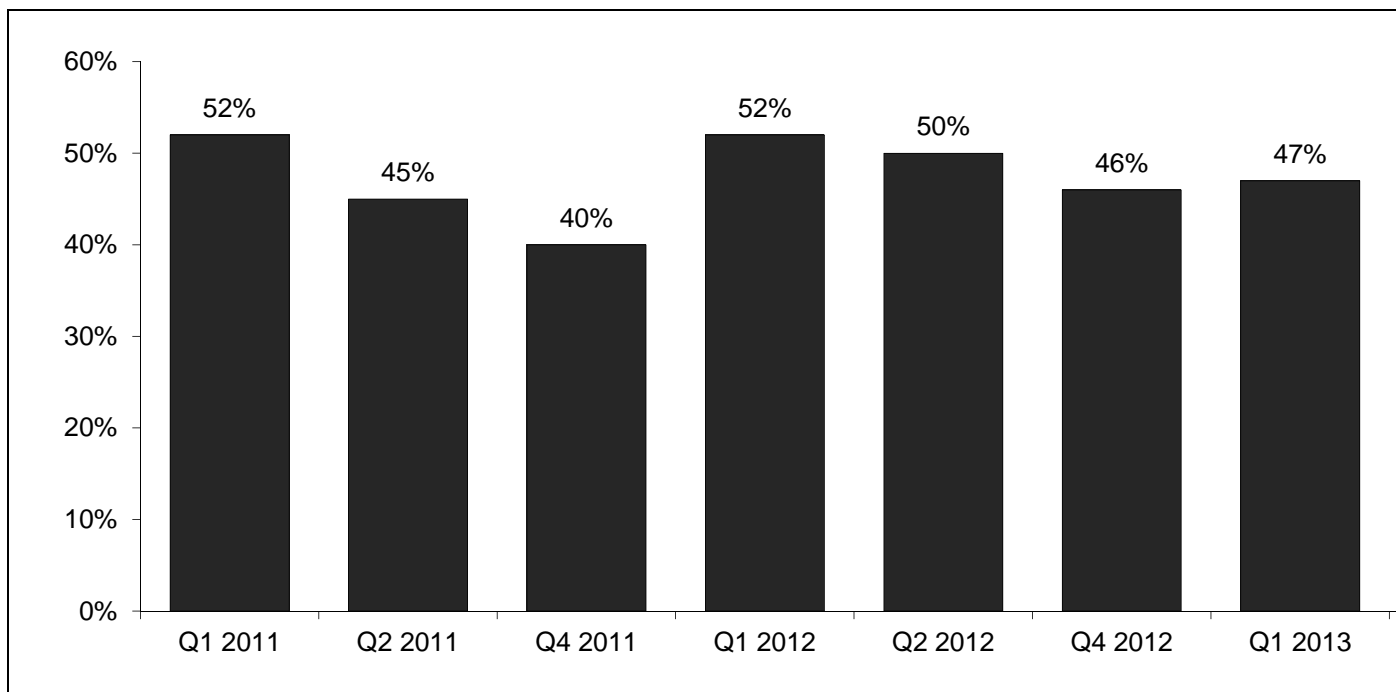
(Percentage of Companies Expecting to Reduce Head Count)



Source: Bernhart Associates Executive Search Employment Survey, 2013. The survey was not conducted for Q3 2011 and 2012.

DO YOU PLAN TO ADD STAFF IN THE NEXT THREE MONTHS?

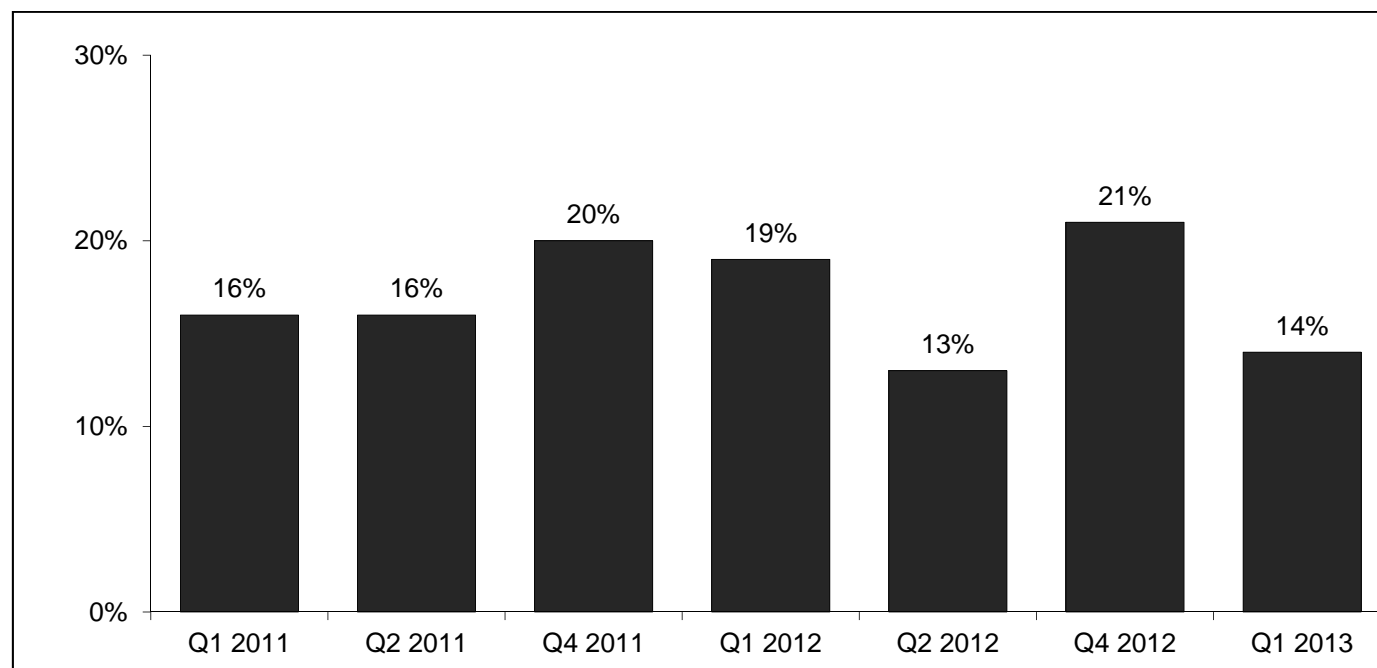
(Percentage of Companies Expecting to Add Staff)



Source: Bernhart Associates Executive Search Employment Survey, 2013. The survey was not conducted for Q3 2011 and 2012.

DO YOU HAVE A HIRING FREEZE?

(Percentage of Companies That Have a Hiring Freeze)



Source: Bernhart Associates Executive Search Employment Survey, 2013. The survey was not conducted for Q3 2011 and 2012.

2012 DIRECT RESPONSE ADVERTISING SALARIES

Crandall Associates, Inc., an executive recruiting firm, has determined the salaries by the following process: 1) Discussions with employers, from presidents to personnel officers, nationally, in companies varying in geographic areas, number of employees, and sales volume; 2) Personal interviews and discussions with professionals in Direct Marketing and Online Marketing at all salary levels, working from coast to coast; 3) Analysis of information collected as a result of discussions with potential candidates nationally, with adjustments made for the “fudge” factor. Copies of the full salary guide with 52 functions and regional salary variations are available for \$75 from Crandall Associates, Inc., 6 Litchfield Road, Suite 316, Port Washington, NY 11050, 516.767.6800.

Account Executive — Advertising Agency <p>The ambassador of an advertising agency in its relationship with clients, the Account Executive serves a triple role as the liaison officer, consummate marketing advisor, and eyes and ears of the agency’s management team.</p> <p>DUTIES: Assigned to specific clients, the Account Executive is responsible for advising the client, and the development and execution of programs designed by the agency, including direct mail, space ads, television, e-marketing, and in some agencies, catalogs. Works with creative directors, art directors and copywriters, media experts, market researchers, and production and traffic professionals to ensure maintenance of media schedule within budgetary guidelines. Responsible for reflecting client thoughts and the final acceptance of agency’s program.</p> <table> <tr> <th>Years Experience</th><th>Salary Range</th></tr> <tr> <td>1–3</td><td>\$44,100 to \$50,900</td></tr> <tr> <td>4–7</td><td>\$50,000 to \$57,600</td></tr> <tr> <td>7+</td><td>\$61,500 to \$75,000</td></tr> <tr> <td>Highest Reported</td><td>\$92,000</td></tr> </table>		Years Experience	Salary Range	1–3	\$44,100 to \$50,900	4–7	\$50,000 to \$57,600	7+	\$61,500 to \$75,000	Highest Reported	\$92,000
Years Experience	Salary Range										
1–3	\$44,100 to \$50,900										
4–7	\$50,000 to \$57,600										
7+	\$61,500 to \$75,000										
Highest Reported	\$92,000										
General Manager — Advertising Agency <p>The “last word” on the client accounts under his or her direction, this position has the final approval of all agency client projects. This person is the primary contact to senior level marketing professionals on the client side, and must meet with the expectations while ensuring the integrity of the agency’s beliefs.</p> <p>DUTIES: Oversee the development of internal and client business strategy, build external relationships while maintaining internal ones, develop expertise in a client’s product/service and industry, oversee account reviews and analysis, participate in new business development and pitches, provide input for annual and quarterly revenue forecasts, negotiate contractual agreements between client and agency.</p> <table> <tr> <th>Years Experience</th><th>Salary Range</th></tr> <tr> <td>1–3</td><td>\$115,700 to \$135,900</td></tr> <tr> <td>4–7</td><td>\$136,600 to \$163,800</td></tr> <tr> <td>7+</td><td>\$168,200 to \$215,800</td></tr> <tr> <td>Highest Reported</td><td>\$256,000</td></tr> </table>		Years Experience	Salary Range	1–3	\$115,700 to \$135,900	4–7	\$136,600 to \$163,800	7+	\$168,200 to \$215,800	Highest Reported	\$256,000
Years Experience	Salary Range										
1–3	\$115,700 to \$135,900										
4–7	\$136,600 to \$163,800										
7+	\$168,200 to \$215,800										
Highest Reported	\$256,000										
Director Client Services—Advertising Agency <p>Client Service Directors rely on long days and their depth of knowledge for solving marketing problems for the agency’s clients, maintaining a friendly and profitable relationship, and the supervision of Account Executives.</p> <p>DUTIES: Responsible for development of the staff, day-to-day supervision and monitoring of agency account executives, and the strategic development and implementation of client programs within budgetary guidelines. Guides marketing, creative, media and production activities, and participates in securing client approval of cost estimates. As a senior manager, participates in the acquisition of new clients as a member of the new business team. With a keen understanding of the realities of agency competition, insures maximum cost-effectiveness for clients and relentlessly pursues the achievement of client goals.</p> <table> <tr> <th>Years Experience</th><th>Salary Range</th></tr> <tr> <td>1–3</td><td>\$84,000 to \$92,500</td></tr> <tr> <td>4–7</td><td>\$91,500 to \$95,900</td></tr> <tr> <td>7+</td><td>\$96,000 to \$118,500</td></tr> <tr> <td>Highest Reported</td><td>\$148,000</td></tr> </table>		Years Experience	Salary Range	1–3	\$84,000 to \$92,500	4–7	\$91,500 to \$95,900	7+	\$96,000 to \$118,500	Highest Reported	\$148,000
Years Experience	Salary Range										
1–3	\$84,000 to \$92,500										
4–7	\$91,500 to \$95,900										
7+	\$96,000 to \$118,500										
Highest Reported	\$148,000										
Database Manager <p>In corporations both large and small, there has been an increased importance placed on the database function. Management recognizes that the database manager provides the information that tells the story.</p> <p>DUTIES: Designs and/or enhances databases, in alliance with the marketing department and research professional, incorporating significant information including, but not limited to, customer psychographic and demographic attributes, purchasing patterns and preferences. Develops models, including response, predictive, conversion and zip, providing insight for marketing decisions to increase sales, market share and profitability. Expert at segmentation and list enhancement techniques. Ability to use information to gain meaningful insight into customer purchase motivation.</p> <table> <tr> <th>Years Experience</th><th>Salary Range</th></tr> <tr> <td>1–3</td><td>\$73,500 to \$83,900</td></tr> <tr> <td>4–7</td><td>\$83,100 to \$100,100</td></tr> <tr> <td>7+</td><td>\$97,000 to \$120,900</td></tr> <tr> <td>Highest Reported</td><td>\$145,000</td></tr> </table>		Years Experience	Salary Range	1–3	\$73,500 to \$83,900	4–7	\$83,100 to \$100,100	7+	\$97,000 to \$120,900	Highest Reported	\$145,000
Years Experience	Salary Range										
1–3	\$73,500 to \$83,900										
4–7	\$83,100 to \$100,100										
7+	\$97,000 to \$120,900										
Highest Reported	\$145,000										

Note: All salary information from Crandall Associates is absolutely copyright protected. This material may not be photocopied or otherwise reprinted in any other communication, unless permission is directly granted by Crandall Associates, Inc. 516.767.6800.
Source: Crandall Associates, 2012.

2012 DIRECT RESPONSE ADVERTISING SALARIES (CONTINUED)

Marketing Analytics Director

Always in demand, even in the ancient epoch of the slide rule, the market research professional has risen in eminence with the development of the computer and analytical tools and now plays a leading role in all phases of Direct Marketing.

DUTIES: Responsible for evaluation, analysis and implementation of research and statistical techniques to develop marketing insights and improve marketing plans, increase response rates, minimize credit risks, and decrease buyer attrition. Develops and initiates market segmentation programs utilizing demographic, psychographic, and usage data. Conducts front- and back-end analysis and product performance measures. Tracks competitor mailing and product programs. Prepares reports for departmental needs. Presents forecasts to management. May supervise staff of manager(s) and analyst(s).

Years Experience	Salary Range
1-3	\$90,100 to \$97,500
4-7	\$98,300 to \$118,000
7+	\$119,400 to \$131,500
Highest Reported	\$153,000

Media Planner/Analyst

Long after the lights have dimmed in other offices, this professional evaluates the past and ponders the future to ensure that the next Direct Marketing or Telesales program achieves its goals, within an established budget.

DUTIES: For the needs of the client, recommends the size and scope of a myriad of media options, including, but not restricted to, direct mail, space, TV, broadcast, coop vehicles, package inserts and, more recently, cable and Internet promotions. Maintains current status reports of promotion budget, plans media schedules and proposes new test vehicles and formats. Meets with list brokers, space salespeople, and other media vendors. Analyzes front- and back-end results on a timely basis, determines seasonal trends, and maintains an alertness for statistical inferences and variances in response rates.

Years Experience	Salary Range
1-3	\$45,100 to \$50,800
4-7	\$49,900 to \$55,600
7+	\$52,700 to \$57,500
Highest Reported	\$65,000

Marketing Manager Business Products/Services

All businesses are consumers, but the reverse is not always true. Because there are fewer businesses, business marketers face great challenges in the marketplace, including, for one, continually finding new buyers for their products.

DUTIES: Responsible for the maximum penetration of a universe limited by the scope of the product, develops promotional direct marketing materials for the generation of profits. Supervises all testing and the creation of creative output ranging from, but not exclusive of, direct mail, card decks, bouncebacks, statement stuffers, billing inserts as well as any e-marketing and response space advertising, generally in trade and business publications. Analyzes promotions and digests reports from research staff. Supervises assistants, decides on internal lists and external list recommendations. Maintains mailing schedules.

Years Experience	Salary Range
1-3	\$60,500 to \$70,100
4-7	\$65,400 to \$73,200
7+	\$72,300 to \$83,000
Highest Reported	\$125,000

Marketing Manager Consumer Products/Services

Hitting a target that's always shifting, demographically and geographically, is the specialty and challenge of the Consumer Direct Marketer. Lifestyle changes, aging populations, and dual income families impact on all promotions.

DUTIES: Responsible for the development of the budget. Determines the marketing position and pricing, directs creative department in production of a myriad of direct marketing promotional vehicles, including but not limited to direct mail, space advertisements, e-marketing efforts, freestanding inserts, bouncebacks, billing and package inserts, and even matchbook covers. Participates in the selection of product or services sold, credit and collection policies, list approval. Reviews results of front- and back-end analysis, sometimes presented by research department and uses information to improve profit picture.

Years Experience	Salary Range
1-3	\$60,900 to \$72,000
4-7	\$68,100 to \$76,300
7+	\$75,200 to \$88,500
Highest Reported	\$150,000

Note: All salary information from Crandall Associates is absolutely copyright protected. This material may not be photocopied or otherwise reprinted in any other communication, unless permission is directly granted by Crandall Associates, Inc. 516.767.6800. Source: Crandall Associates, 2012.

DEMOGRAPHICS OF CONSUMERS PURCHASING BY MAIL, PHONE, OR INTERNET

	Mail, Phone, or Internet Buyers (000)	% of Total
TOTAL ADULT MAIL, PHONE, OR INTERNET PURCHASERS	147,199	100%
GENDER		
MALE	64,920	44.1%
FEMALE	82,280	55.9%
AGE		
18–24	14,990	10.2%
25–34	26,985	18.3%
35–44	27,247	18.5%
45–54	28,039	19.0%
55–64	25,038	17.0%
65+	24,901	16.9%
MEAN AGE	46.6	NA
EDUCATION		
POST GRADUATE	24,666	16.8%
GRADUATED COLLEGE	28,214	19.2%
ATTENDED COLLEGE	45,938	31.2%
GRADUATED HIGH SCHOOL	38,791	26.4%
DID NOT GRADUATE HIGH SCHOOL	9,591	6.5%
MARITAL STATUS — RESPONDENT		
NEVER MARRIED	36,432	24.7%
PRESENTLY MARRIED	83,421	56.7%
DIVORCED/SEPARATED/WIDOWED	27,346	18.6%
EMPLOYMENT STATUS		
EMPLOYED FULL TIME (30+ HOURS)	79,099	53.7%
EMPLOYED PART TIME (<30 HOURS)	16,254	11.0%
RETIRED	23,283	15.8%
HOMEMAKER	9,664	6.6%
HOUSEHOLD INCOME		
<\$10,000	4,638	3.2%
\$10,000–\$14,999	5,142	3.5%
\$15,000–\$24,999	9,779	6.6%
\$25,000–\$34,999	12,495	8.5%
\$35,000–\$49,999	18,449	12.5%
\$50,000–\$74,999	27,583	18.7%
\$75,000–\$99,999	21,810	14.8%
\$100,000–\$149,999	24,443	16.6%
\$150,000–\$249,999	16,085	10.9%
>\$250,000	6,776	4.6%

(Continues on following page)

DEMOGRAPHICS OF CONSUMER PURCHASING BY MAIL OR PHONE

(Continued)

	Mail, Phone, or Internet Buyers (000)	% of Total
NUMBER OF ADULTS IN HOUSEHOLD		
ONE	25,983	17.7%
TWO	82,919	56.3%
THREE OR FOUR	33,836	23.0%
FIVE OR MORE	4,461	3.0%
NUMBER OF CHILDREN		
ONE	21,326	14.5%
TWO	20,058	13.6%
THREE OR MORE	12,651	8.6%
NONE	93,164	63.3%
PRESENCE OF CHILDREN BY AGE		
UNDER 2 YEARS	8,852	6.0%
2–5 YEARS	16,966	11.5%
6–11 YEARS	24,023	16.3%
12–17 YEARS	22,056	15.0%
ANYONE IN THIS HOUSEHOLD EXPECTING A BABY?	3,467	2.4%
CENSUS REGIONS		
NORTHEAST	28,209	19.2%
MIDWEST	32,693	22.2%
SOUTH	51,937	35.3%
WEST	34,361	23.3%
KIND OF RESIDENCE		
OWN (ANY)	107,792	73.2%
RENT (ANY)	35,850	24.4%
MOVED INTO PRESENT RESIDENCE IN LAST 12 MONTHS	10,699	7.3%

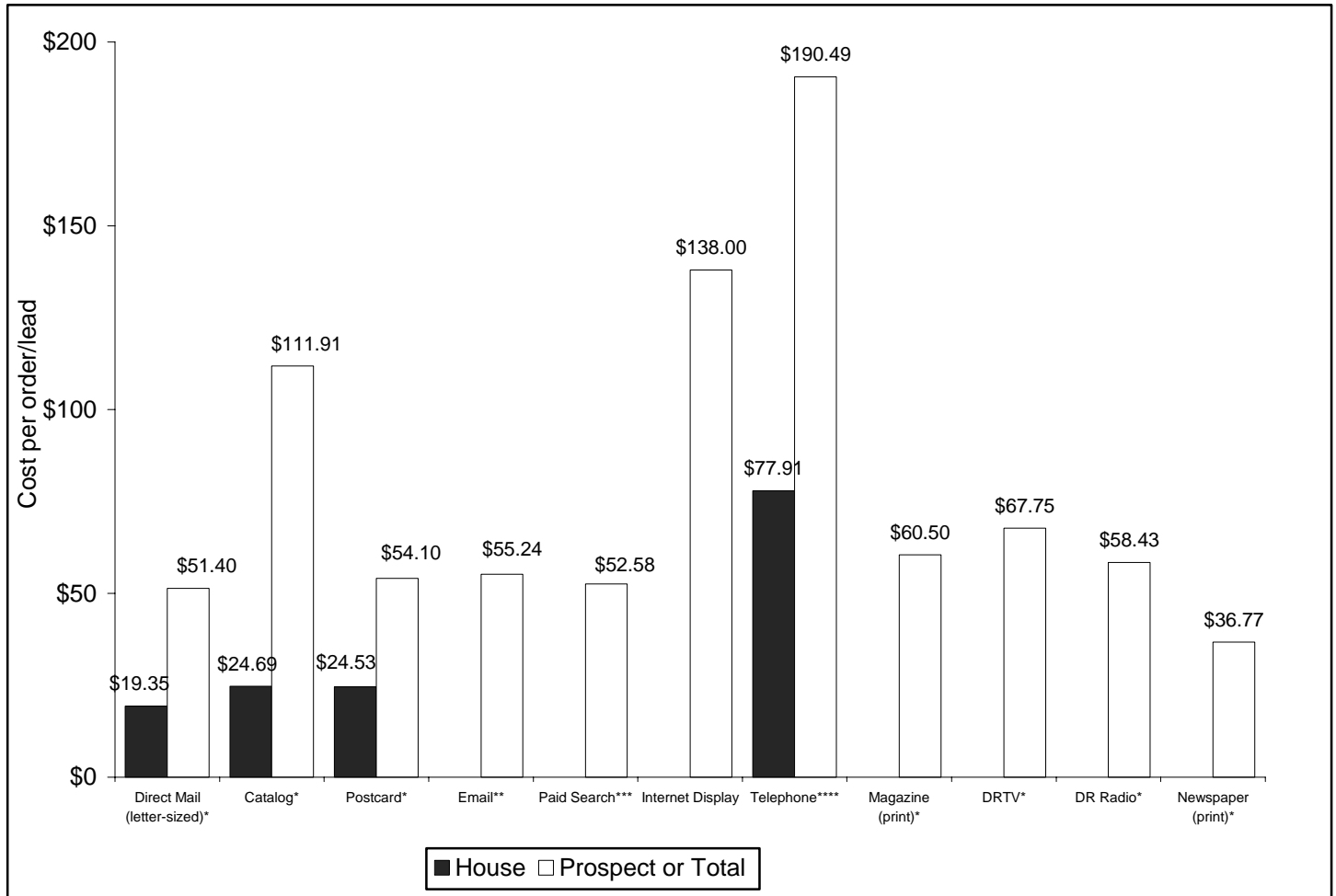
Source: Experian Simmons, “National Consumer Study,” 2012.

PURCHASING BEHAVIOR OF MAIL OR PHONE BUYERS

TYPES OF MERCHANDISE PURCHASED IN THE LAST 12 MONTHS	Mail or Phone Buyers (000)	% of Total
ACCESSORIES	4,588	3.1%
APPAREL — MEN'S	5,209	3.5%
APPAREL — WOMEN'S	10,653	7.2%
AUTOMOTIVE PRODUCTS	2,553	1.7%
BANKING SERVICES	2,885	2.0%
BOOKS/MUSIC/VIDEO	6,383	4.3%
COLLECTIBLES	2,241	1.5%
COMPUTER PRODUCTS	2,359	1.6%
COSMETICS (WAS COSMETICS/TOILETRIES)	2,888	2.0%
CREDIT CARDS	3,094	2.1%
ELECTRONICS/APPLIANCES	2,518	1.7%
FOOD/GROCERIES	3,780	2.6%
FOOTWEAR	5,084	3.5%
GARDENING	3,400	2.3%
HARDWARE	1,974	1.3%
HOME FURNISHINGS	3,634	2.5%
HOUSEWARES	3,385	2.3%
INSURANCE	3,674	2.5%
OFFICE SUPPLIES	1,520	1.0%
OTHER HEALTH/MEDICAL ITEMS	4,200	2.9%
PRESCRIPTION DRUGS	12,527	8.5%
SPORTING GOODS/EQUIPMENT	2,535	1.7%
TICKETS FOR EVENTS OTHER THAN MOVIES	3,209	2.2%
TICKETS FOR MOVIES	1,566	1.1%
TOYS/GAMES	3,364	2.3%
TRAVEL SERVICES/PACKAGES	2,457	1.7%
OTHER ITEMS	11,136	7.6%

Source: Experian Simmons, "National Consumer Study," 2012.

COST PER ORDER OR LEAD BY SELECTED MEDIA



Note: The figures for Magazine, DRTV, DR Radio and Newspaper (Print) and Internet Display are based on very low sample sizes.

*Cost per Order or Lead

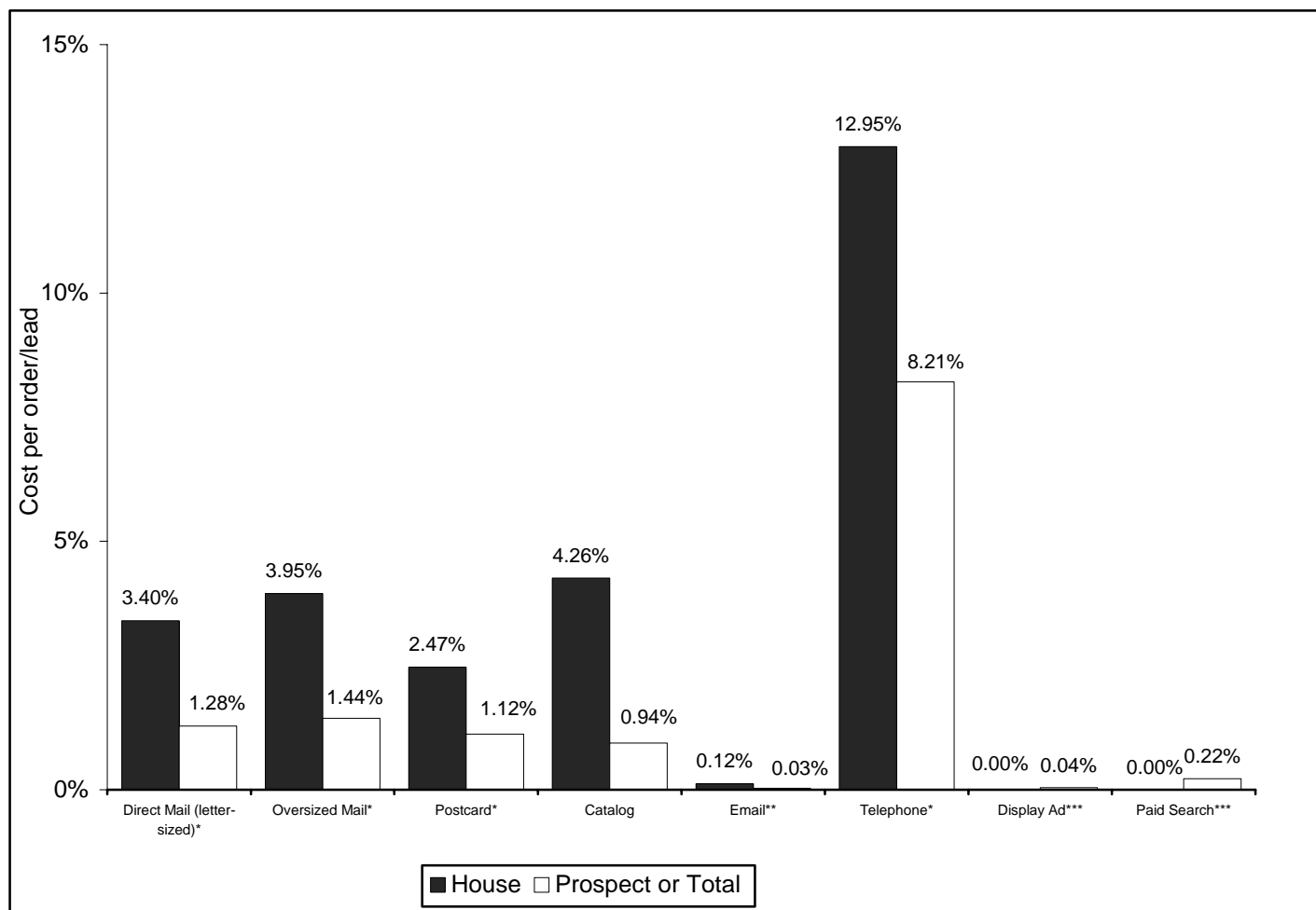
** Acquisition Cost. NOTE: For consistency across media, the mean acquisition cost is shown, but the median differs significantly: \$11.00.

*** CPC/Conversion Rate

**** Cost per Contact/Conversion Rate

Source: DMA, 2012 Response Rate Report.

RESPONSE BY SELECTED MEDIA



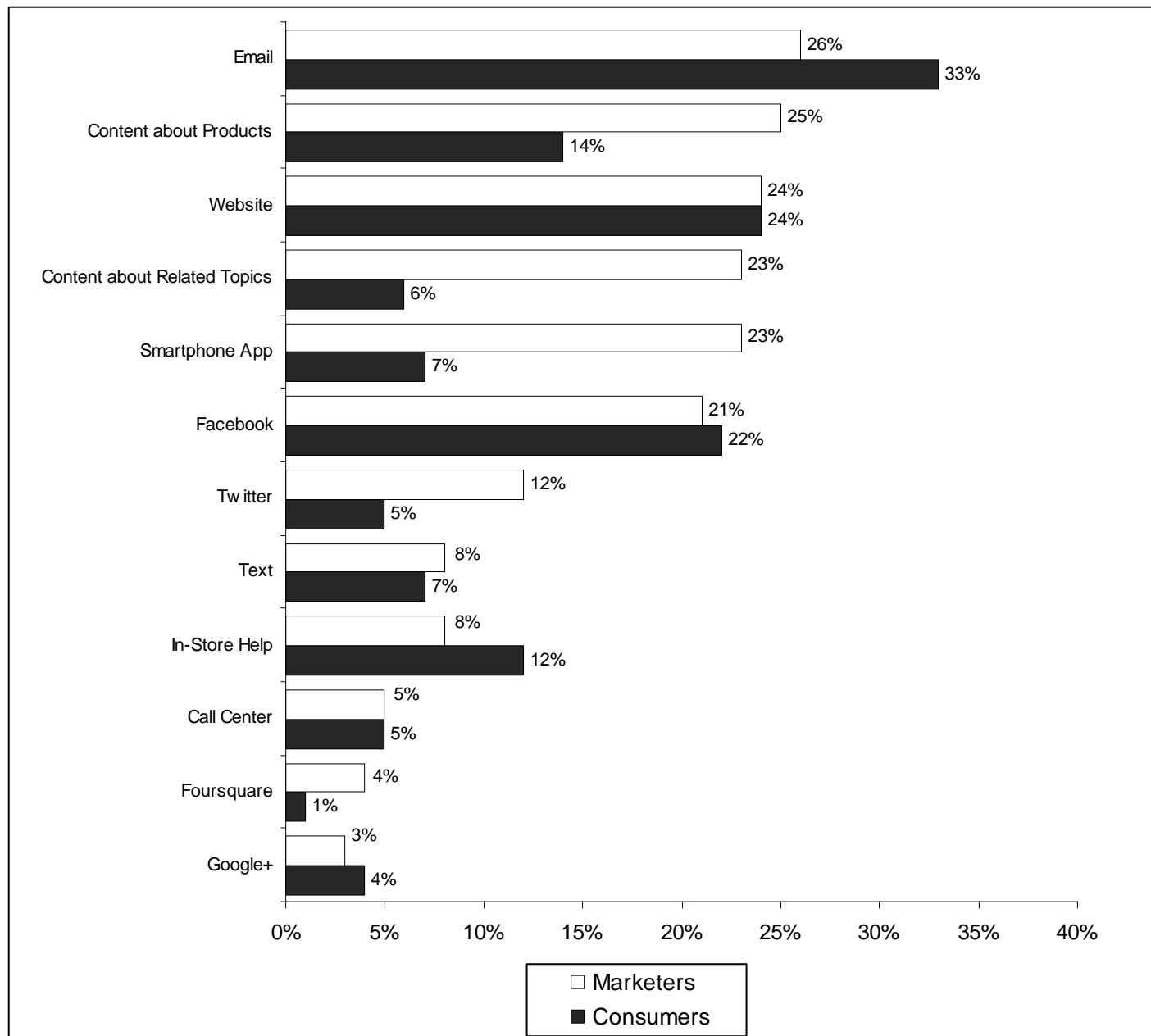
* Response Rate

** CTR*Median Conversion Rate. If mean conversion rate for email is used, the house and prospect response rates would be 0.33% and 0.21%, respectively.

*** CTR*Conversion Rate

Source: DMA, 2012 Response Rate Report.

WHERE TO INVEST YOUR MARKETING TIME AND RESOURCES



Source: ExactTarget “2013 Marketers from Mars.”

HAVE YOU EVER MADE A PURCHASE AS A RESULT OF A MARKETING MESSAGE YOU RECEIVED THROUGH THE FOLLOWING CHANNELS?

(BASE: US ONLINE CONSUMERS, AGE 15 AND OLDER)

	Overall	15-17	18-24	25-34	35-44	45-54	55-64	65 Plus
Email	66%	50	65	68	64	71	68	65
Direct Mail (letters, catalogs, postcards, etc.)	65%	51	50	57	67	72	75	85
Telephone	24%	21	20	22	22	30	23	27
Facebook	20%	32	24	27	24	16	8	6
Text messaging (SMS) on a cell phone	16%	27	24	22	14	15	4	1
Mobile App	10%	22	14	17	11	6	2	1
Twitter	6%	16	11	10	5	2	1	0
LinkedIn	4%	10	4	8	4	1	1	0

Source: ExactTarget, "2012 Channel Preferences Survey."

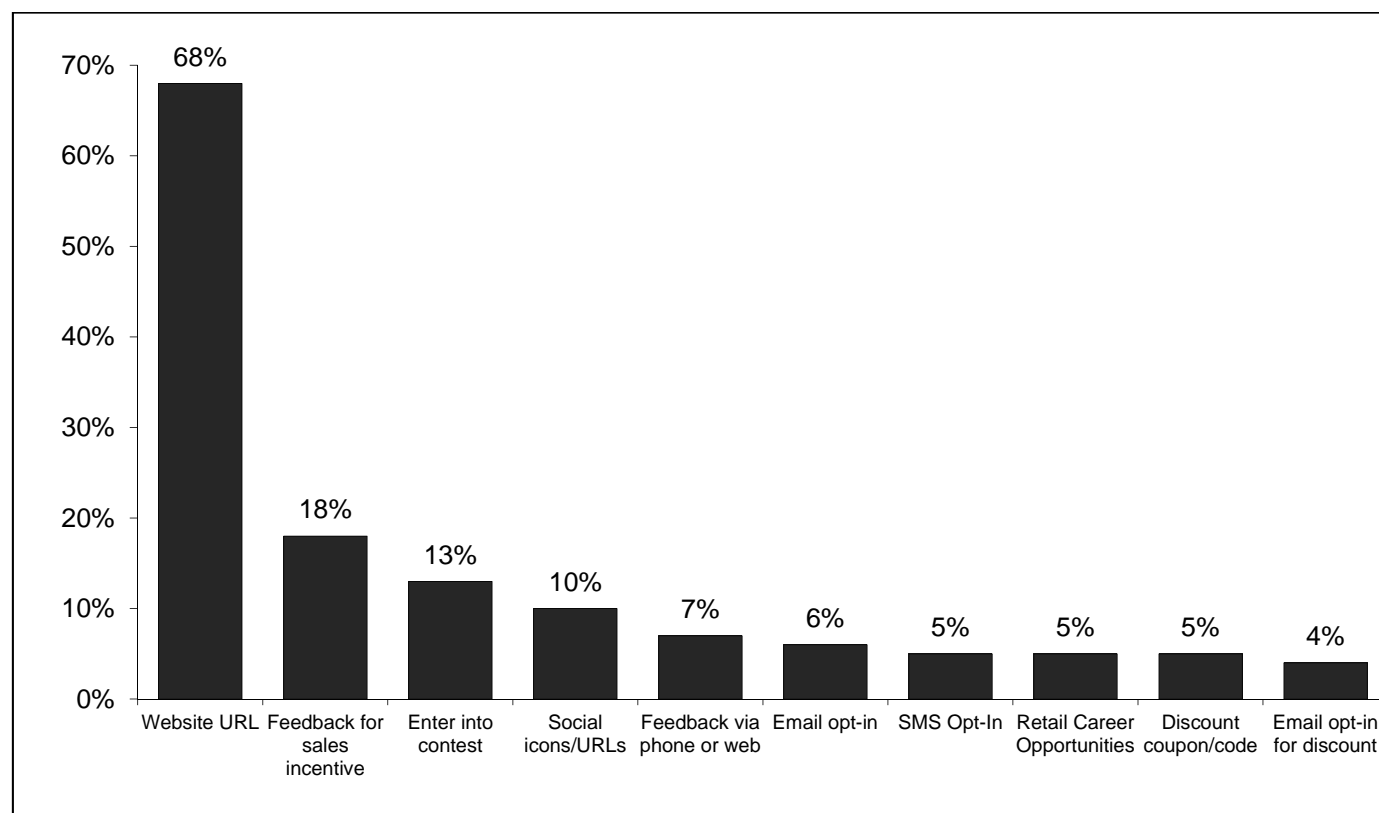
WHICH OF THE FOLLOWING HAVE INFLUENCED YOU TO PURCHASE A PRODUCT OR SERVICE IN THE PAST 12 MONTHS?

(BASE: US ONLINE CONSUMERS, AGE 15 AND OLDER)

	Overall	15-17	18-24	25-34	35-44	45-54	55-64	65 Plus
A commercial on television	53%	59	51	59	57	59	40	45
An advertisement in a newspaper	32%	28	15	23	31	43	46	47
An advertisement in a magazine	30%	37	24	26	28	38	31	32
An infomercial on television	18%	16	20	17	16	16	21	16
A banner or other advertisement on a website	18%	19	18	22	16	18	14	13
An advertisement on the radio	16%	12	12	18	15	22	14	11
An advertisement on a billboard	8%	9	11	12	5	7	5	3
A video advertisement on YouTube (commercial, ad played prior to start of your video, etc.)	8%	22	16	8	5	6	5	1

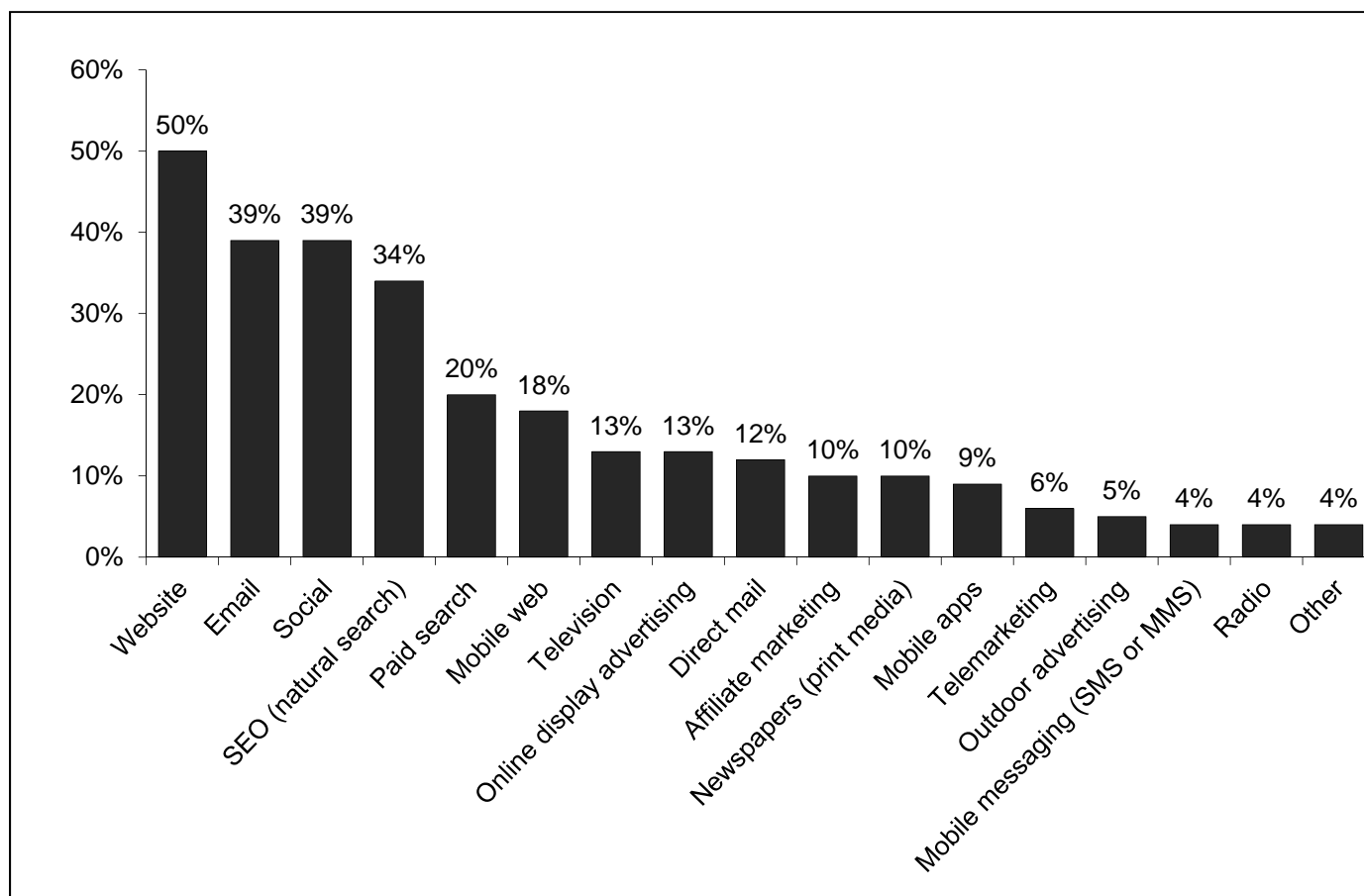
Source: ExactTarget, "2012 Channel Preferences Survey."

DIGITAL CALLS-TO-ACTION ON IN-STORE RECEIPT



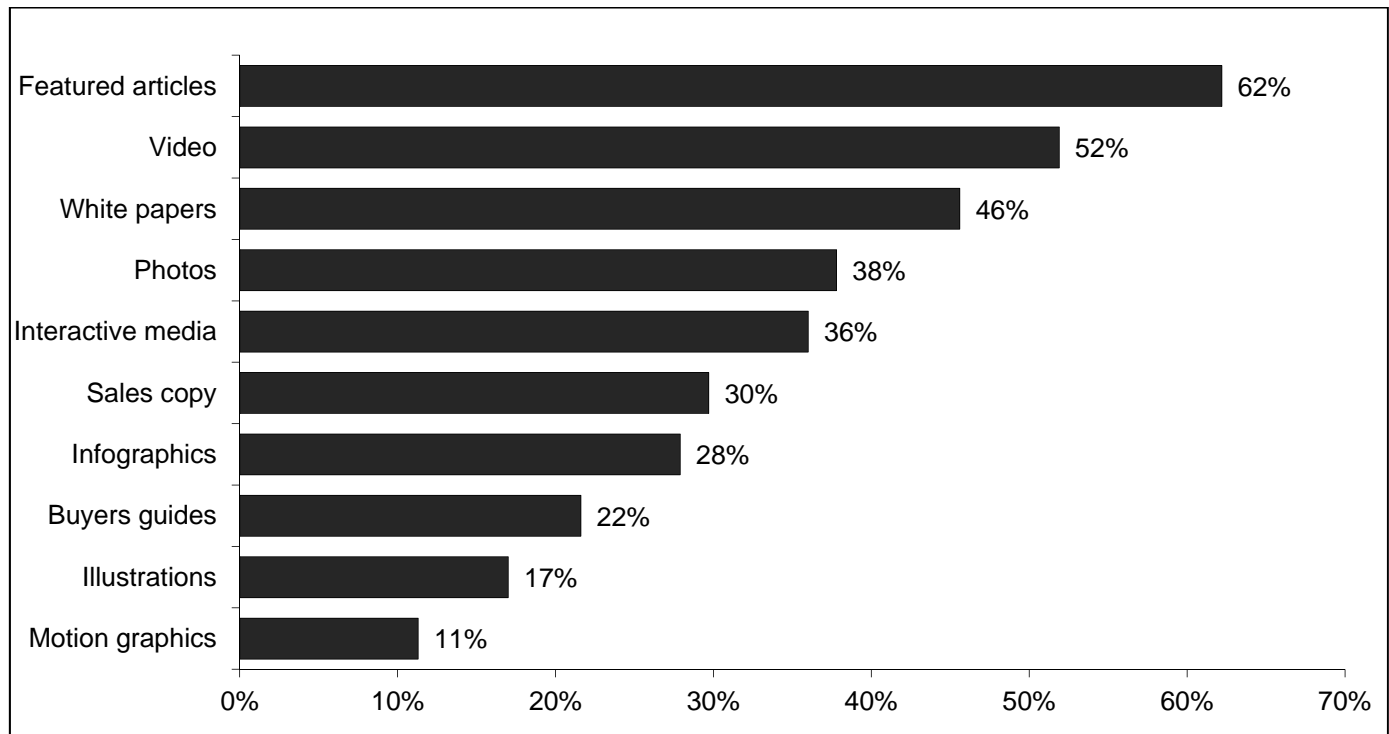
Source: ExactTarget, “2012 Retail Touchpoints Exposed!”.

WHICH THREE MARKETING CHANNELS ARE THE BIGGEST PRIORITIES FOR YOUR ORGANIZATION OVER THE NEXT YEAR?



Source: Econsultancy / Responsys “Cross-Channel Marketing Report,” 2012.

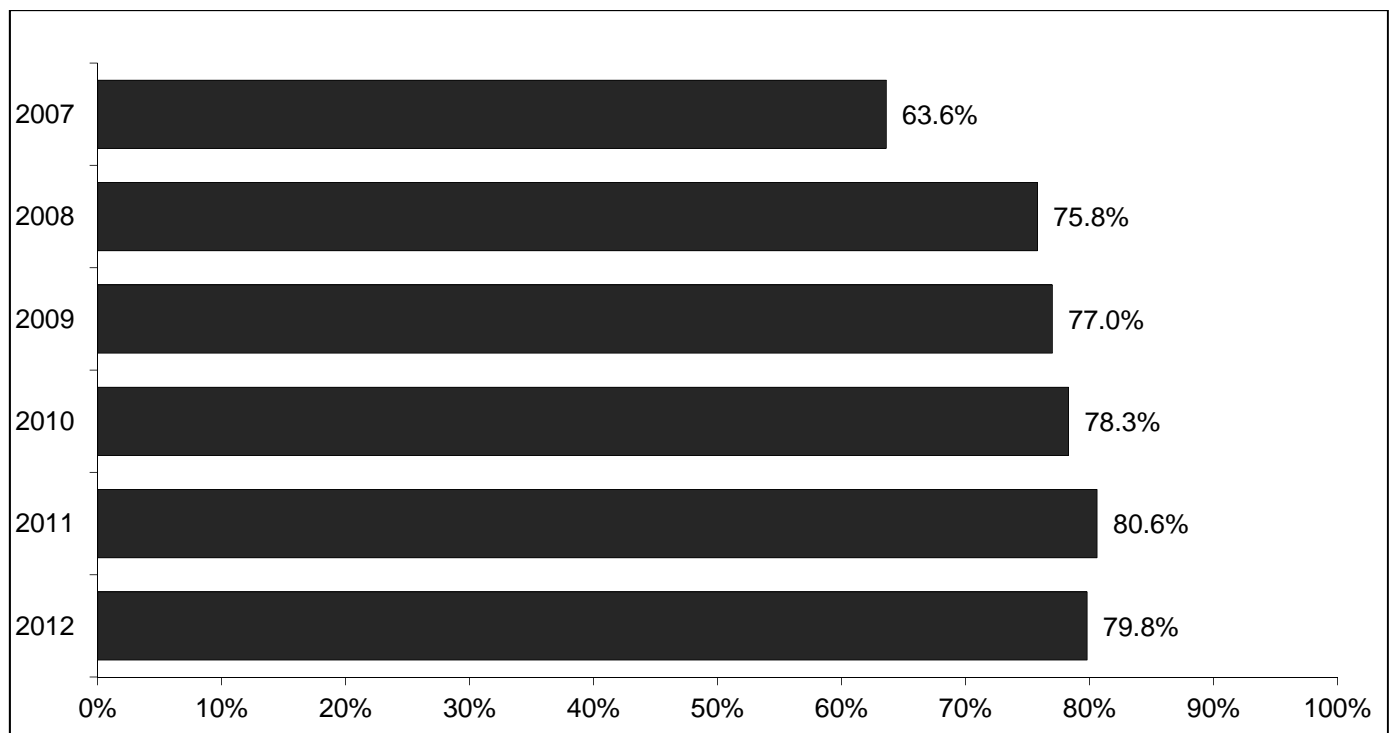
CONTENT WITH THE BEST ROI ACCORDING TO MARKETING PROFESSIONALS



Source: eMarketer, February 2013.

CONSUMERS' REGULAR USE OF COUPONS FOR CPG PRODUCTS

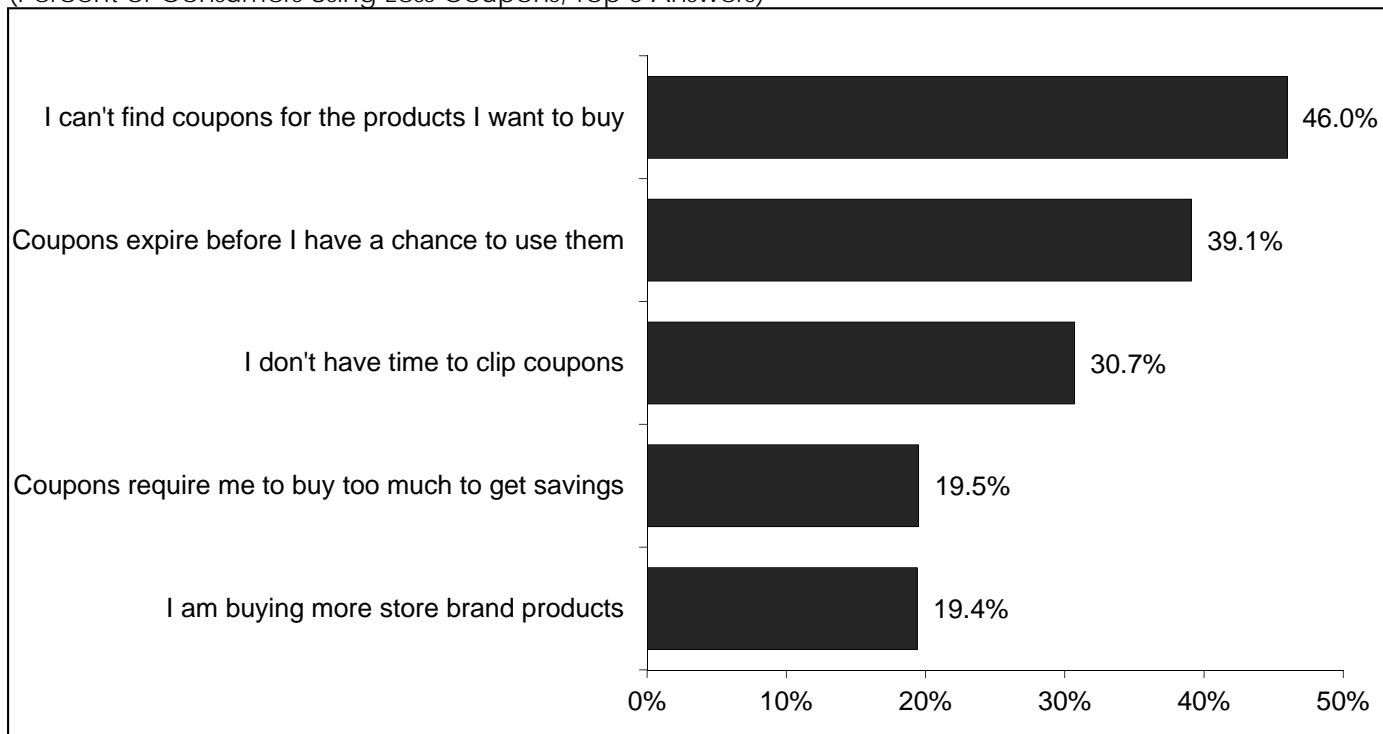
(Percent of All Consumers)



Source: Valassis, "NCH Annual Topline US CPG Coupon Facts," 2013.

REASONS CONSUMERS ARE USING FEWER COUPONS THAN THE PRIOR YEAR

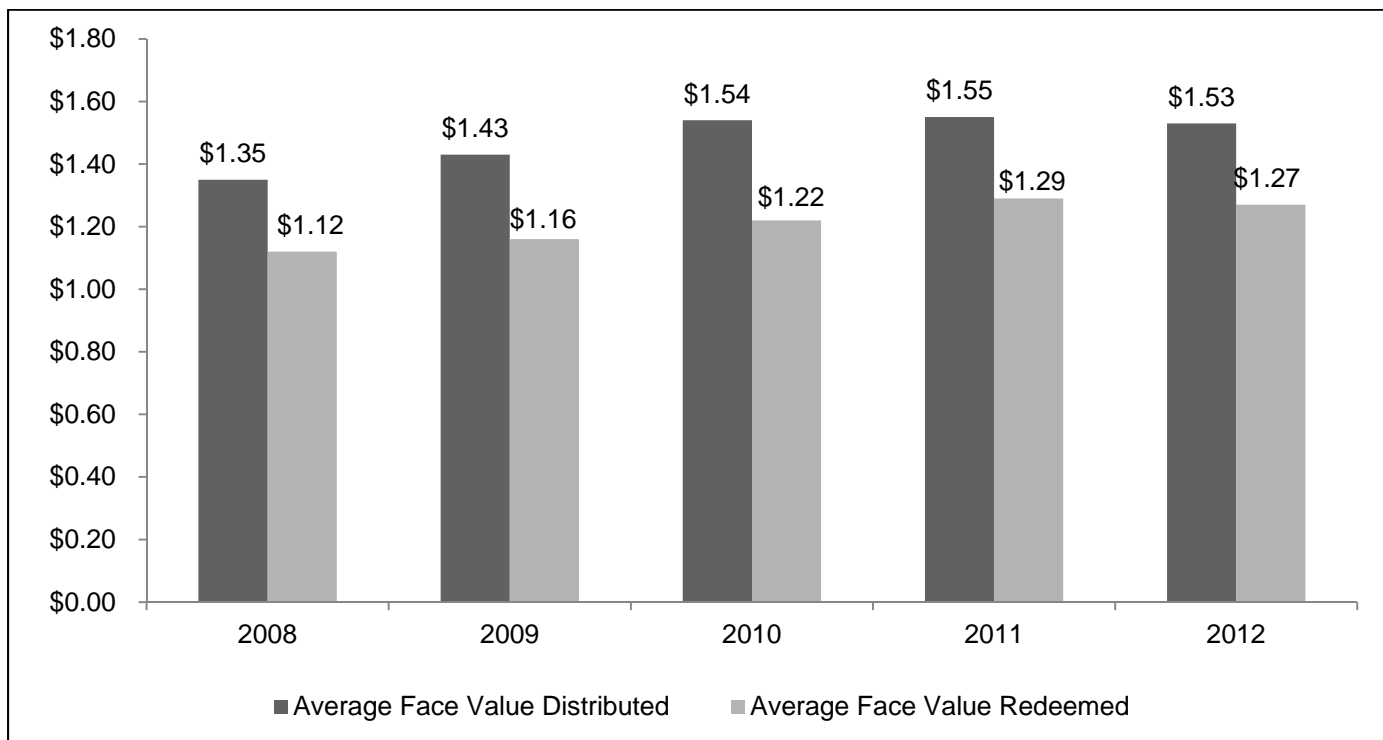
(Percent of Consumers Using Less Coupons, Top 5 Answers)



Source: Valassis, "NCH Annual Topline US CPG Coupon Facts," 2013.

AVERAGE FACE VALUES DISTRIBUTED AND REDEEMED FOR COUPONS

(Total US CPG Coupon Distribution and Redemption Volume / All Media)



Source: Valassis, "NCH Annual Topline US CPG Coupon Facts," 2013.

AVERAGE COUPON REDEMPTION RATES

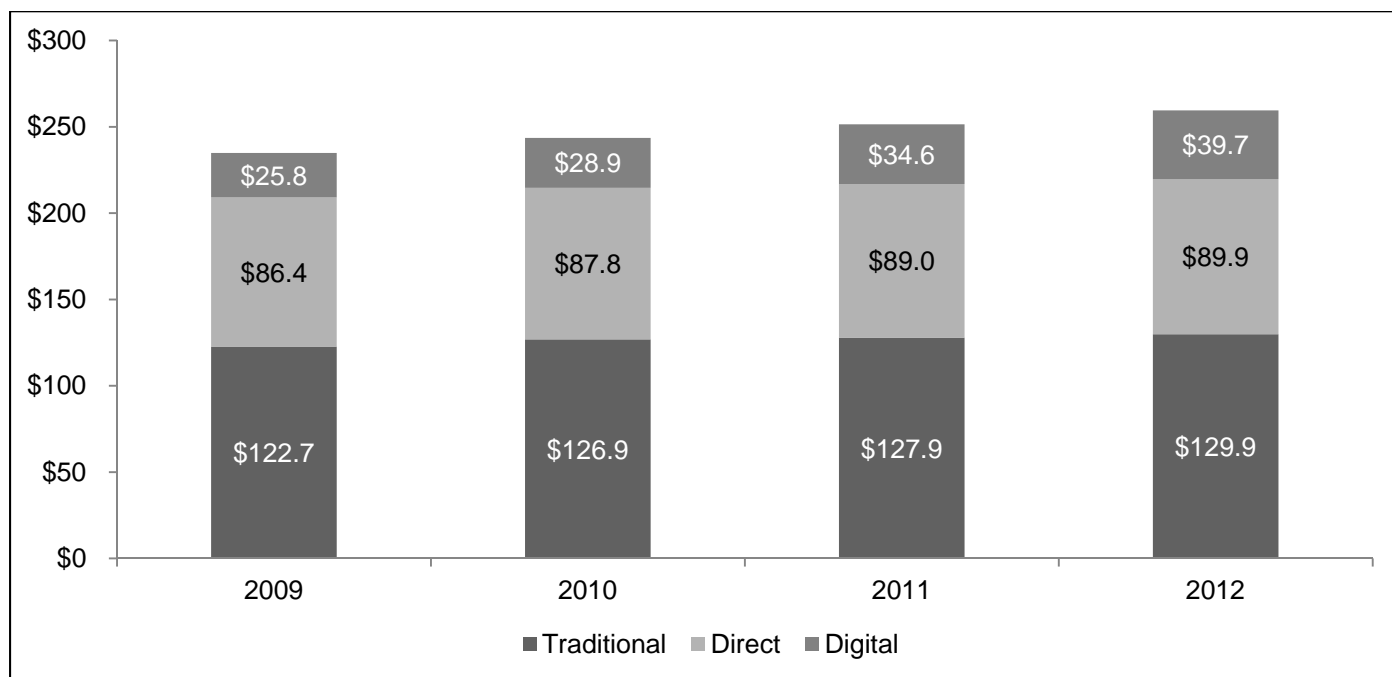
(Percent of Manufacturers' Coupons Distribution Quantity That is Redeemed by Media)

Channel	Market	2012
Free Standing Insert	Non-Food	0.6%
	Food	1.0%
Magazine	Non-Food	0.8%
	Food	1.0%
Direct Mail	Non-Food	1.9%
	Food	6.6%
Regular In-Pack	Non-Food	3.7%
	Food	3.3%
In-Pack Cross-Ruff	Non-Food	4.0%
	Food	4.2%
Instant On-Pack	Non-Food	27.0%
	Food	20.0%
Instant On-Pack Cross-Ruff	Non-Food	8.0%
	Food	8.3%
On-Shelf Distributed	Non-Food	8.8%
	Food	11.8%
Handout Electronic Checkout	Non-Food	7.0%
	Food	8.1%
All Other Handouts In-Store	Non-Food	2.8%
	Food	3.6%
All Other Handouts Away from Store	Non-Food	2.5%
	Food	5.3%
Internet Home Printed	Non-Food	10.0%
	Food	16.8%
Military	Non-Food	4.8%
	Food	11.0%

Source: Valassis / NCH Marketing Services, Inc., "Coupon Facts Report," 2013.

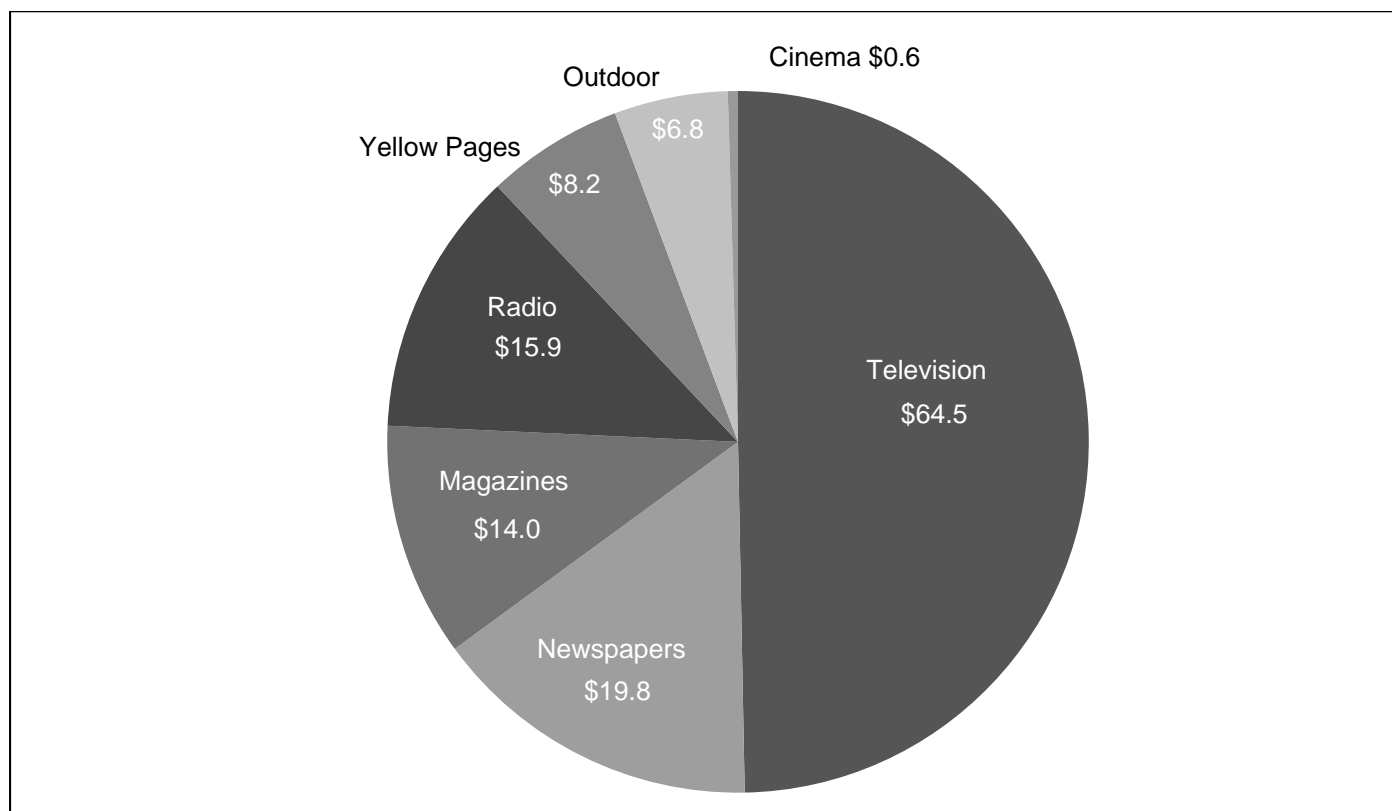
US ADVERTISING AND MARKETING SPENDING, BY SHARE OF APPROACH 2009-2012

(US \$BB)



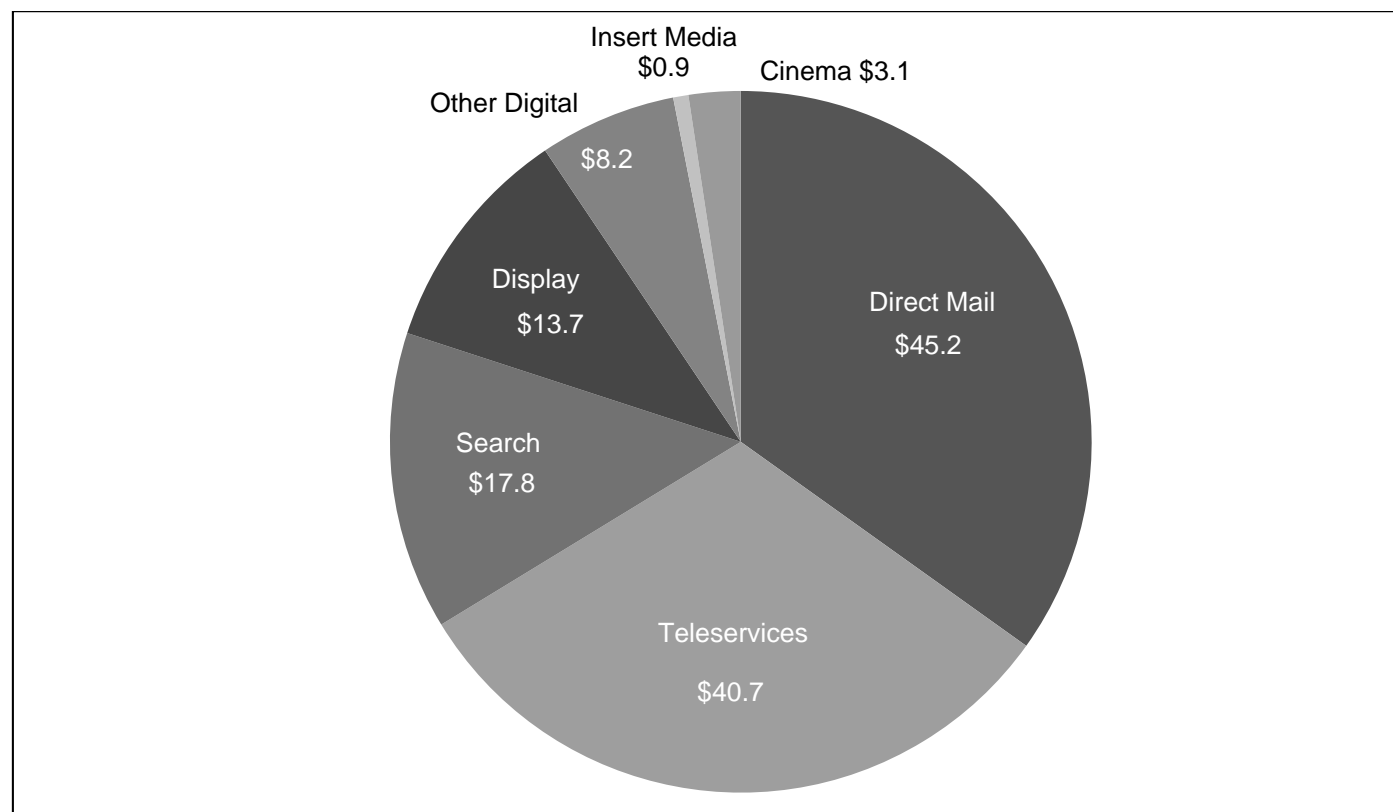
Source: Winterberry Group, 2012.

2012 US "MEASURED MEDIA" SPENDING: \$129.8BB



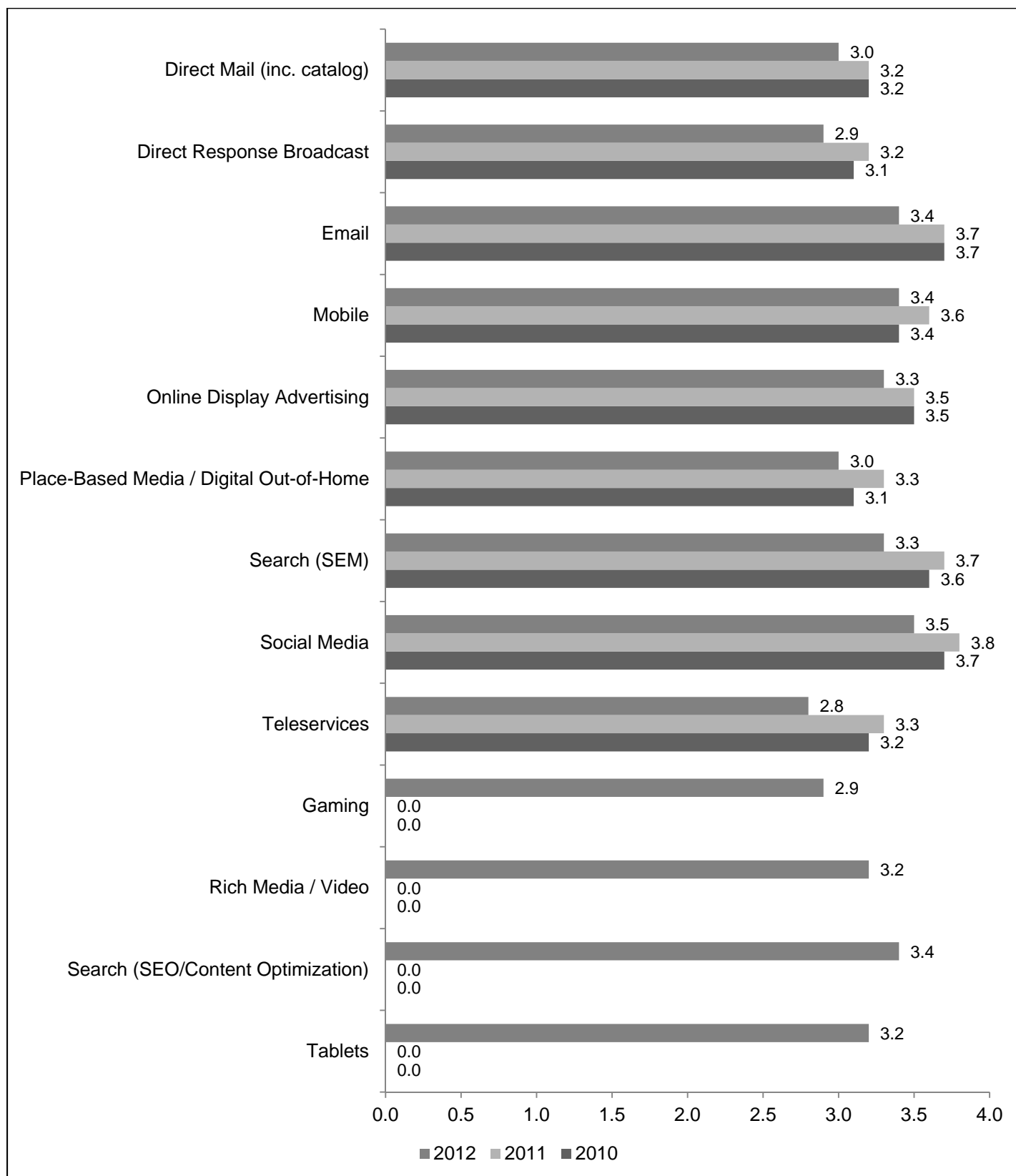
Source: Winterberry Group, 2012.

2012 US "DIRECT & DIGITAL" SPENDING: \$129.6BB



Source: Winterberry Group, 2012.

SPENDING ON VARIOUS DATA-DRIVEN MARKETING MEDIA CHANNELS



Note: 2012 Consists of Q2-Q4 only

Source: Winterberry Group/DMA Quarterly Business Review, Q4 2012.

DIRECT MAIL

CHAPTER HIGHLIGHTS

- Among mail piece types, postcards are most likely to be read; 52.5% are read by recipients.
- The 22–24-year-old age cohort is the most likely to respond to a direct mail piece.
- Nonprofit mail remains more likely than regular standard mail and first-class mail to be read.
- More people actually respond when a courtesy-reply, rather than a business-reply, envelope is provided.
- 231 million credit card offers were mailed in June, the highest volume of 2012. In contrast, 192 million pieces were mailed in December. Credit cards generated a 0.6% response rate in 2012.
- The overall volume of direct mail dipped slightly in 2012 to 86.6 billion, which represents a 54.2% share of all mail.
- 3.0 billion coupons were redeemed in 2012.
- The percentage of direct mail that is standard mail steadied in 2012.

NUMBER OF MAIL ORDER PURCHASES WITHIN THE LAST YEAR BY EDUCATION OF HOUSEHOLD HEAD

Percentage of Households, Postal Years 1987, 2010, and 2011

No. of Purchases	<8 th Grade			Some High School			High School			Some College		
	1987	2010	2011	1987	2010	2011	1987	2010	2011	1987	2010	2011
0	65.5	69.1	70.3	53.9	62.9	65.1	41.7	49.1	58.5	38.0	44.1	51.4
1–2	14.8	10.2	7.0	16.8	15.3	8.6	22.5	13.4	10.8	20.7	11.6	13.1
3–5	10.7	6.9	7.2	17.2	9.1	13.6	19.0	13.5	11.6	22.0	14.4	11.8
6–10	4.7	6.9	8.3	6.1	5.0	6.2	9.1	10.5	9.7	11.1	13.5	10.4
11–15	2.9	2.0	2.2	2.4	3.3	1.5	4.1	4.7	3.5	2.7	6.4	5.0
16–30	0.5	4.3	0.5	1.1	2.6	2.3	2.4	5.3	3.7	2.8	6.1	4.3
31+	0.2	0.6	1.9	0.5	1.7	2.7	0.6	3.2	2.2	0.5	3.6	3.8
Don't know/ No answer	0.7	0.0	0.0	2.1	0.0	0	0.8	0.3	0	2.1	0.4	0.2
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

No. of Purchases	Technical School			College			Post Graduate			Total*		
	1987	2010	2011	1987	2010	2011	1987	2010	2011	1987	2010	2011
0	37.2	47.0	53.8	38.0	42.2	47.5	27.0	37.8	42.9	42.2	47.3	53.6
1–2	16.3	13.7	12.7	18.5	10.6	10.8	19.5	10.6	11.2	19.6	12.1	11
3–5	20.2	14.9	10.6	21.8	13.1	12.2	22.7	12.8	13.5	19.5	12.9	11.6
6–10	12.8	11.2	11	11.9	12.6	11.5	16.4	13.0	11.7	10.0	11.3	10.2
11–15	6.2	3.3	3.1	4.1	7.1	5.5	7.2	6.6	6.2	3.9	5.5	4.3
16–30	3.7	5.7	4.4	2.6	8.5	7.2	5.2	11.0	8.1	2.5	6.6	4.9
31+	2.6	4.0	4	0.9	5.5	4.9	1.1	7.5	5.6	0.7	4.1	3.7
Don't know/ No answer	1.2	0.3	0.5	2.1	0.4	0.4	1.3	0.6	0.8	1.4	0.3	0.3
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

*Includes pieces for which no response was given for education attainment.

Source: USPS Household Diary Study, 2012.

TREATMENT OF STANDARD MAIL (A) PIECE BY SHAPE

As Percentage of Mail Pieces Received by Households

Among shapes of mail, postcards are most likely to be read.

	Letter-Sized Envelope		Larger than Letter Envelope		Post Label Card		Postcard	
	2010	2011	2010	2011	2010	2011	2010	2011
Read	35.9	31.3	43.5	44.2	29.7	27.0	53.9	52.5
Read by more than one member of household	4.3	3.9	7.7	8.9	8.6	4.8	11.4	8.9
Looked at, but not read	18.9	20.3	17.3	14.1	17.6	26.7	11.0	9.9
Discarded	29.4	34.1	22.0	21.7	33.9	31.0	20.2	21.9
Set aside	2.9	2.8	5.5	6.7	1.8	1.2	2.2	3.1
Don't know/No response	8.6	7.6	4.0	4.4	8.4	9.4	1.3	3.7
Total mail received by households	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

	Catalog not enclosed in Envelope		Flyers		Newspapers/ Magazines	
	2010	2011	2010	2011	2010	2011
Read	39.2	35.0	38.1	36.0	40.8	34.3
Read by more than one member of household	11.1	12.2	9.1	9.5	15.5	16.7
Looked at, but not read	13.1	14.2	16.4	17.6	9.8	9.0
Discarded	17.1	17.3	23.6	25.3	14.4	13.2
Set aside	13.5	12.9	4.5	4.3	10.8	13.8
Don't know/No response	6.1	8.5	8.3	7.3	8.6	13.0
Total mail received by households	100.0	100.0	100.0	100.0	100.0	100.0

Source: USPS Household Diary Study, 2012.

USEFULNESS OF STANDARD MAIL (A) PIECE BY SHAPE

As Percentage of Mail Pieces Received by Households

	Letter-Size Envelope		Larger than Letter Envelope		Detached Label Card		Postcard	
	2010	2011	2010	2011	2010	2011	2010	2011
Useful	29.8	25.4	45.2	47.9	27.0	21.9	53.4	53.7
Interesting	11.8	11.4	13.0	11.5	12.2	11.8	13.1	9.9
Not interesting	48.1	54.2	36.3	35.8	52.0	56.6	31.4	32.2
Objectionable	1.5	1.2	0.9	0.5	0.4	0.4	0.6	0.4
Don't know/No response	8.8	7.9	4.6	4.3	8.4	9.4	1.5	3.8
Total mail received by households	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

	Catalog not enclosed in Envelope		Flyers		Newspapers/ Magazines	
	2010	2011	2010	2011	2010	2011
Useful	57.5	53.1	46.3	45.7	59.4	58.7
Interesting	19.8	21.3	11.8	11.2	14.7	12.5
Not interesting	16.0	16.6	32.7	35.0	16.6	15.5
Objectionable	0.4	0.2	0.8	0.6	0.3	0.3
Don't know/No response	6.3	8.7	8.5	7.5	9.0	13.1
Total mail received by households	100.0	100.0	100.0	100.0	100.0	100.0

Source: USPS Household Diary Study, 2012.

STANDARD MAIL (A) REACTION BY INDUSTRY

As Percentage of Mail Received by Households

Industry	Percent Pieces Read Immediately		Percent Pieces Found Useful		Percent Pieces Will Respond To ¹	
	2010	2011	2010	2011	2010	2011
Financial						
Credit Card	31.3	26.0	22.0	16.4	4.0	3.5
Bank	47.2	41.6	34.7	31.1	5.7	7.0
Investments	44.6	42.6	55.2	50.8	7.3	6.8
Insurance Company	32.8	30.8	24.5	22.6	3.9	4.6
Real Estate/Mortgage	43.7	29.9	22.8	17.3	1.7	2.1
Total Financial	36.2	30.6	28.0	22.4	4.3	4.4
Merchants						
Supermarkets	68.4	67.4	71.4	70.9	44.4	40.0
Department Store	68.3	68.0	72.0	74.0	30.3	29.6
Mail Order Company	47.7	44.6	49.1	46.1	11.5	10.7
Specialty Store	57.7	59.5	60.8	61.9	21.2	21.6
Publisher	48.6	44.2	39.7	36.2	12.4	12.0
Restaurant	51.5	46.5	54.8	49.1	25.5	22.3
Auto Dealer	41.7	38.2	26.2	24.5	7.5	4.7
Online Auction	54.3	56.9	42.6	50.5	11.6	12.0
Total Merchants	55.3	53.7	55.9	54.8	19.6	18.4
Services						
Telephone	37.3	28.7	25.4	17.8	6.6	4.1
Other Utilities	61.7	57.5	50.6	49.7	13.0	17.0
Medical	43.6	39.0	33.6	27.9	7.7	8.4
Other Professional	40.9	34.0	26.3	23.4	10.2	8.7
Leisure Service	53.2	50.9	45.7	45.7	12.2	11.7
Auto Maintenance	48.4	53.2	45.8	45.4	13.4	18.0
Roadside Assistance	47.9	35.8	42.9	31.4	13.1	9.7
Dvd/Bluray/Video Game Rental Company	53.6	42.2	38.1	19.7	8.3	10.0
Craftsman	24.3	25.0	14.7	17.2	1.5	2.8
Total Services	39.7	36.3	29.4	27.2	7.1	7.8
Government						
Federal	61.6	55.6	53.5	61.8	20.5	13.1
Non-Federal	65.8	62.4	62.4	69.9	25.0	25.2
Social, Charitable, or Political						
Union/Professional	50.1	45.6	52.7	46.4	7.8	11.9
Church	64.4	57.4	43.0	59.1	20.8	24.2
Veterans	51.1	55.1	37.5	45.7	11.2	17.3
Educational	38.3	36.0	35.3	29.7	5.7	9.0
Charities	54.1	45.3	36.6	29.2	22.4	7.8
Political	41.8	27.9	31.1	22.4	7.8	5.0
AARP	52.8	58.4	51.9	44.9	23.9	13.7
Total Social, Charitable, or Political	45.8	37.5	37.2	31.6	10.4	9.3

¹Of pieces containing an advertisement or request for funds.

Source: USPS Household Diary Study, 2012.

RESPONSE TO STANDARD MAIL (A) PIECES BY INCOME

Postal Years 1987, 2010, and 2011

READ IMMEDIATELY						
Income	Percent			Pieces Per Household Per Week		
	1987	2010	2011	1987	2010	2011
Less Than \$7k	43.0	37.2	39.4	1.6	1.3	1.2
\$7k–\$9.9k	41.0	43.1	47.7	2.1	1.8	2.3
\$10k–\$14.9k	45.0	47.7	38.3	2.6	2.6	2.0
\$15k–\$19.9k	45.0	49.9	46.8	2.9	2.7	2.5
\$20k–\$24.9k	42.5	47.5	45.7	2.8	3.1	3.0
\$25k–\$29.9k	44.2	46.1	43.0	3.5	3.3	3.1
\$30k–\$34.9k	41.4	46.1	43.0	3.6	3.3	3.1
\$35k–\$49.9k	41.4	46.7	43.4	3.9	3.8	3.5
\$50k–\$64.9k	41.1	48.1	43.4	4.4	4.7	4.2
\$65k–\$79.9k	40.4	46.5	42.2	6.1	5.1	4.5
\$80k–\$99.9k	31.4	49.8	41.0	4.4	5.9	4.7
\$100k+	34.5	42.9	40.3	5.3	14.3	15.9

FOUND USEFUL						
Income	Percent			Pieces Per Household Per Week		
	1987	2010	2011	1987	2010	2011
Less Than \$7k	36.0	35.3	28.9	1.4	1.2	0.9
\$7k–\$9.9k	37.1	33.1	34.7	1.9	1.4	1.7
\$10k–\$14.9k	39.6	36.6	30.6	2.3	2.0	1.6
\$15k–\$19.9k	41.9	35.9	34.4	2.7	1.9	1.8
\$20k–\$24.9k	42.8	40.9	40.0	2.8	2.7	2.6
\$25k–\$29.9k	40.4	41.0	38.3	3.2	2.9	2.8
\$30k–\$34.9k	40.4	41.0	38.3	3.5	2.9	2.8
\$35k–\$49.9k	41.9	43.1	37.5	4.0	3.5	3.1
\$50k–\$64.9k	42.2	43.3	40.5	4.6	4.2	4.0
\$65k–\$79.9k	40.5	44.6	39.7	6.1	4.9	4.2
\$80k–\$99.9k	34.7	46.1	39.5	4.9	5.5	4.5
\$100k+	32.0	42.5	39.9	4.9	14.2	15.8

WILL RESPOND*						
Income	Percent			Pieces Per Household Per Week		
	1987	2010	2011	1987	2010	2011
Less Than \$7k	17.5	10.5	10.9	0.5	0.3	0.3
\$7k–\$9.9k	12.6	9.9	9.1	0.5	0.3	0.4
\$10k–\$14.9k	17.7	14.9	10.9	0.8	0.7	0.6
\$15k–\$19.9k	15.3	15.6	11.3	0.8	0.7	0.6
\$20k–\$24.9k	15.6	12.8	13.9	0.9	0.7	0.9
\$25k–\$29.9k	14.8	12.9	13.7	1.0	0.8	1.0
\$30k–\$34.9k	14.8	12.9	13.7	1.1	0.8	1.0
\$35k–\$49.9k	14.8	13.5	11.3	1.1	1.0	0.9
\$50k–\$64.9k	14.8	15.2	12.4	1.3	1.3	1.2
\$65k–\$79.9k	11.1	13.3	12.0	1.4	1.3	1.3
\$80k–\$99.9k	10.9	15.9	12.9	1.3	1.7	1.5
\$100k+	10.1	12.8	11.6	1.3	3.9	4.6

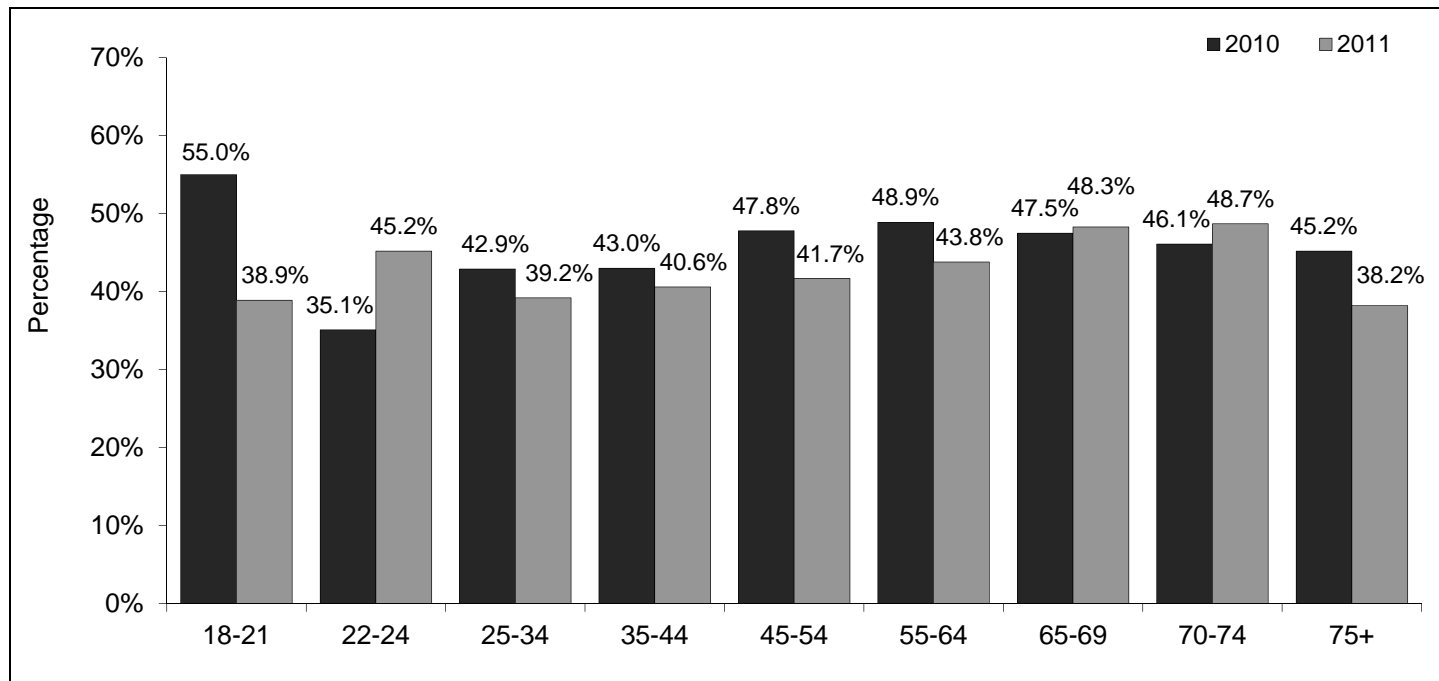
*Of pieces identified by respondents as containing an advertisement or request for funds.

Note: 2010/2011 numbers for income levels \$25–\$29.9K are identical to those in \$30–\$34.9K since categories used to collect data only included \$25–\$34.9K.

Source: USPS Household Diary Study, 2012.

RESPONSE TO STANDARD MAIL (A) PIECE** BY AGE OF HEAD OF HOUSEHOLD

(Indicating Will Respond**) Postal Years 2010 and 2011

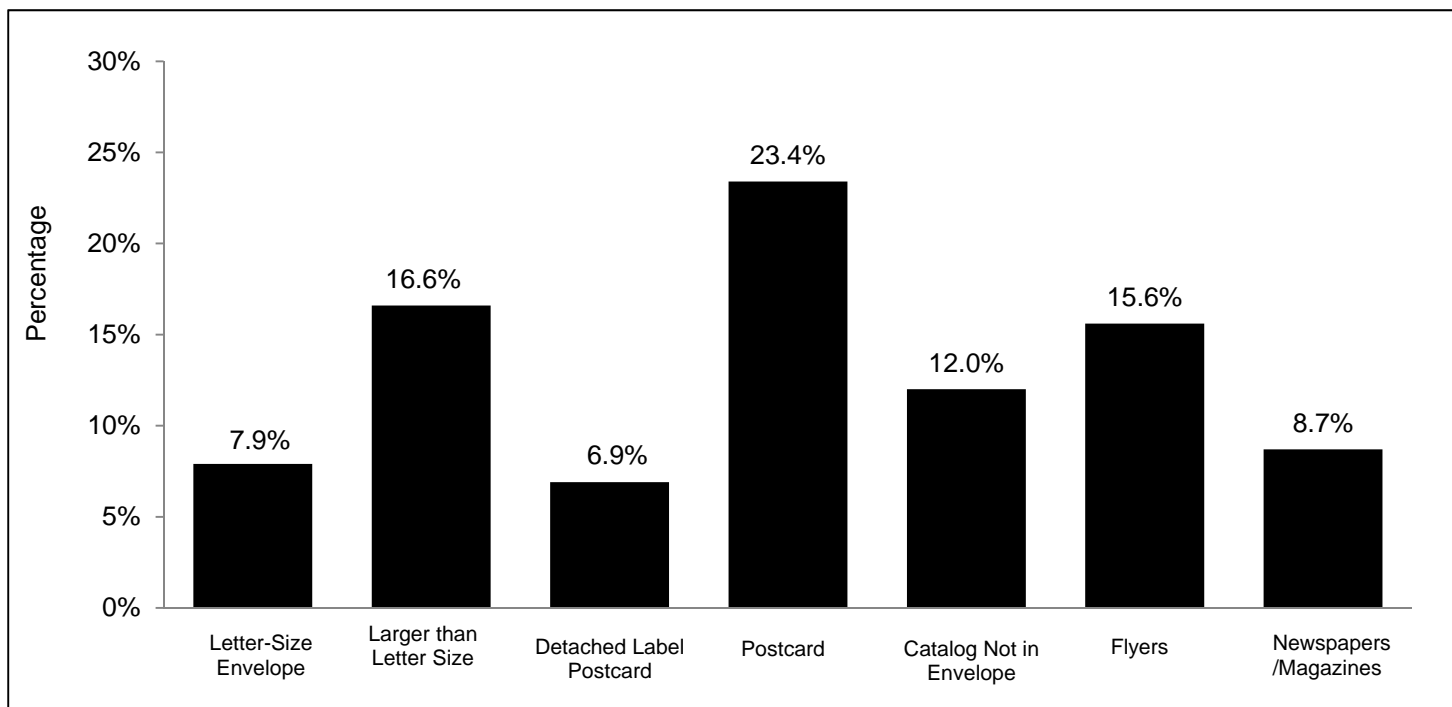


**Of pieces containing an advertisement or request for funds.

Source: USPS Household Diary Study, 2012.

STANDARD MAIL (A) RESPONSE TO ADVERTISING BY SHAPE

Percent Indicating Would Respond (If Mail Piece Contained Advertising or Request for Donation)

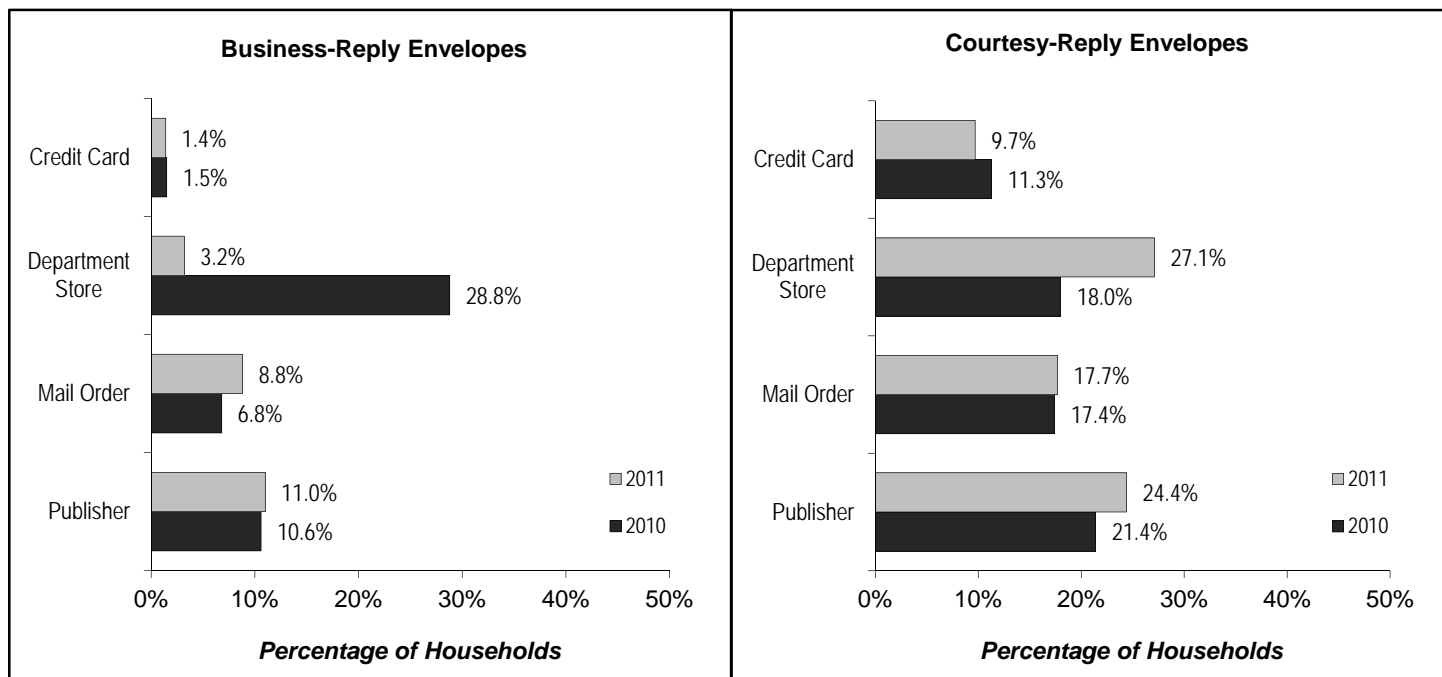


Source: USPS Household Diary Study, 2012.

INTENDED RESPONSE RATES FOR MAJOR INDUSTRIES BY ENCLOSURE OF REPLY ENVELOPES/CARDS

Postal Years 2010 and 2011

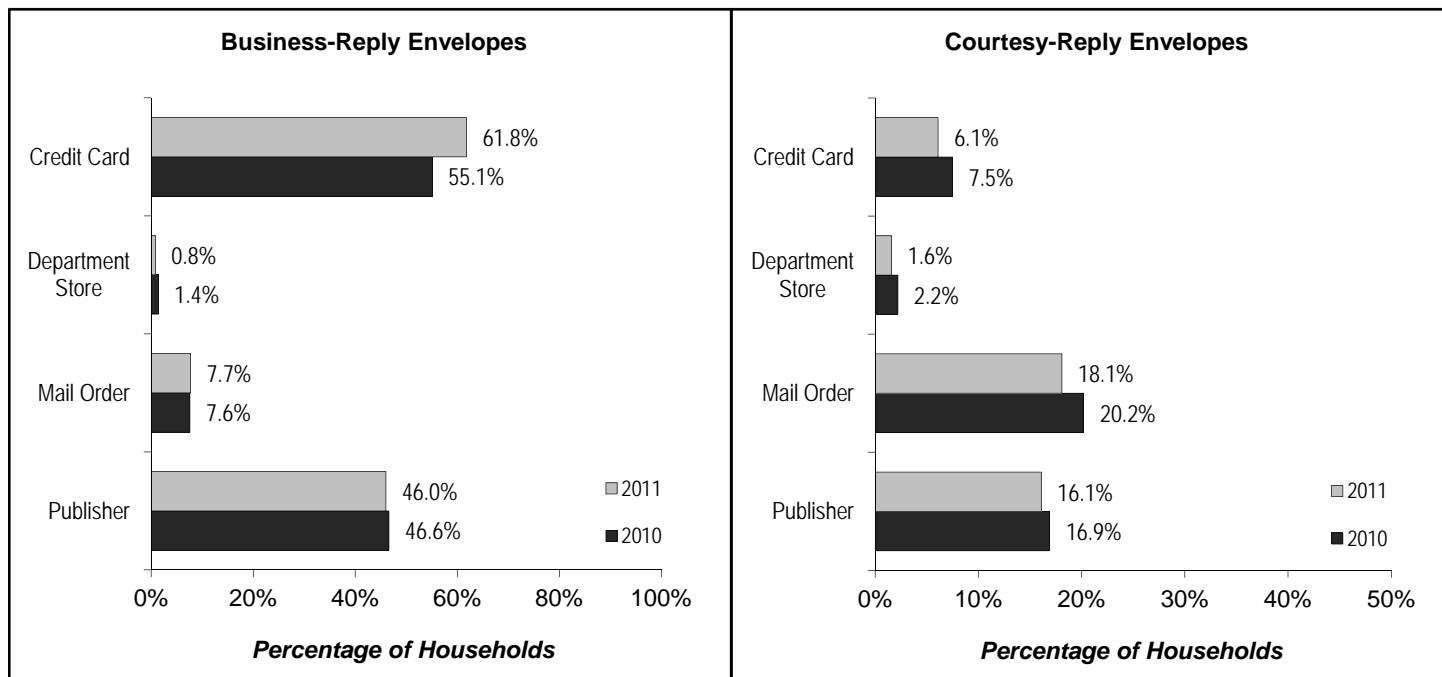
More people actually respond when a courtesy-reply, rather than a business-reply, envelope is provided.



Source: USPS Household Diary Study, 2012.

STANDARD MAIL USERS OF REPLY ENVELOPES BY INDUSTRY

Postal Years 2010 and 2011

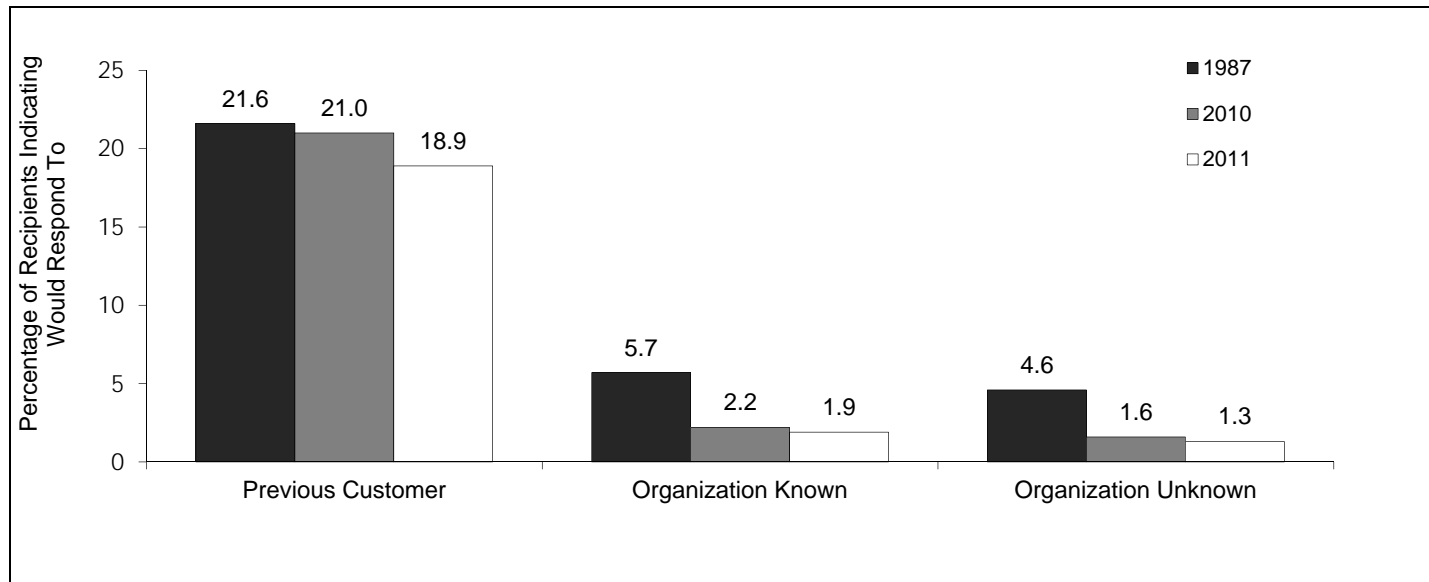


Source: USPS Household Diary Study, 2012.

STANDARD MAIL (A) RESPONSE TO ADVERTISING BY FAMILIARITY WITH ORGANIZATION

Would Respond to Advertising If Pieces Contained an Advertisement or Request for Donation and Was from One Organization Only

In 2011, as in previous years, those surveyed were more likely to respond to the indicated advertising if they were previous customers.



Source: USPS Household Diary Study, 2012.

RECEIPT OF FIRST-CLASS AND STANDARD MAIL (A) BY NUMBER OF MAIL ORDER PURCHASES MADE IN THE PAST YEAR

Postal Year 2011

Standard Mail (A) comprises a greater share of the mail received than first-class, most noticeably in households in which 11+ mail order purchases are made.

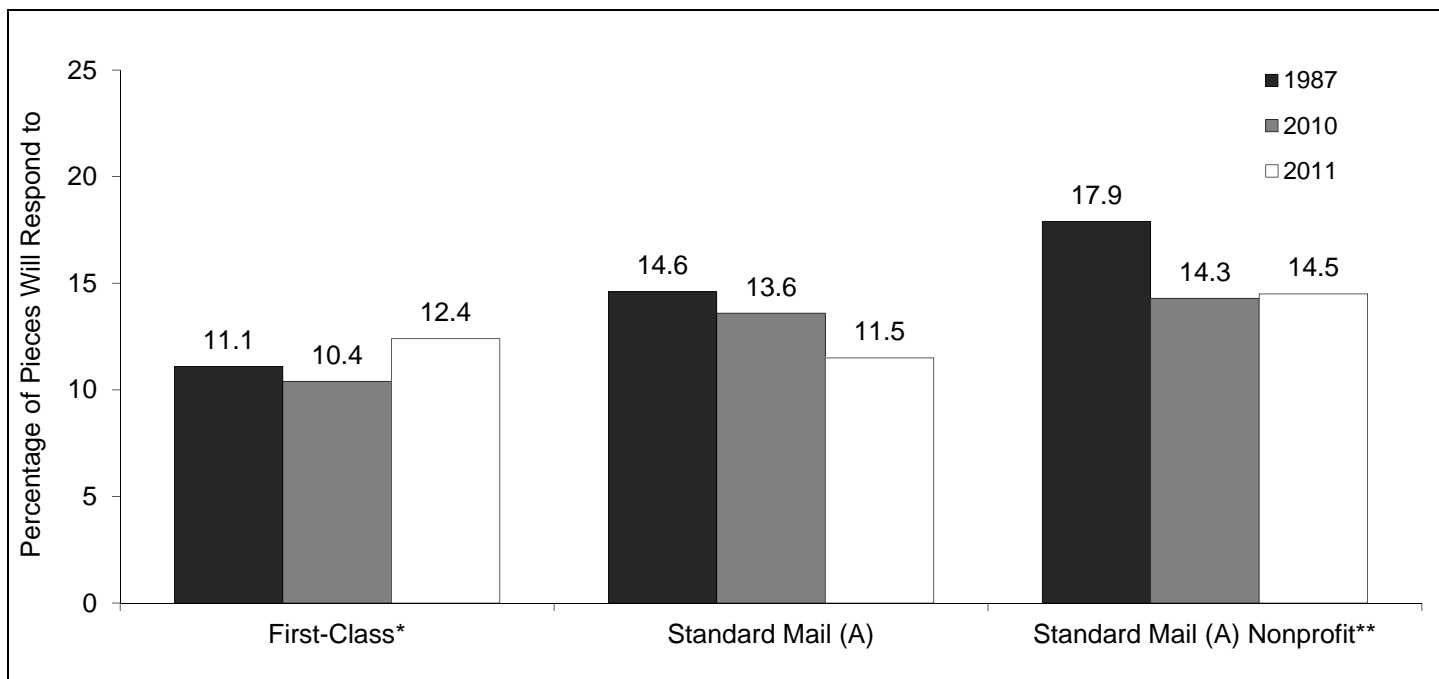


Source: USPS Household Diary Study, 2012.

ADVERTISING GENERATING RESPONSE

By Mail Class, Postal Years 1987, 2010, and 2011

Standard Mail (A) nonprofit mail pulls a better response than first-class and Standard Mail (A).



*Includes both advertising only and advertising stuffer enclosed mail for 1987. For 2010/2011, includes advertising only.

**Standard Mail (A) and nonprofit Standard Mail (A) include requests for donations.

Source: USPS Household Diary Study, 2012.

RESPONSE TO STANDARD MAIL (A) PIECE BY AGE OF HEAD OF HOUSEHOLD

Postal Years 1987, 2010, and 2011 (Percentage of Mail Received by Household)

Age of Head	Set Aside			Found Useful			Read Immediately		
	1987	2010	2011	1987	2010	2011	1987	2010	2011
18–21	10.3	2.0	1.2	53.5	31.8	40.2	46.9	55.0	38.9
22–24	6.9	2.9	2.9	35.7	29.7	37.4	35.6	35.1	45.2
25–34	8.4	6.2	4.3	42.7	41.1	37.8	40.4	42.9	39.2
35–44	7.8	6.3	5.1	40.8	43.4	40.2	39.9	43.0	40.6
45–54	7.8	5.2	6.3	38.8	44.7	39.9	39.6	47.8	41.7
55–64	9.2	6.2	6.1	41.2	45.9	39.9	45.0	48.9	43.8
65–69	7.4	6.3	4.7	38.1	42.7	40.8	42.5	47.5	48.3
70–74	7.3	4.1	4.7	37.6	39.1	41.5	43.8	46.1	48.7
75+	7.3	4.1	5.3	37.6	36.3	33.0	43.8	45.2	38.2

Source: USPS Household Diary Study, 2012.

STANDARD MAIL (A) ADDRESSEE BY INDUSTRY — MERCHANTS

Postal Years 1987, 2010, and 2011 (Percentage of Pieces Addressed to Household Members or Occupant/Resident)

Restaurants are least likely to address mail to specific household members.

Merchants	Percentage of Pieces Addressed to Specific Household Members			Percentage of Pieces Addressed to Occupant/Resident		
	1987	2010	2011	1987	2010	2011
Supermarkets	11.1	58.6	57.1	87.7	40.5	42.4
Department Store	68.3	89.9	91.6	30.9	9.2	7.8
Mail Order Company	95.8	96.4	97.1	3.3	1.4	1.5
Specialty Store	56.4	87.1	85.3	43.0	12.1	14.3
Publisher	72.0	81.1	78.8	25.8	15.6	18.5
Restaurant	21.3	20.6	16.2	77.6	77.6	83.3
Auto Dealers	88.7	85.5	85.8	8.6	14.4	13.9
Online Auctions	N/A	93.8	80.0	83.3	6.2	20.0
Total Merchants*	72.1	86.9	86.3	26.7	11.5	12.7

Note: Totals may not equal exactly 100% due to unreported categories.

Source: USPS Household Diary Study, 2012.

STANDARD MAIL (A) ADDRESSEE BY INDUSTRY — FINANCIAL

Postal Years 1987, 2010, and 2011 (Percentage of Pieces Addressed to Household Members or Occupant/Resident)

The financial industry apparently values the concept of addressing mail to specific household members.

Financial	Percentage of Pieces Addressed to Specific Household Members			Percentage of Pieces Addressed to Occupant/Resident		
	1987	2010	2011	1987	2010	2011
Credit Card	97.1	95.7	95.2	2.0	1.5	0.8
Bank	89.8	86.9	87.0	8.7	8.9	9.9
Investments	N/A	95.1	95.0	N/A	4.1	3.4
Insurance Company	93.2	90.1	92.4	5.5	5.8	4.6
Real Estate/Mortgage	72.8	78.8	71.9	26.7	19.8	22.2
Total Financial	92.1	91.8	92.8	6.8	5.0	3.8

Note: Fluctuations may be due to small sample size.

Source: USPS Household Diary Study, 2012.

STANDARD MAIL (A) ADDRESSEE BY INDUSTRY — SERVICES

Postal Years 1987, 2010, and 2011 (Percentage of Pieces Addressed to Household Members or Occupant/Resident)

Leisure service companies lead the way in addressing mail to specific household members.

Services	Percentage of Pieces Addressed to Specific Household Members			Percentage of Pieces Addressed to Occupant/Resident		
	1987	201	2011	1987	2010	2011
Telephone	94.6	90.7	76.8	4.7	6.9	21.0
Other Utilities	90.4	86.0	84.9	2.4	12.9	11.7
Medical	77.2	78.9	76.3	22.7	19.5	22.1
Other Professional	91.0	86.6	86.3	6.5	11.0	12.0
Leisure Service	85.2	94.4	96.4	14.5	4.9	3.0
Dvd/Bluray/Video Game Rental Company	N/A	93.5	92.6	N/A	6.5	6.7
Auto Maintenance	N/A	81.0	83.8	N/A	19.0	16.1
Roadside Assistance	N/A	91.7	92.4	N/A	2.2	1.3
Craftsman	41.9	66.7	72.8	57.2	33.2	26.2
Total Services	81.5	78.5	79.2	17.5	19.8	19.1

Source: USPS Household Diary Study, 2012.

STANDARD MAIL (A) ADDRESSEE BY INDUSTRY — FUNDRAISING

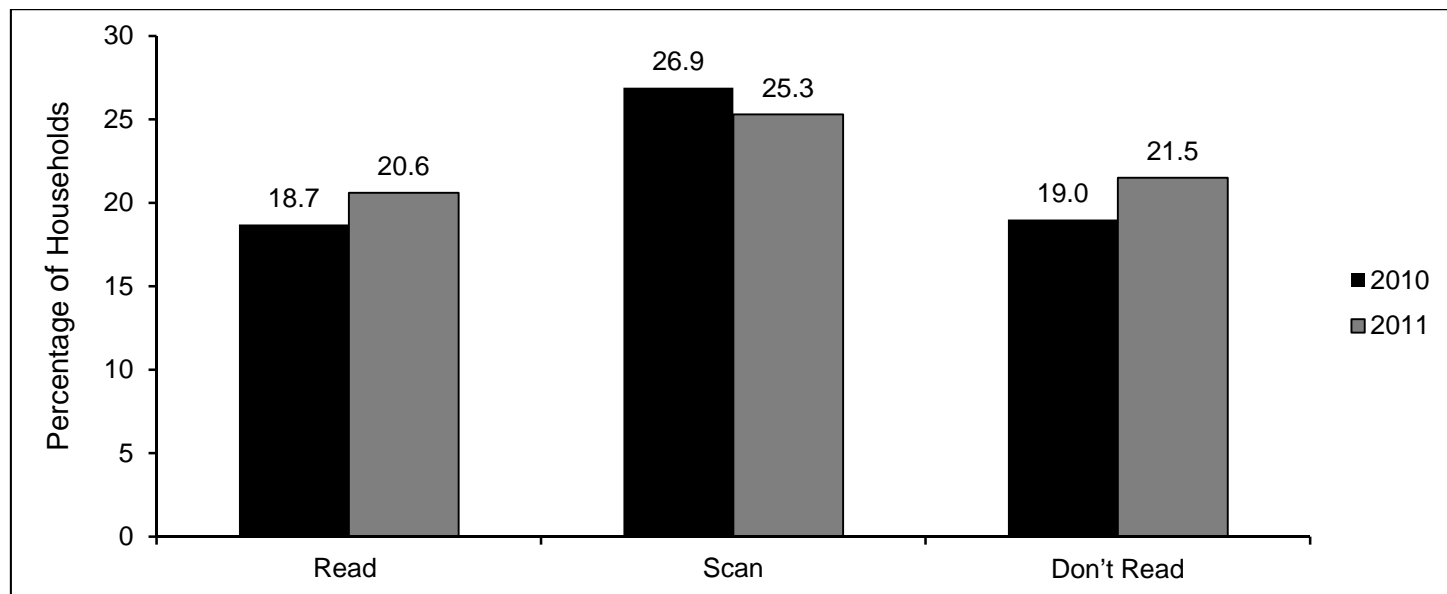
Postal Years 1987, 2010, and 2011 (Percentage of Pieces Addressed to Household Members or Occupant/Resident)

Fundraising	Percentage of Pieces Addressed to Specific Household Members			Percentage of Pieces Addressed to Occupant/Resident		
	1987	2010	2011	1987	2010	2011
Union or Professional Organization	89.6	92.7	93.8	10.4	5.2	3.8
Church	79.4	83.2	88.6	15.9	12.8	11.4
Veterans	N/A	47.0	83.7	N/A	50.5	14.1
Educational	87.9	82.1	88.6	11.4	17.4	10.4
Charities	98.1	70.6	80.9	1.9	23.4	7.7
Political Campaign	87.3	86.2	88.0	12.1	12.9	12.0
AARP	100.0	91.3	86.6	0.0	1.3	2.4
Total Fundraising	88.3	84.2	88.4	10.7	14.2	10.1

Source: USPS Household Diary Study, 2012.

TREATMENT OF ADVERTISING MAIL

Postal Years 2010 and 2011



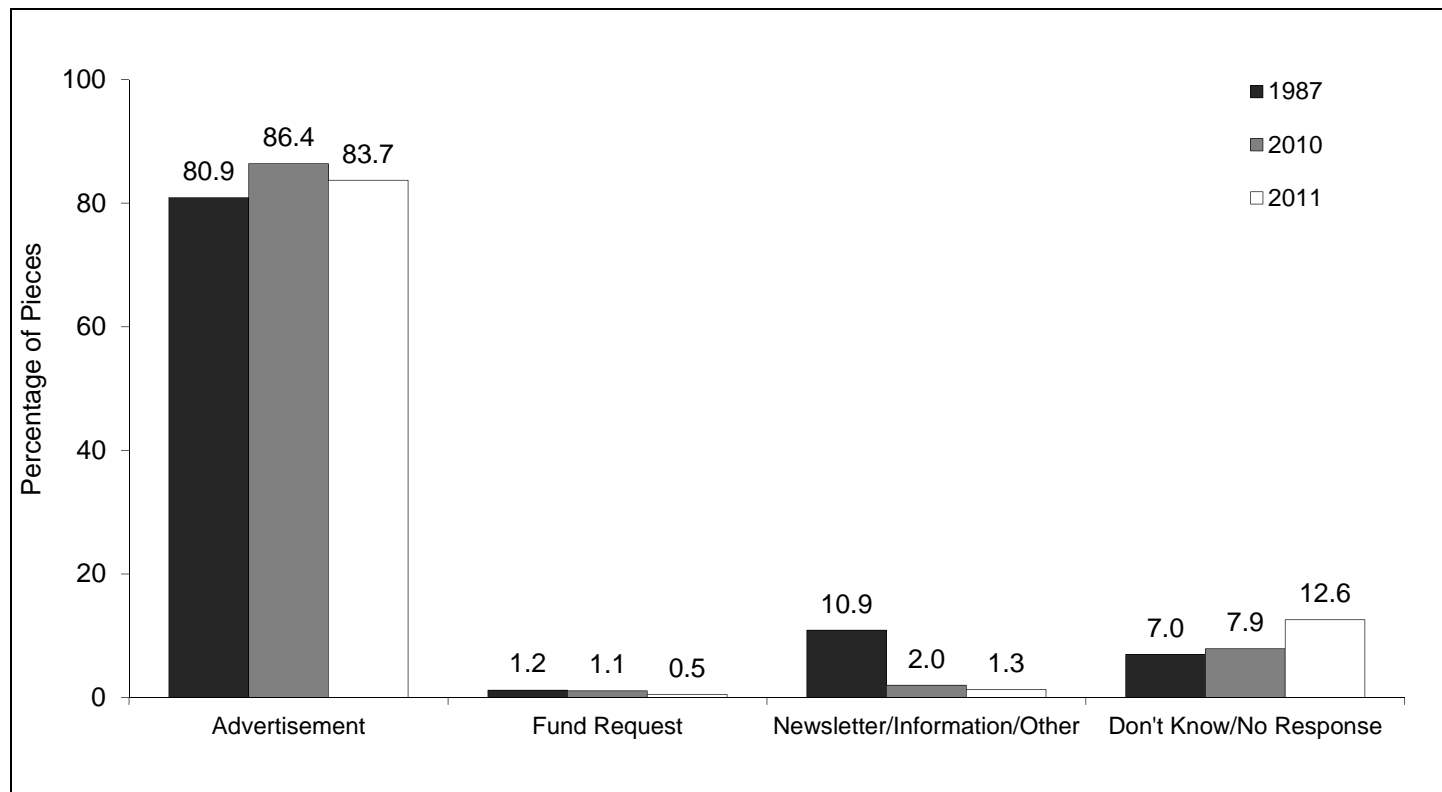
Source: USPS Household Diary Study, 2012.

STANDARD MAIL (A) CONTENT OF MAIL PIECE

(Percentage of Standard Mail (A) Received by Households)

Postal Years 1987, 2010, and 2011

The greatest proportion of Standard Mail (A) received contained an advertisement (83.7%).



Source: USPS Household Diary Study, 2012.

STANDARD MAIL (A) BY SHAPE

Postal Years 1987, 2010, and 2011 (Number of Pieces)

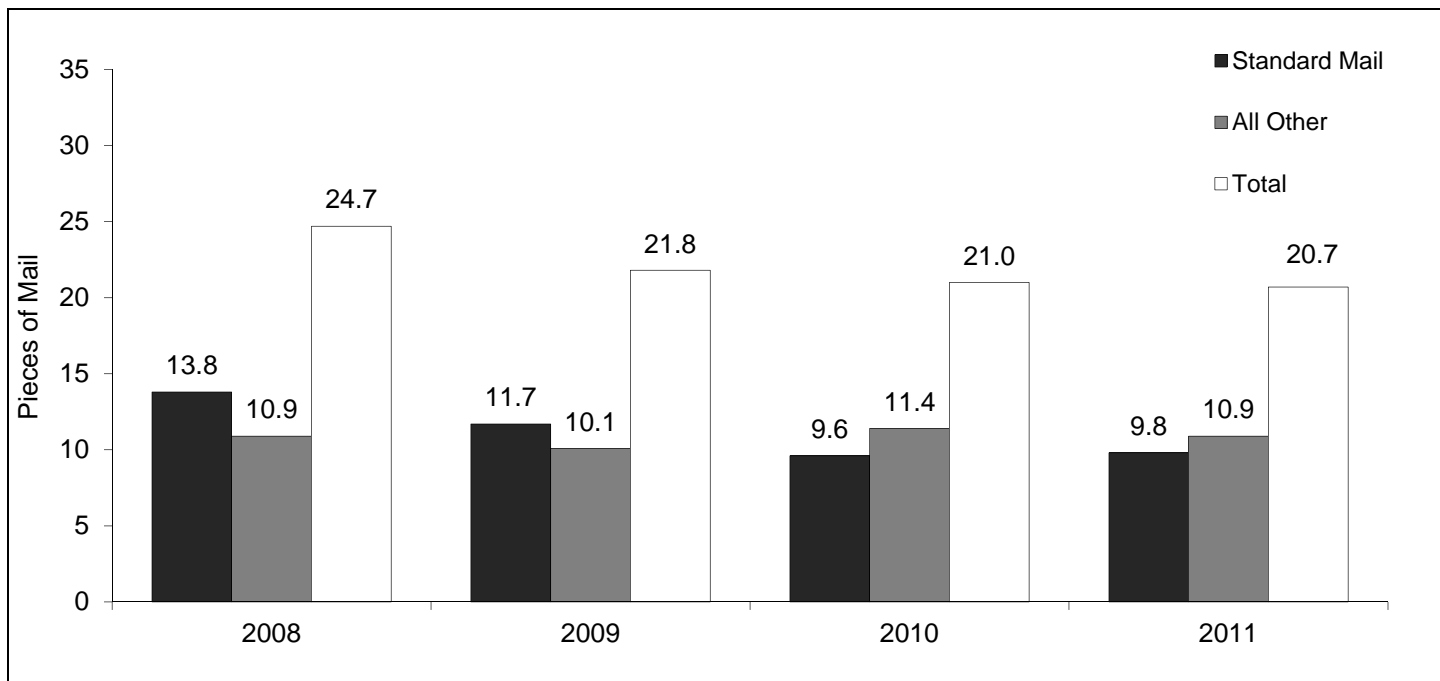
Letter-size envelopes are the most common form of Standard Mail (A), followed by flyers/circulars.

Shape	1987	2009	2010
Letter-Sized Envelope	1.8	3.4	3.9
Larger Envelope	1.3	0.3	0.2
Total Envelope	3.1	3.7	4.1
Detached Label Card	0.6	0.1	0.1
Postcard	0.2	0.3	0.2
Catalog (Not in Envelope)	1.5	1.6	1.5
Flyers/Circulars	2.1	3.5	3.5
Magazines/Newsletters	0.2	0.3	0.3
Other/Don't know/No answer	0.1	0.1	0.1
Total Pieces Received Per Household	7.8	9.6	9.8

Source: USPS Household Diary Study, 2012.

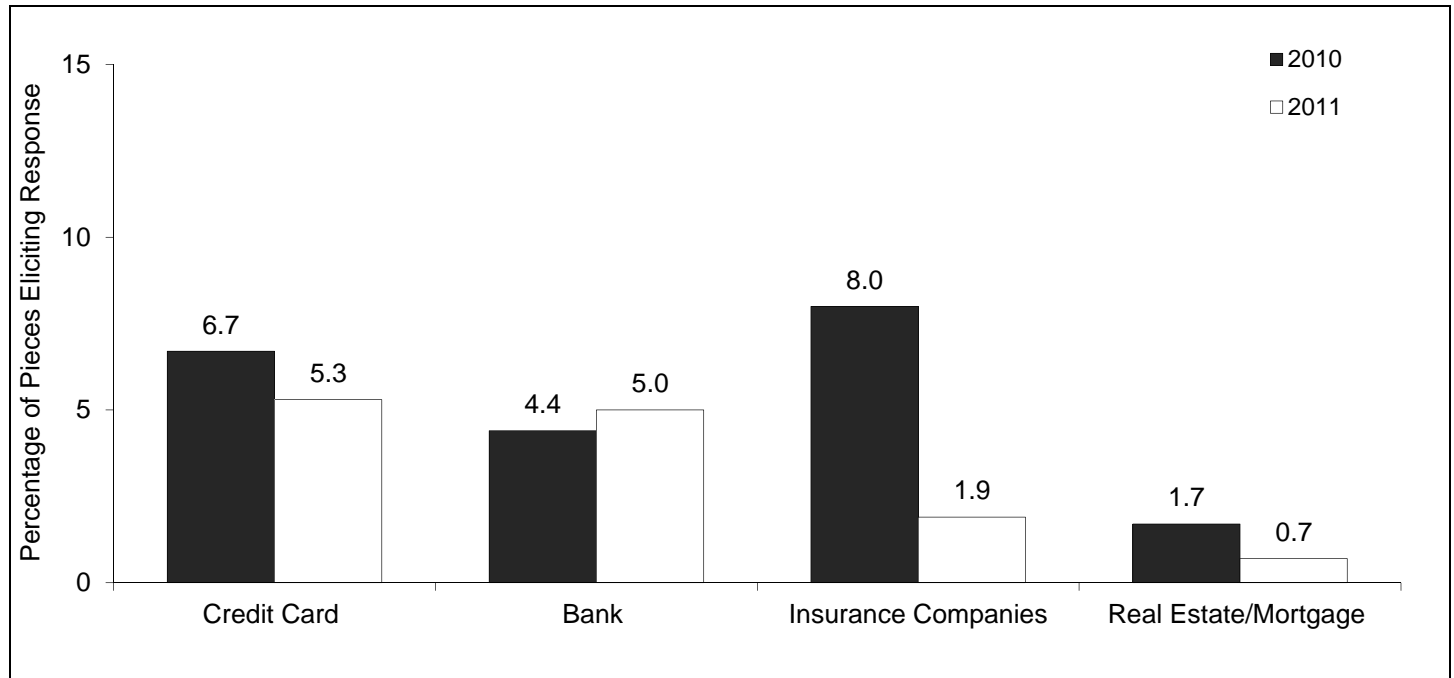
AVERAGE NUMBER OF MAIL PIECES RECEIVED PER WEEK

The average number of mail pieces the average consumer receives each week went down again in 2011.



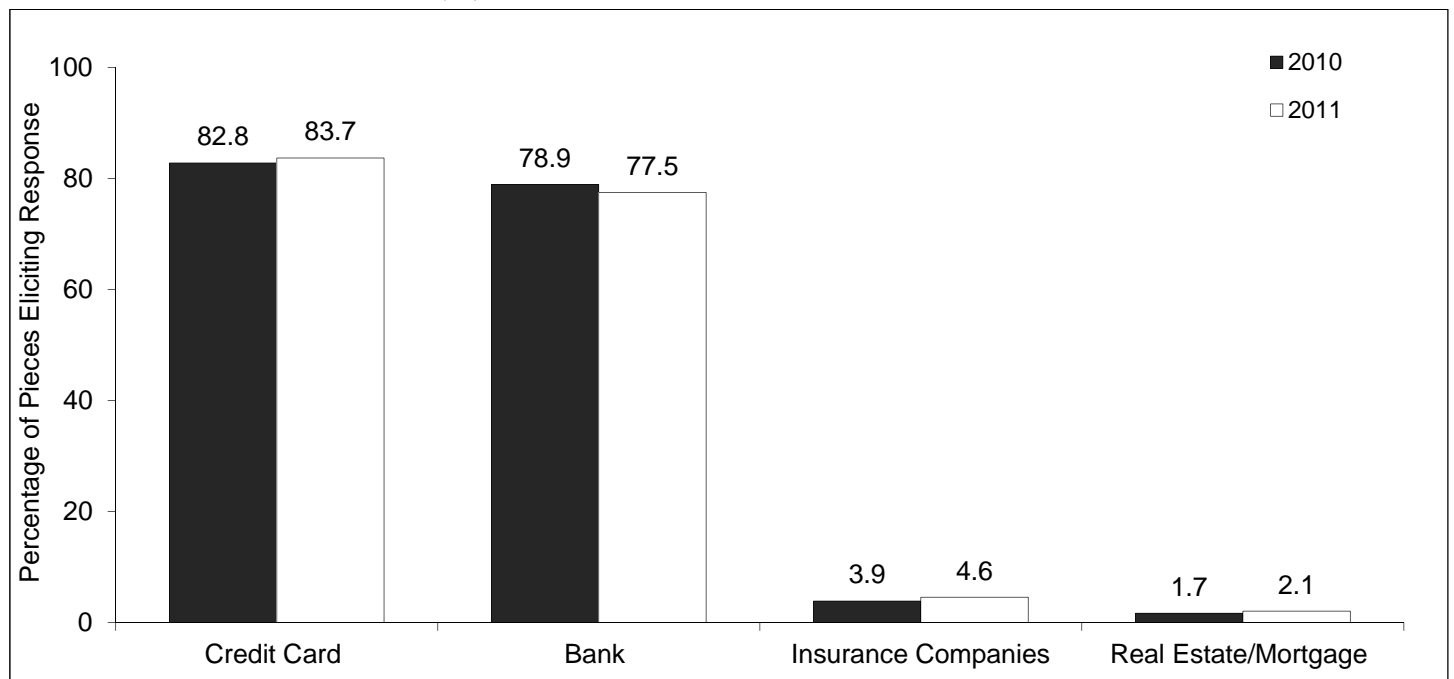
Source: USPS Household Diary Study, 2012.

RESPONSE TO FIRST-CLASS ADVERTISING FROM FINANCIAL SERVICES SUBSEGMENTS



Source: USPS: Household Diary Study, 2012.

RESPONSE TO STANDARD MAIL (A) ENVELOPES AND CARDS FROM FINANCIAL SERVICES SUBSEGMENTS

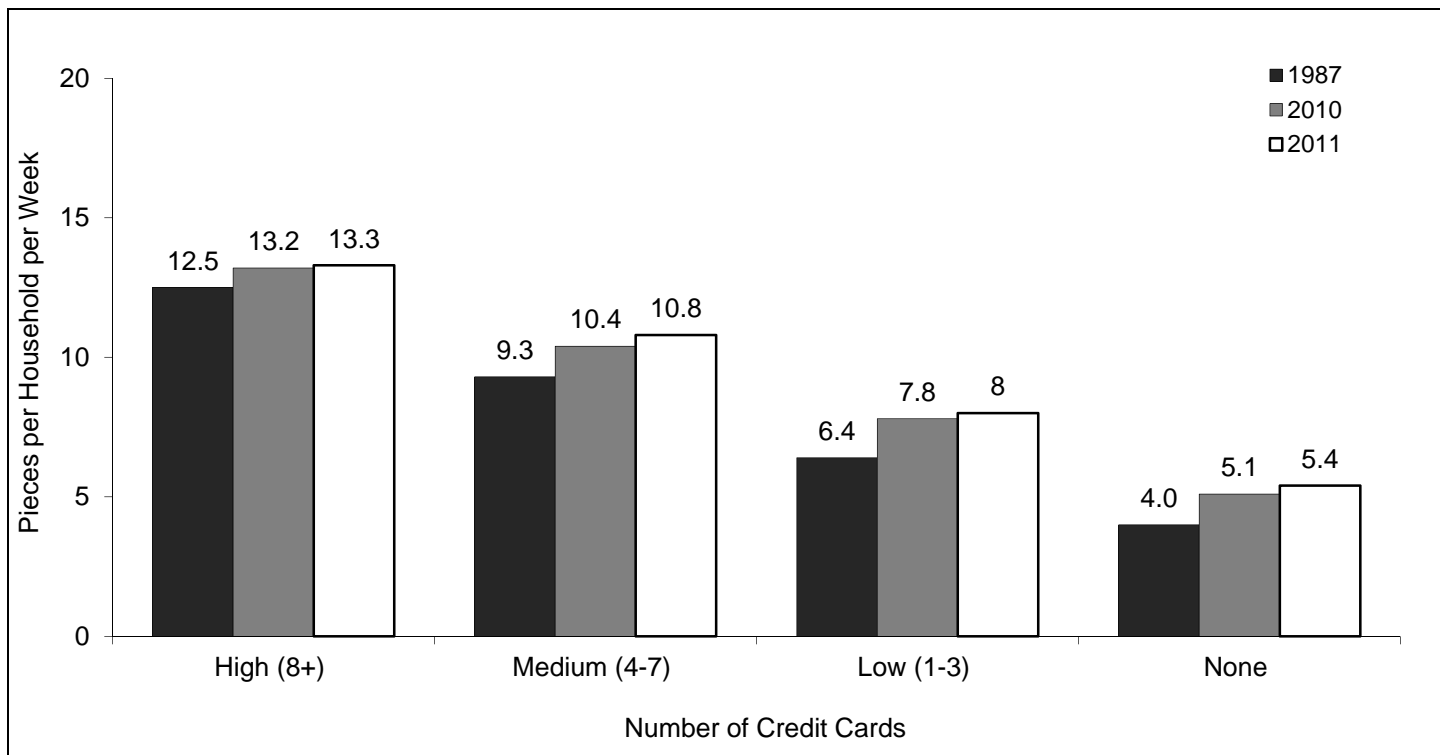


Source: USPS: Household Diary Study, 2012.

STANDARD MAIL (A) RECEIPT BY NUMBER OF CREDIT CARDS

Postal Years 1987, 2010, and 2011

Adults who have the most credit cards tend to receive the most Standard Mail (A).

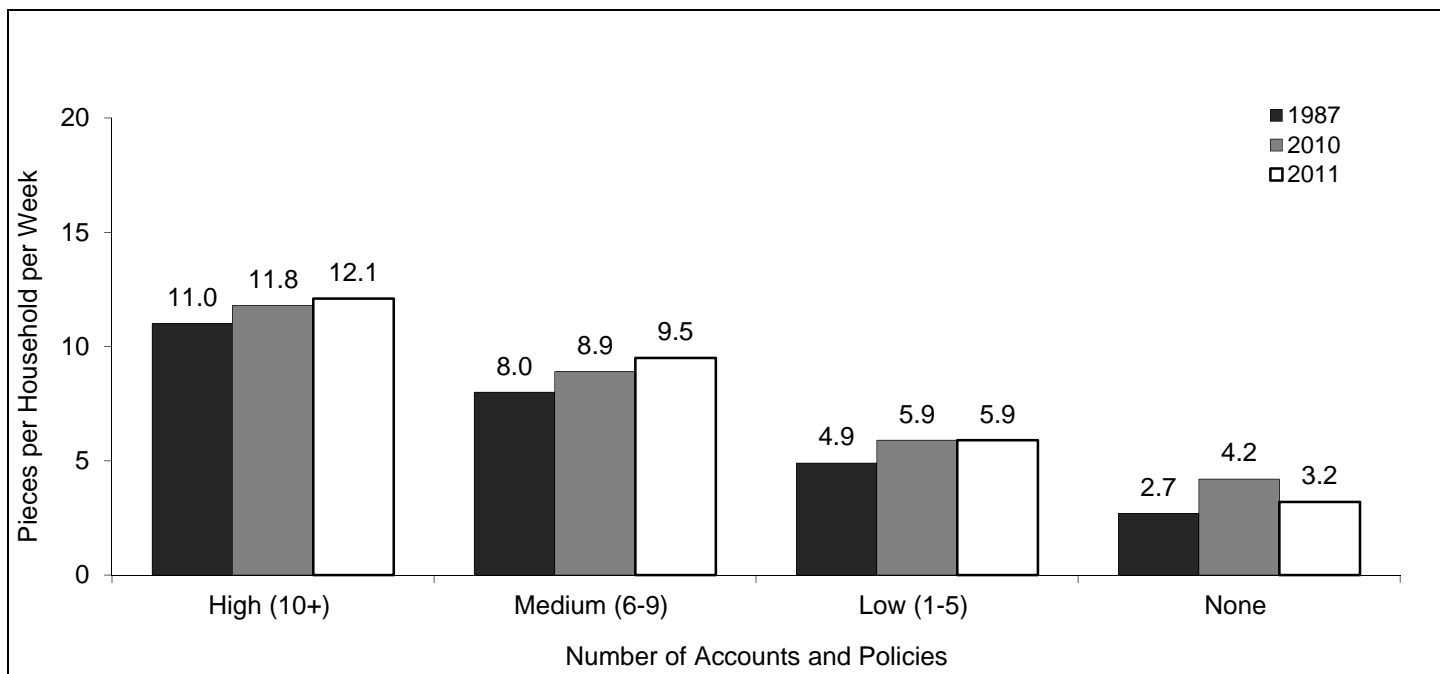


Source: USPS: Household Diary Study, 2012.

STANDARD MAIL (A) RECEIPT BY NUMBER OF FINANCIAL ACCOUNTS AND INSURANCE POLICIES

Postal Years 1987, 2010, and 2011

Adults who have the most financial accounts and insurance policies tend to receive the most Standard Mail (A).

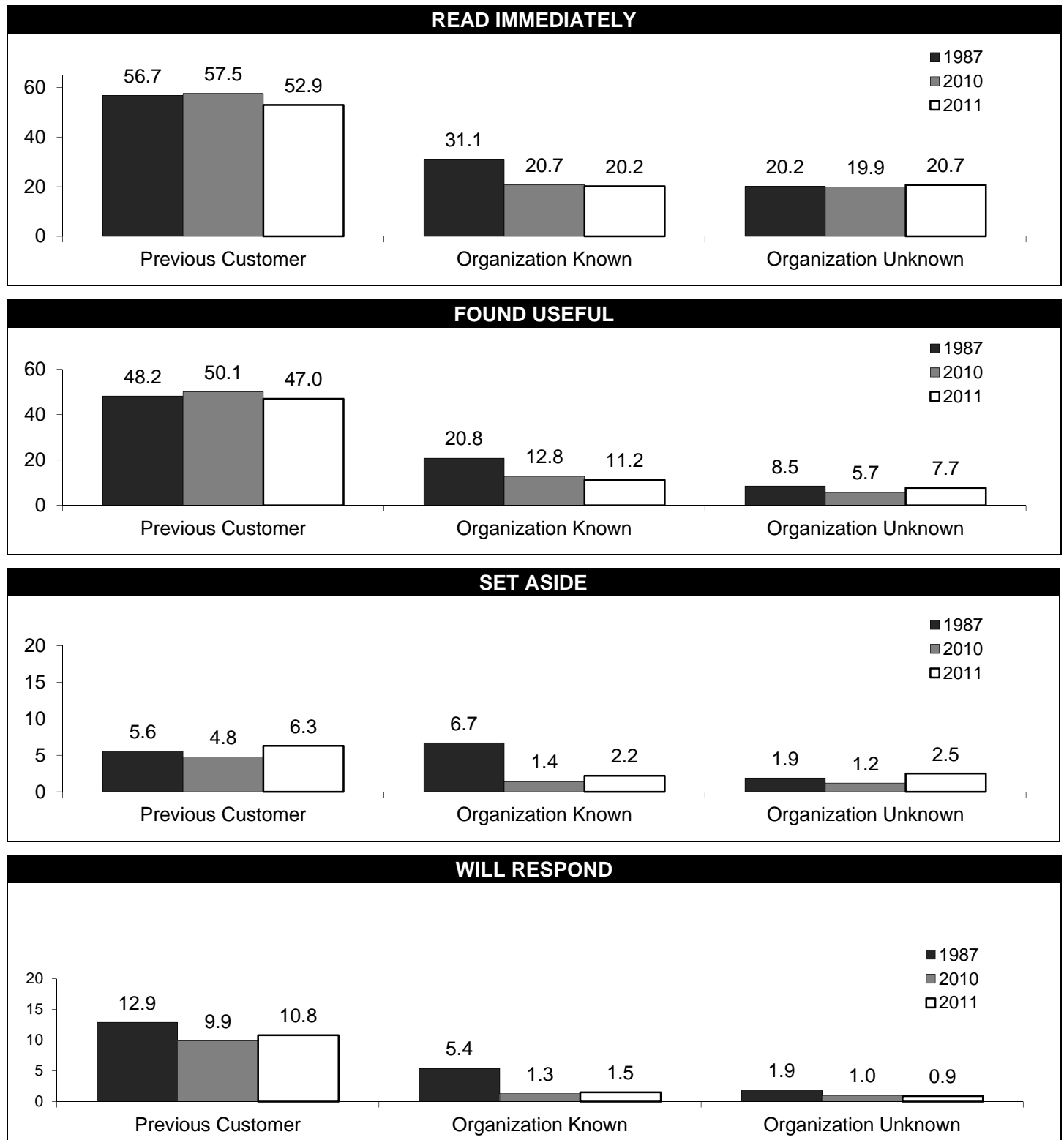


Source: USPS: Household Diary Study, 2012.

STANDARD MAIL (A) PIECES FROM INSURANCE COMPANIES

Actions Elicited by Mail Piece by Familiarity with Organization (Percentage of Recipients)
Postal Years 1987, 2010, and 2011

Standard Mail (A) pieces from insurance companies have the highest response rates among previous customers.



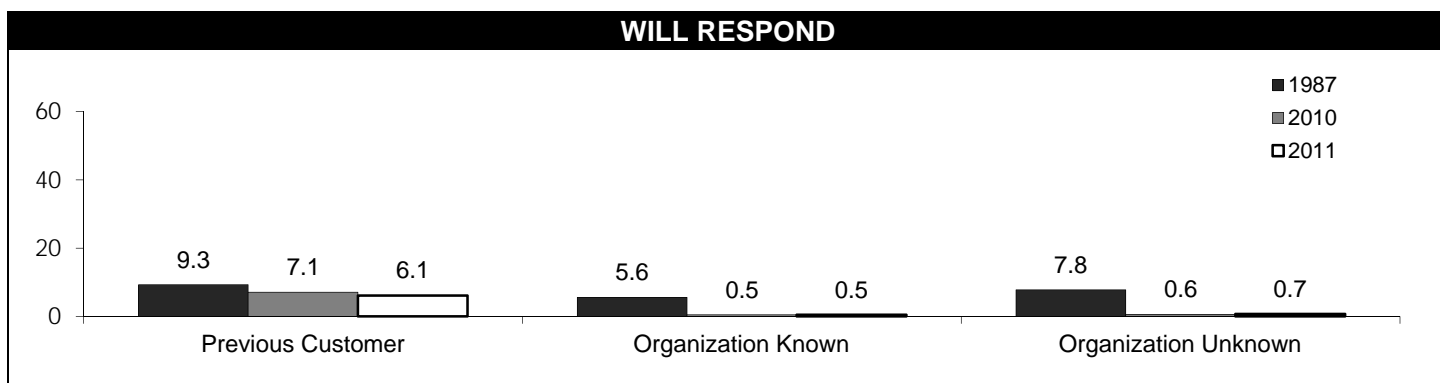
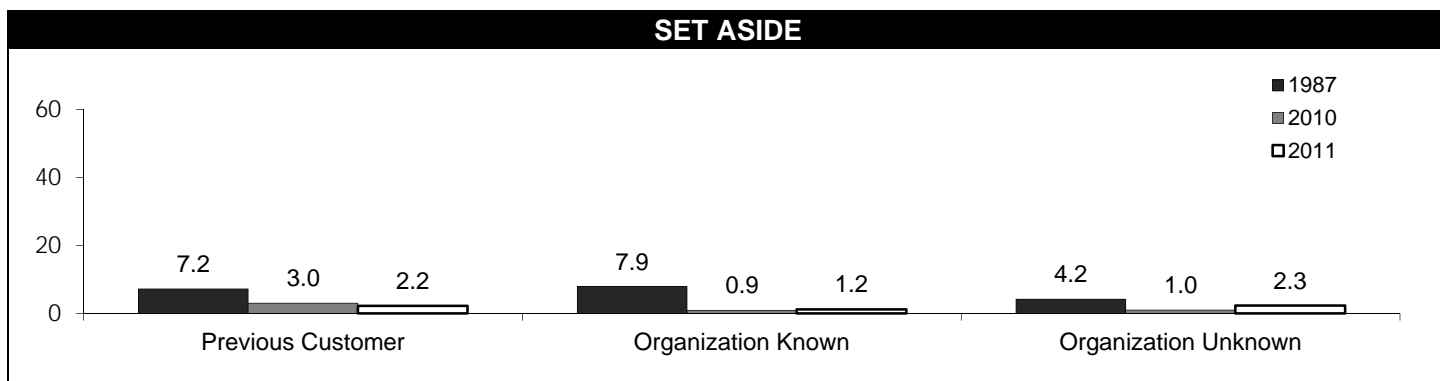
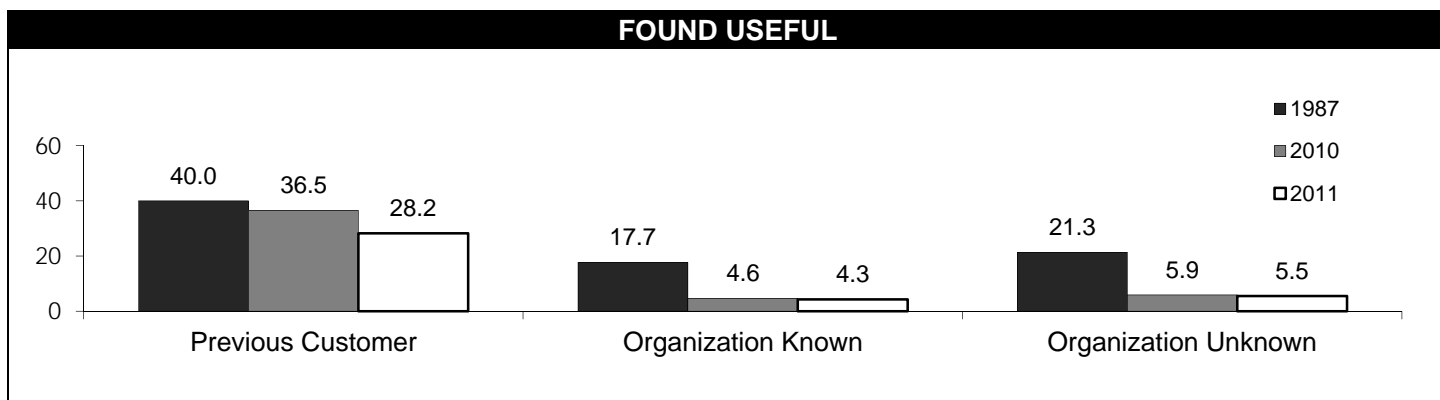
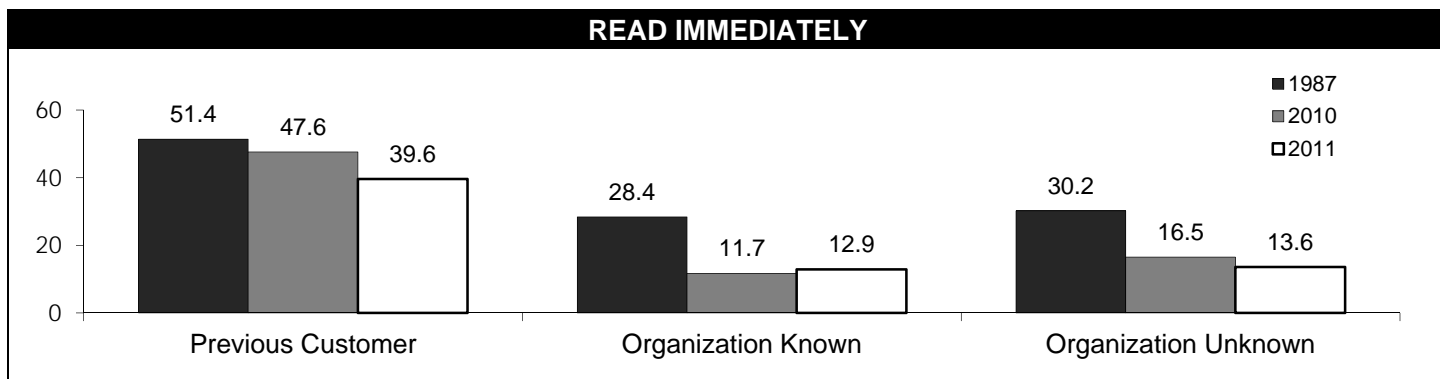
Note: Percentages do not add up to 100% due to multiple responses.

Source: USPS Household Diary Study, 2012.

STANDARD MAIL (A) PIECES FROM CREDIT CARD INDUSTRY

Actions Elicited by Mail Piece by Familiarity with Organization (Percentage of Recipients) Postal Years 1987, 2010, and 2011

Standard Mail (A) pieces from credit card companies have the highest response rates among previous customers.



Note: Percentages do not add up to 100% due to multiple responses.

Source: USPS Household Diary Study, 2012.

DIRECT MAIL VOLUME BY SECTORS, 2007–2012

Estimated Mail Volume					
Year	2008	2009	2010	2011	2012
Banking	1,416,981,133	1,221,682,327	1,317,482,192	1,174,635,171	1,074,227,475
Credit Cards	8,195,095,358	3,797,945,738	6,621,124,237	7,001,535,271	5,270,179,724
Insurance	8,211,073,014	8,390,523,324	9,381,448,576	6,882,636,991	6,943,287,353
Investment	485,747,412	348,869,384	316,266,093	337,569,856	386,387,791
Mortgage & Loans	3,150,740,433	1,083,200,219	1,163,040,711	1,331,912,134	1,878,121,982
Shipping	410,479	21,145,033	97,241,999	39,324,249	52,785,566
Technology	239,387,935	184,338,538	101,010,518	74,689,717	56,893,471
Telecoms	3,951,710,832	4,387,090,641	4,247,851,773	3,331,477,637	3,592,519,721
Travel/Leisure	458,369,409	481,936,118	474,759,023	427,786,188	494,219,675

Source: Mintel, 2012.

DIRECT MAIL VOLUME BY MAILING TYPE IN 2012

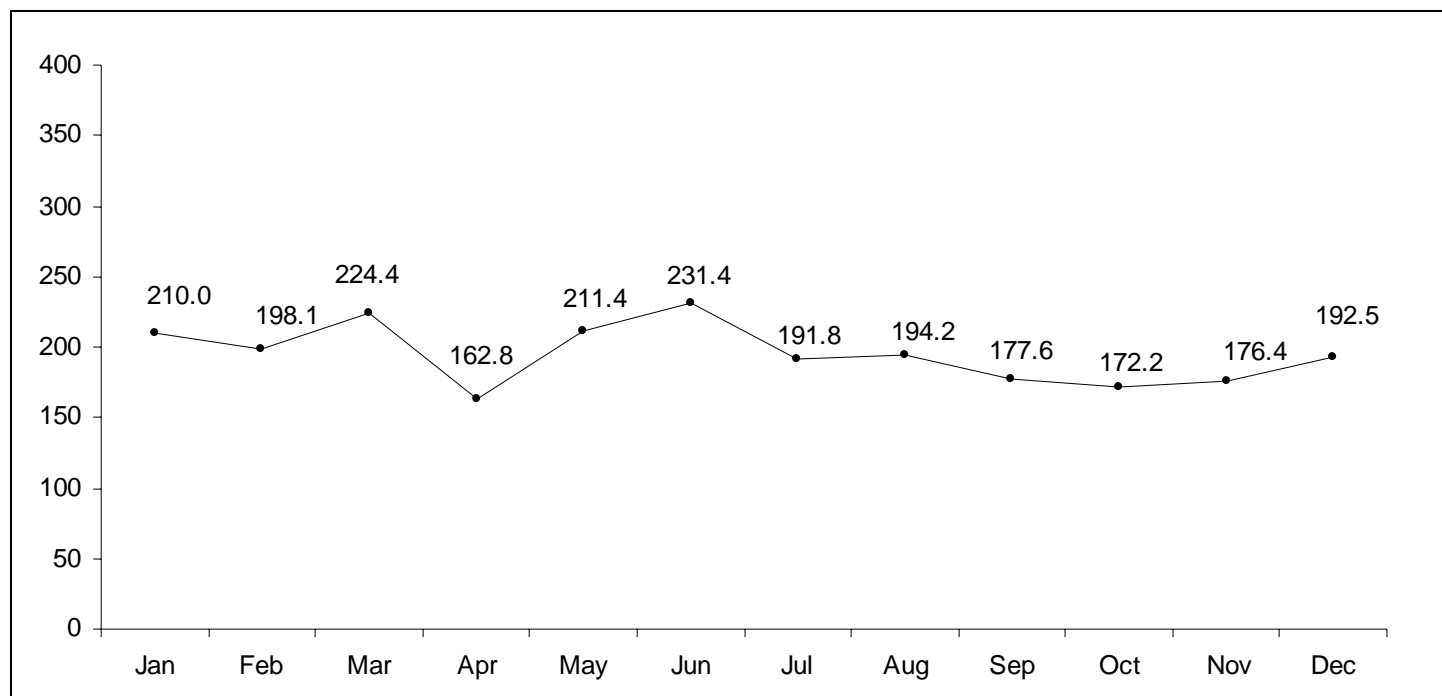
Mailing type	Banking	Credit Cards	Insurance	Investment	Mortgage
Acquisition Mailing	634,009,463	3,206,279,197	6,241,463,938	154,807,194	1,484,775,208
Cross Sell Mailing (Retention)	92,258,236	116,129,769	76,548,548	1,920,900	219,460,802
Follow Up Mailing (Acquisition)	313,348	861,208	173,117,700	355,214	5,991,112
Follow Up Mailing (Retention)	775,622	--	--	223,754	185,734
Information Mailing	102,639,753	160,642,785	207,656,238	169,878,550	26,543,469
Loyalty Mailing	52,436,106	1,294,122,578	11,617,060	146,960	10,290,454
Renewal Mailing (Retention)	--	--	11,714,519	64,513	548,866
Statement Mailing	190,460,298	348,197,881	92,781,508	58,990,706	105,504,773
Upgrade Mailing (Retention)	2,110,271	26,649,426	51,908,654	--	--
Win Back Mailing	--	117,296,880	75,703,566	--	24,821,564

Mailing type	Shipping	Technology	Telecoms	Travel/Leisure
Acquisition Mailing	51,099,270	50,532,307	2,245,335,166	436,713,384
Cross Sell Mailing (Retention)	--	1,371,099	408,279,174	746,373
Follow Up Mailing (Acquisition)	--	--	15,754,198	--
Follow Up Mailing (Retention)	--	--	6,558,151	134,858
Information Mailing	1,453,363	868,447	130,965,652	1,150,818
Loyalty Mailing	147,187	157,009	47,247,359	55,412,363
Renewal Mailing (Retention)	--	905,348	830,381	61,879
Statement Mailing	85,746	1,004,013	293,612,305	--
Upgrade Mailing (Retention)	--	1,980,093	276,488,843	--
Win Back Mailing	--	75,155	167,448,492	--

Source: Mintel, 2012.

MAIL VOLUME FOR CREDIT CARDS IN 2012

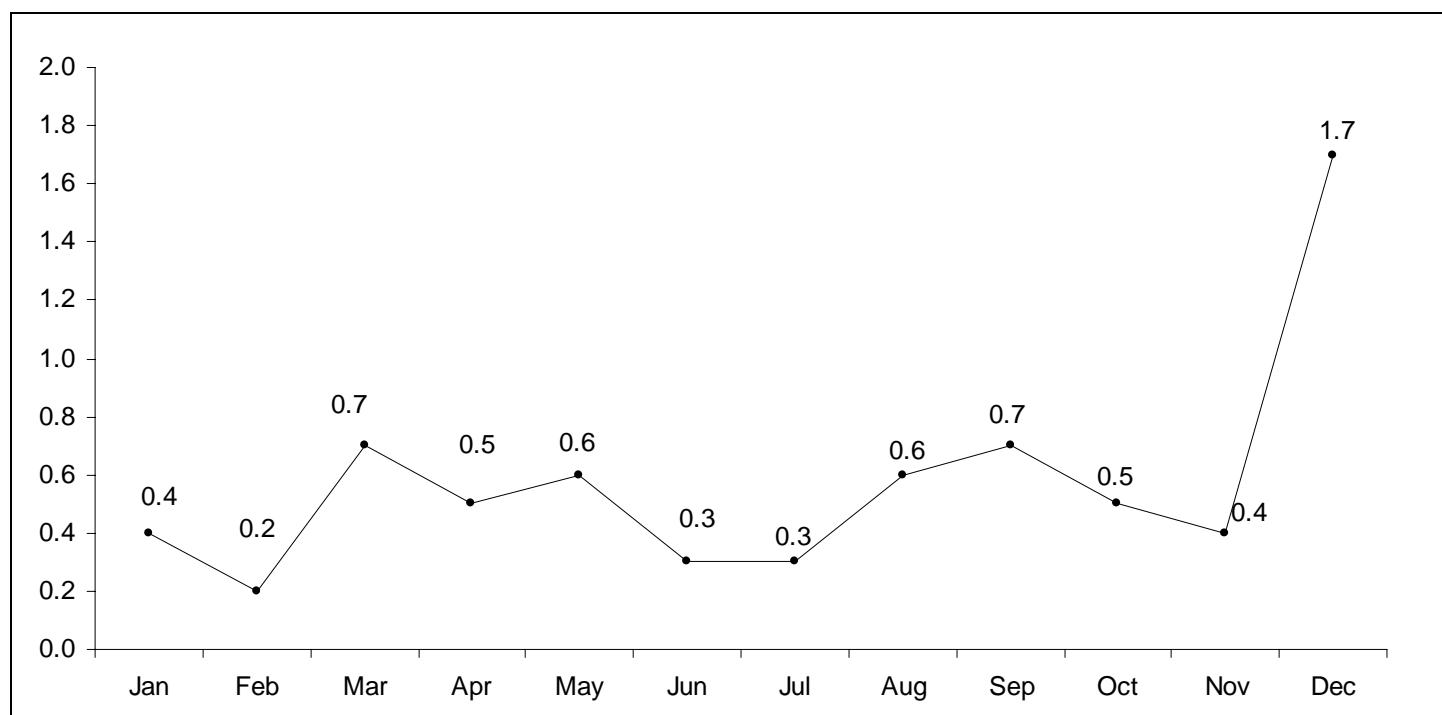
(In Millions)



Source: Ipsos/Synovate Mail Monitor, 2012.

MONTHLY RESPONSE RATE FOR CREDIT CARDS IN 2012

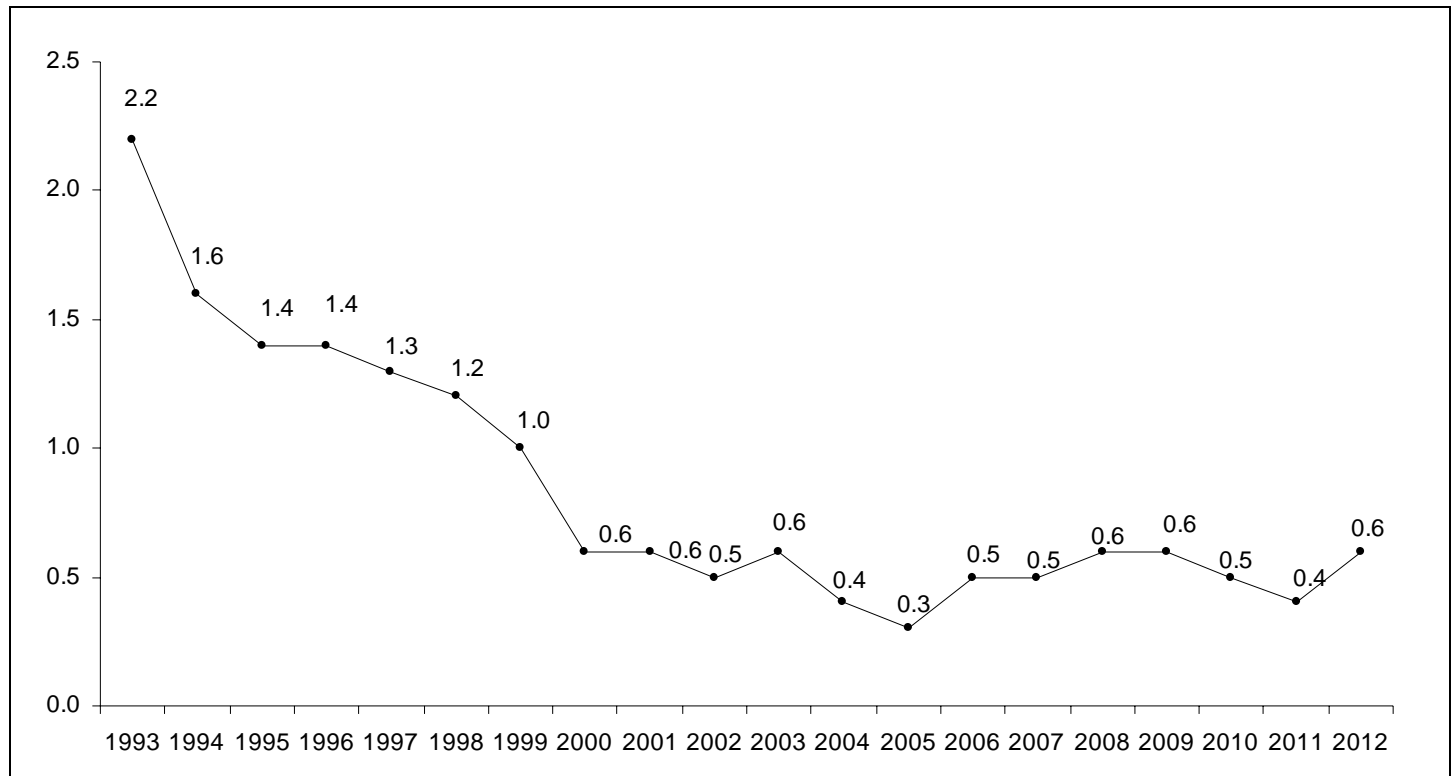
(Percentage of Sent Mail)



Source: Ipsos/Synovate Mail Monitor, 2012.

RESPONSE RATES FOR CREDIT CARDS: 1991 THROUGH 2012

(Percentage of Sent Mail)



Source: Ipsos/Synovate Mail Monitor, 2012.

MODERN MARKETING DIRECT MAIL BALLPARK – BUDGET COSTIMATOR™

The sole purpose of these Costimator Tables is to aid direct marketers in the initial stages of planning cost-effective direct mail campaigns. Because of production-cost variables (labor, materials, overhead, workload, markup, etc.), Costimator prices may be as much as 15% to 25% higher or lower than actual supplier quotations. Usually, however, mailers who seek competitive bids from different vendors — and who allow enough turnaround time for economical production — will be able to meet (or likely beat) these Costimator prices.

In some cases, dramatic cost reductions can be achieved by purchasing odd-lot, remnant, or surplus paper stocks (paper often accounts for 40% to 60% of printing costs) — or by scheduling out-of-season production runs (hungry suppliers may be more interested in recovering overhead expense than making a profit). Mail marketers are well-advised to obtain quotes not only from vendors, but also from printing brokers and production-oriented agencies. (They frequently know where the real “bargain” deals are hiding and waiting to be exploited.)

Costimator prices do not include creative costs (copy, design, photography, etc.) or the expense of outputting camera-ready art. Likewise, the cost of proofing and special prepress work should also be added.

Source: Moddern Marketing 2013 – www.moddern.com

LETTERSHOP OPERATIONS

Price includes CASS, postal qualification, base laser programming, simplex laser 11" as 2-up rolls, bowe & fold, insert, sort, & mail.

Cost Per Thousand					
Inserted into #10 or 6 x 9 Envelopes	25,000	50,000	100,000	250,000	500,000
One Item	\$41.40	\$35.55	\$32.00	\$29.45	\$28.25
Two Items	\$42.00	\$36.15	\$32.55	\$30.00	\$28.75
Three Items	\$42.60	\$36.75	\$33.15	\$30.50	\$29.25
Four Items	\$43.15	\$37.35	\$33.75	\$31.00	\$29.80
Five Items	\$43.75	\$37.90	\$34.35	\$31.55	\$30.30
Affix Stamp (price per thousand)	\$5.55				

Source: Moddern Marketing 2013 – www.moddern.com.

BROCHURES

Cost Per Thousand					
Color	10,000	50,000	100,000	250,000	500,000
Brochure 6 x 7 plus bleed fold to 3 ½ x 6					
Printed on 60# text coated two sides — file output included with proof. Carton pack.					
2/1	\$85.30	\$24.45	\$16.60	\$12.00	\$10.35
2/2	\$91.20	\$25.80	\$17.30	\$12.35	\$10.55
Brochure 8 ½ x 11 no bleed fold to 3 5/8 x 8 ½					
Printed on 60# white offset — file output included with price. Carton pack.					
2/1	\$93.60	\$30.90	\$23.40	\$18.55	\$16.70
2/2	\$100.75	\$32.45	\$24.20	\$18.95	\$17.00
4/4	\$114.75	\$35.35	\$25.65	\$19.55	\$17.35
Brochure 11 x 17 no bleed fold to 5 ½ x 8 ½					
Printed on 60# white offset — File output included with proof. Carton pack.					
2/1	\$114.30	\$48.10	\$39.40	\$33.90	\$31.75
2/2	\$121.50	\$49.70	\$40.25	\$34.45	\$32.20
4/4	\$135.20	\$52.55	\$41.85	\$35.15	\$32.60
Brochure 11 x 17 no bleed fold to 5 ½ x 8 ½					
Printed on 60# text coated on two sides — file output included with proof. Carton pack.					
2/2	\$168.00	\$84.65	\$77.40	\$67.90	\$64.95
4/4	\$195.05	\$90.70	\$81.70	\$70.10	\$66.30
Brochure 17 x 22 no bleed fold to 8 ½ x 11 and spine glued					
Printed on 60# text coated on two sides — file output included with proof. Carton pack.					
2/2	\$262.90	\$92.50	\$71.45	\$59.60	\$55.70
4/4	\$304.10	\$101.05	\$76.00	\$61.85	\$57.10
Brochure 17 x 22 plus bleed fold to 8 ½ x 11 and saddle wire stitched					
Printed on 60# text coated on two sides — file output included with proof. Carton pack.					
2/2	\$224.70	\$120.20	\$102.60	\$89.65	\$85.15
4/4	\$255.25	\$127.00	\$107.70	\$92.10	\$86.65

Source: Moddern Marketing 2013 – www.moddern.com.

SELF MAILING FORMATS

Cost Per Thousand					
Color	10,000	50,000	100,000	250,000	500,000
Self-Mailing format — 6 x 7 double postcard fold to 3 ½ x 6 Printed on 7-point BRC matte — file output included with proof. Price includes paper, manufacturing, inkjet address spot glue close, and mail. NCOA, CASS, data processing, and postage would be additional.					
2/1	\$154.80	\$62.60	\$47.25	\$38.15	\$34.05
2/2	\$158.20	\$63.35	\$47.90	\$39.00	\$34.75
Self-Mailing format — 8 ½ x 11 fold to 5 ½ x 8 ½ Printed on 7-point BRC matte — file output included with proof. Price includes paper, manufacturing, inkjet address spot glue close, and mail. NCOA, CASS, data processing, and postage would be additional.					
2/1	\$173.75	\$76.60	\$61.20	\$50.45	\$44.85
2/2	\$180.45	\$79.75	\$73.25	\$52.45	\$45.85
Self Mailing format — 11 x 17 fold to 8 ½ x 11 Printed on 9-point BRC matte — file output included with proof. Price includes paper, manufacturing, inkjet address spot glue close, and mail. NCOA, CASS, data processing, and postage would be additional.					
2/1	\$193.95	\$200.40	\$112.95	\$103.50	\$98.00
2/2	\$277.05	\$134.95	\$116.15	\$104.80	\$99.05
4/4	\$315.95	\$156.80	\$111.75	\$111.75	\$93.80

Source: Moddern Marketing 2013 – www.moddern.com.

REPLY CARDS/ORDER FORMS

Cost Per Thousand				
Color	10,000	50,000	100,000	300,000
3 ½ x 5 ½ no bleed, flat trim Printed on 7-point hi-bulk offset.				
2/1	\$67.25	\$16.80	\$9.90	\$5.60
2/2	\$73.85	\$18.10	\$10.55	\$5.85
5 ½ x 8 ½ no bleed, flat trim Printed on 7-point hi-bulk offset.				
2/1	\$72.65	\$20.95	\$10.94	\$9.85
2/2	\$78.80	\$22.35	\$11.49	\$10.20
Order form — 3 ½ x 5 ½ no bleed, flat trim Printed on 60# white offset — File output included with proof. Carton pack.				
2/1	\$64.85	\$15.85	\$9.15	\$4.90
2/2	\$70.85	\$17.05	\$9.75	\$5.15
Order form 5 ½ x 8 ½ no bleed, flat trim Printed on 60# white offset — File output included with proof. Carton pack.				
2/2	\$68.55	\$19.10	\$12.65	\$8.45
4/4	\$74.30	\$20.35	\$13.30	\$8.75

Source: Moddern Marketing 2013 – www.moddern.com.

OUTER (OR CARRIER) ENVELOPES

Printed on 24# white wove, flexo printing, and standard window placement. Web side seam style envelopes.

Cost per Thousand							
Number	Size	Color	Window	10,000	50,000	100,000	250,000
6 3/4	3 5/8 x 6 1/2	1	none	\$49.05	\$21.60	\$15.50	\$13.90
6 3/4	3 5/8 x 6 1/2	1	cello	\$51.85	\$24.30	\$18.10	\$16.45
6 3/4	3 5/8 x 6 1/2	1	open	\$50.25	\$22.75	\$16.50	\$14.90
6 3/4	3 5/8 x 6 1/2	2	none	\$56.35	\$23.30	\$16.45	\$14.45
6 3/4	3 5/8 x 6 1/2	2	cello	\$59.20	\$26.10	\$19.00	\$17.05
6 3/4	3 5/8 x 6 1/2	2	open	\$57.75	\$24.50	\$17.45	\$14.45
9	3 7/8 x 8 7/8	1	none	\$51.15	\$23.55	\$17.25	\$15.60
9	3 7/8 x 8 7/8	1	cello	\$53.70	\$20.10	\$19.60	\$18.10
9	3 7/8 x 8 7/8	1	open	\$52.10	\$24.80	\$18.00	\$16.40
9	3 7/8 x 8 7/8	2	none	\$58.60	\$25.35	\$18.15	\$16.20
9	3 7/8 x 8 7/8	2	cello	\$61.15	\$27.85	\$20.55	\$18.55
9	3 7/8 x 8 7/8	2	open	\$59.55	\$26.30	\$18.95	\$16.95
10	4 1/8 x 9 1/2	1	none	\$52.70	\$25.15	\$18.80	\$17.20
10	4 1/8 x 9 1/2	1	cello	\$55.30	\$27.70	\$21.15	\$19.55
10	4 1/8 x 9 1/2	1	open	\$53.70	\$26.05	\$19.60	\$17.95
10	4 1/8 x 9 1/2	2	none	\$60.20	\$26.90	\$19.70	\$17.75
10	4 1/8 x 9 1/2	2	cello	\$62.75	\$29.45	\$22.10	\$20.15
10	4 1/8 x 9 1/2	2	open	\$61.15	\$27.85	\$20.50	\$18.55
N/A	6 x 9	1	none	\$59.45	\$31.60	\$24.00	\$22.40
N/A	6 x 9	1	cello	\$62.30	\$34.35	\$26.60	\$24.95
N/A	6 x 9	1	open	\$60.70	\$32.75	\$25.00	\$23.30
N/A	6 x 9	2	none	\$66.90	\$33.35	\$24.95	\$22.95
N/A	6 x 9	2	cello	\$69.75	\$36.10	\$27.50	\$25.55
N/A	6 x 9	2	open	\$68.15	\$34.50	\$25.95	\$23.95

Source: Moddern Marketing 2013 – www.moddern.com.

BIND-IN ORDER FORM ENVELOPES

Cost Per Thousand						
Ink	10,000	50,000	100,000	250,000	500,000	
8.5 x 17, no bleed, trim and fold to 8.5 x 8.5 with a 3.5 formed envelope, with remoist glue and perforation.						
Stock: 60# white offset						
1/1	\$137.85	\$49.00	\$38.15	\$28.90	\$25.25	
2/2	\$160.00	\$53.75	\$40.70	\$30.40	\$26.30	
8.5 x 13, no bleed, trim and fold to 8.5 x 5.5 with a 3.5 formed envelope, with remoist glue and perforation						
Stock: 60# white offset						
1/1	\$139.40	\$44.90	\$33.15	\$23.30	\$19.20	
2/2	\$162.10	\$49.65	\$35.70	\$24.30	\$20.15	

Source: Moddern Marketing 2013 – www.moddern.com.

LITHO LETTERS (NOT PERSONALIZED)

Cost Per Thousand				
Ink	10,000	50,000	100,000	300,000
8.5 x 11, no bleed, fold to #10 or 6 x 9 OSE, on 60# offset; file output with proof. Carton pack.				
1/1	\$84.00	\$27.50	\$20.70	\$16.15
2/1	\$90.10	\$28.80	\$21.50	\$16.55
11 x 17, no bleed, fold to #10 or 6 x 9, on 60# supplied offset; file output with proof. Carton pack.				
2/1	\$105.10	\$43.25	\$35.30	\$28.30
2/2	\$111.40	\$44.75	\$36.15	\$30.65

Source: Moddern Marketing 2013 – www.moddern.com.

LASER LETTERS (PERSONALIZED)

Cost Per Thousand				
Ink	10,000	50,000	100,000	300,000
8.5 x 11, no bleed, printed on 60# offset; supplied 2-up for laser imaging.				
1/1	\$156.80	\$51.80	\$39.95	\$29.40
2/1	\$183.00	\$59.90	\$43.00	\$30.60
8.5 x 11, no bleed, printed on 60# offset; supplied as cut sheet for laser imaging.				
2/1	\$180.95	\$89.00	\$72.15	\$56.25
2/2	\$205.80	\$94.35	\$75.05	\$57.40

Source: Moddern Marketing 2013 – www.moddern.com.

BUSINESS REPLY ENVELOPES (BRE)

Printed on 24# white wove

Cost per Thousand							
Number	Size	Color	Window	10,000	50,000	100,000	250,000
6 ¾	3 5/8 x 6 1/2	1	none	\$49.05	\$21.60	\$15.50	\$13.90
6 ¾	3 5/8 x 6 1/2	1	cello	\$51.85	\$24.30	\$18.10	\$16.45
6 ¾	3 5/8 x 6 1/2	1	open	\$50.25	\$22.75	\$16.50	\$14.90
6 ¾	3 5/8 x 6 1/2	2	none	\$56.35	\$23.30	\$16.45	\$14.45
6 ¾	3 5/8 x 6 1/2	2	cello	\$59.20	\$26.10	\$19.00	\$17.05
6 ¾	3 5/8 x 6 1/2	2	open	\$57.75	\$24.50	\$17.45	\$14.45

Source: Moddern Marketing 2013 – www.moddern.com.

DIRECT MAIL — SAMPLE WORKING BUDGET

Great N. American Widget Corporation, Consumer Solo-Mailing Campaign, Two-for-One Widget Offer
(Approximate Net Quantity 100,000 — Scheduled Drop Date 6/30/13)

CREATIVE	
1. Preliminary copy/headlines/layout/dummies	\$750.00
2. Copy including revisions	\$6,500.00
3. Computer Layouts (headlines, text, illustrations)	\$3,500.00
4. Contingency	\$500.00
SUBTOTAL	\$11,250.00
ART AND PREPARATION	
1. Photography	\$1,800.00
2. Model Fees	\$1,000.00
3. Photo Direction	\$750.00
4. Prepress	\$3,500.00
5. Contingency	\$2,000.00
SUBTOTAL	\$9,050.00
PRINTING AND PRODUCTION — 105,000 (5% overs)	
1. 2-page letter 2/1, 8.5 x 11 — folds to 5 ½ x 8 ½ - \$ 30.85/M	\$3,239.25
2. 8-page brochure, 4/4, 17 x 22 flat-folded to final size 5 ½ x 8 ½ — no binding — \$77.40/M	\$8,127.00
3. Reply Card 3 ½ x 5 ½; 2/2 @ \$10.55/M	\$1,107.75
4. BRE — #6 ¾; 1/0; no window — \$15.50/M	\$1,627.50
5. Outer Envelope — 6 x 9; 2/0; one window — \$27.50/M	\$2,887.50
6. Contingency	\$1,000.00
SUBTOTAL	\$17,989.00
MAILING LISTS	
1. Mail order respondents 80M — \$100.00/M	\$8,000.00
2. Active magazine subscribers 45M — \$ 70.00/M	\$3,150.00
3. Contingency	\$1,200.00
SUBTOTAL	\$12,350.00
COMPUTER PROCESSING	
1. Reformatting, data conversion, etc.	\$650.00
2. Laser Programming — \$195 (base) \$162.50 (add'l programs)	\$195.00
2. Merge/Purge (115M) — up to 3 lists — \$1.95/M	\$224.25
3. Reports and lookup directory printout (per lot)	\$65.00
4. Contingency	\$500.00
SUBTOTAL	\$1,634.25
LETTERSHOP PRODUCTION	
1. Image letter (1 side), split, fold, insert components, sort, tie, and mail @ \$33.75/M	\$3,375.00
2. Apply Standard A stamp — \$5.55/M	\$555.00
3. Audit and pull samples	\$350.00
4. Contingency	\$400.00
SUBTOTAL	\$4,680.00
ALLOCATED FEES	
1. Ad Agency	\$9,000.00
2. Consultant	\$3,500.00
3. Contingency	\$1,050.00
SUBTOTAL	\$13,550.00
POSTAGE — includes no discounts	
	\$25,500.00
1. Automated Standard A base rate — \$255.00/M	
BUDGETED GRAND TOTAL	\$96,003.25

Source: Modern Marketing 2013 — www.modern.com.

TOTAL NUMBER OF MAIL PIECES (ALL CLASSES) ATTRIBUTED TO DIRECT MAIL: 1990 – 2012

Year	Total # USPS Pieces	Total # Direct Mail pieces	Percentage of Total Volume attributed to Direct Mail
1990	166,300,000	66,340,332	39.9%
1991	165,850,000	66,404,601	40.0%
1992	166,443,391	66,577,261	40.0%
1993	171,219,994	69,715,897	40.7%
1994	177,062,220	73,382,560	41.4%
1995	180,733,705	75,194,773	41.6%
1996	182,680,802	75,831,380	41.5%
1997	190,888,060	81,329,049	42.6%
1998	197,943,197	87,163,478	44.0%
1999	201,576,282	89,637,850	44.4%
2000	207,882,151	93,816,885	45.1%
2001	207,462,563	93,709,170	45.2%
2002	202,821,854	91,479,395	45.1%
2003	202,184,664	94,248,011	46.6%
2004	206,105,744	99,105,938	48.1%
2005	211,742,711	104,258,020	49.2%
2006	213,137,703	105,672,117	49.6%
2007	210,603,097	113,057,605	53.8%
2008	201,128,003	108,151,636	53.8%
2009	175,363,436	91,093,787	51.9%
2010	169,154,120	91,699,510	54.2%
2011	166,460,877	92,429,764	55.5%
2012	159,858,854	86,659,650	54.2%

Note: The total number of direct mail volume is determined from the following percentage approximations agreed upon by the USPS and DMA. Due to changes in USPS classifications and marketer practices, DMA's methodology for calculating direct mail has changed. In the old calculation, (before 2006), numbers are for 95% of standard mail (A), 7.5% of first class, 85% of Standard Mail (B) Bounded Print Matter, and 2% International. In the new calculation (after 2007), numbers are 15% of first class, 95% of Standard mail, 85% of BPM.

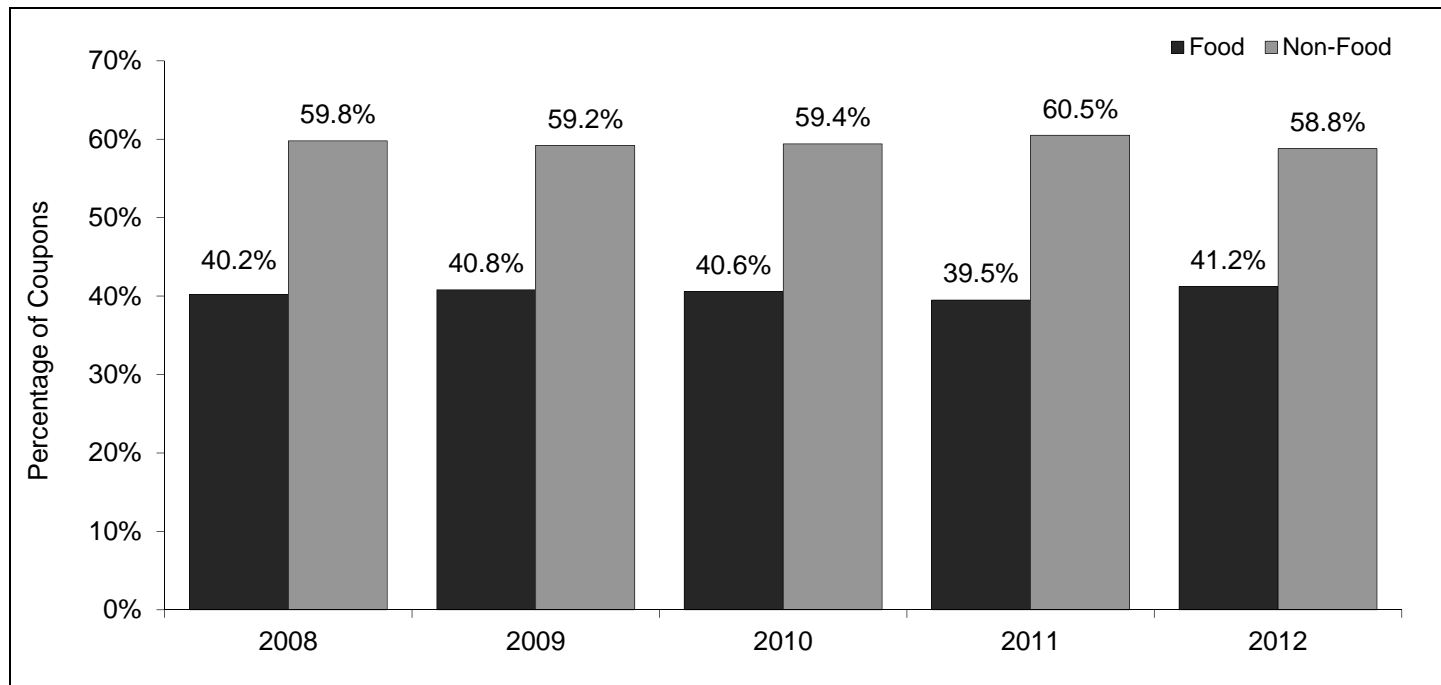
Source: The DMA/USPS Revenue, Pieces and Weight by Classes of Mail and Special Services for fiscal years 1990 – 2012.

DIRECT MAIL RESPONSE RATES

Format	House File		Prospect File	
	2010	2012	2010	2012
Letter-sized envelope	3.42%	3.40%	1.38%	1.28%
Postcard	3.99%	2.47%	1.72%	1.12%
Oversized envelope	3.91%	3.95%	1.86%	1.44%
Dimensional	5.72%	2.81%	3.59%	1.39%
Catalog	4.92%	4.26%	0.84%	0.94%

Source: DMA, "Response Rate 2012 Report."

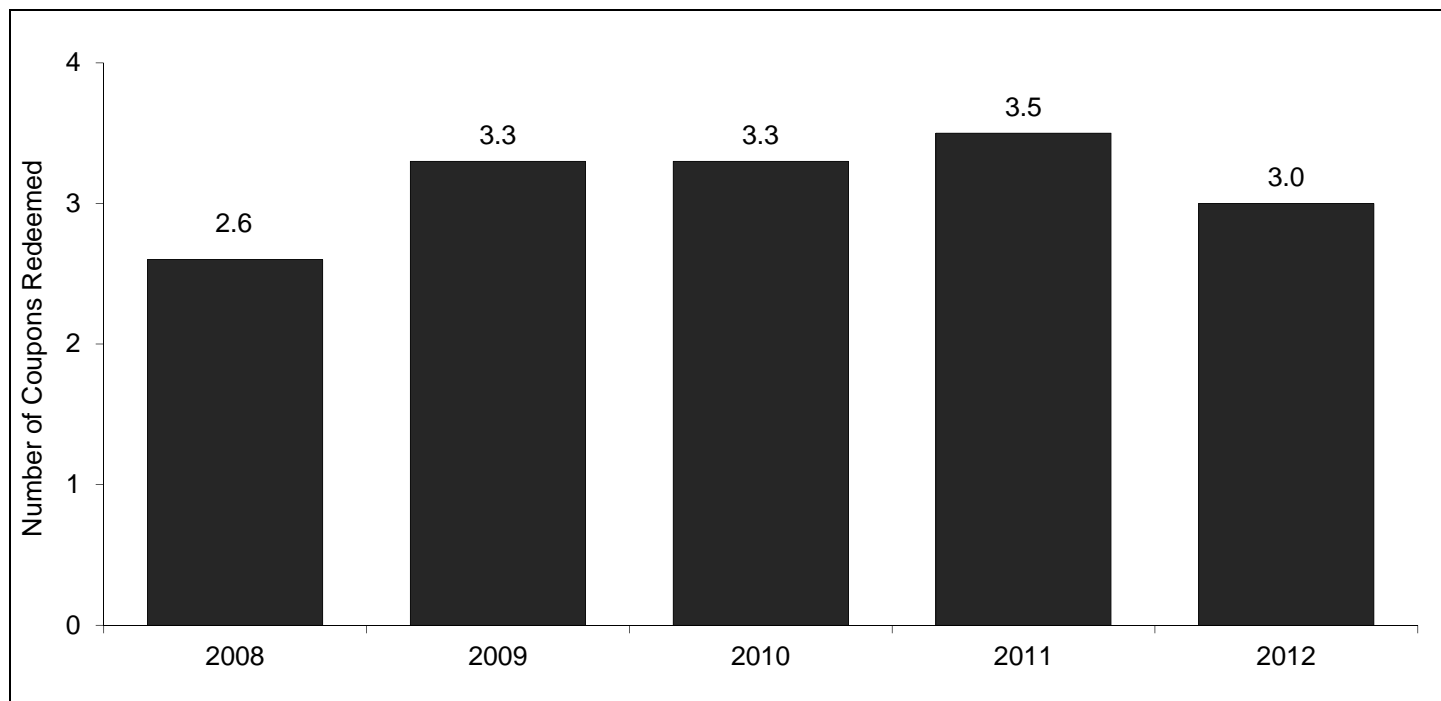
PERCENT OF COUPONS DISTRIBUTED, FOOD VS. NON-FOOD



Source: Inmar “2013 Coupons Trends: 2012 Year-End Report.”

COUPON REDEMPTION

(In Billions)



Source: Inmar “2013 Coupons Trends: 2012 Year-End Report.”

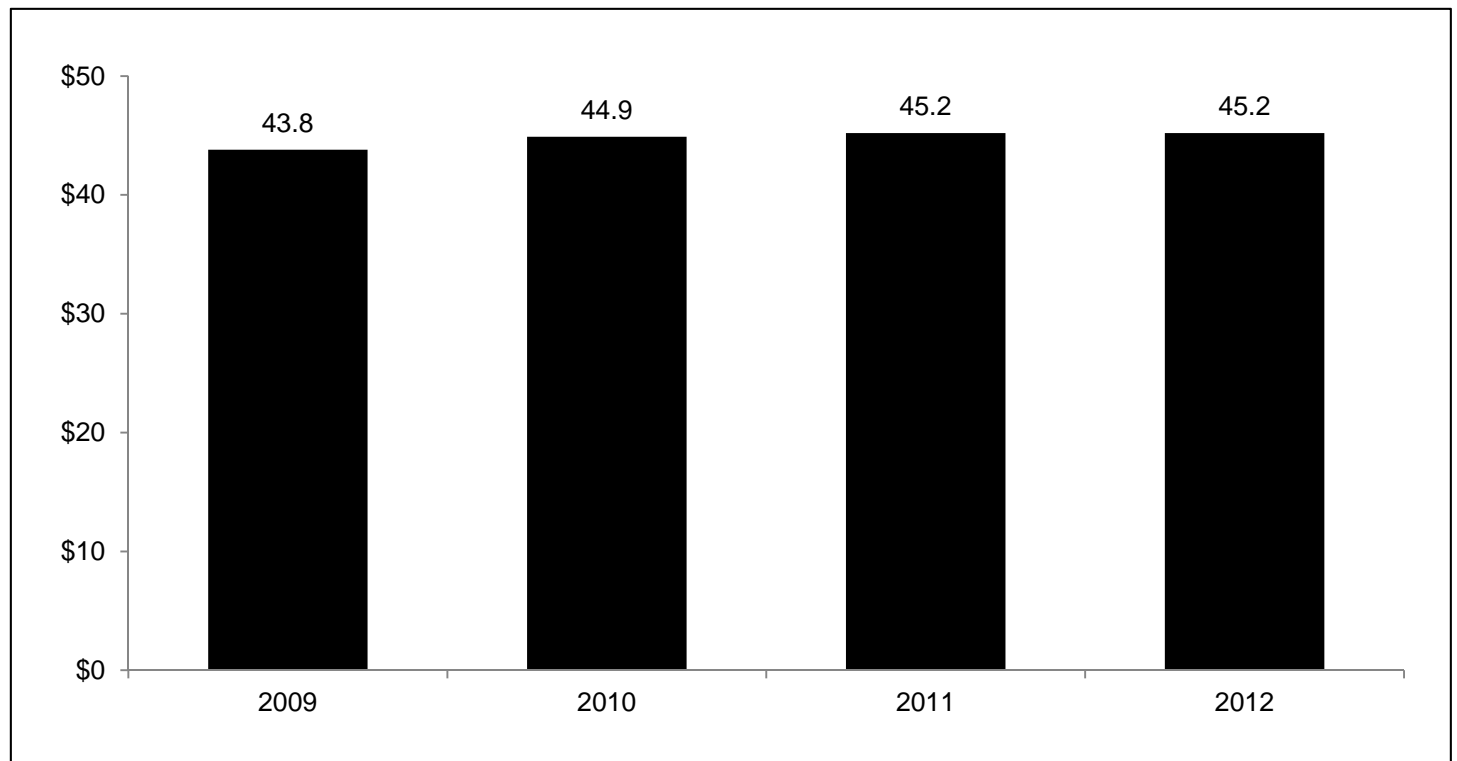
REDEMPTION RATES BY METHOD

Method	2010	2011	2012
Bounceback	18.89%	4.39%	0.65%
Color Run-of-press	0.53%	0.16%	0.35%
Consumer Relations	13.31%	19.28%	4.02%
Direct Home Delivery	4.50%	15.44%	0.61%
Direct Mail	2.28%	3.18%	4.16%
Direct Mail Co-op	4.01%	2.37%	1.77%
Direct Mail with Sample	2.95%	1.43%	2.36%
Electronic Checkout	6.21%	6.92%	7.62%
Electronic Kiosk	1.43%	4.35%	5.57%
Electronic Shelf	6.81%	8.75%	13.29%
Freestanding Insert	0.57%	0.51%	0.55%
Handout	3.04%	2.68%	3.35%
Handout Co-op	1.15%	1.49%	1.02%
Handout In-store with Sample	2.63%	3.61%	4.26%
Handout Off-store Location	2.54%	3.38%	2.94%
Handout Off-store Location Co-op	0.88%	0.74%	0.37%
Handout Off-store Location with Sample	2.09%	2.32%	2.46%
Hospital Sample	2.18%	4.02%	2.14%
In-ad	0.90%	0.62%	0.62%
In-pack	5.00%	5.44%	5.56%
In-pack Cross Ruff	2.68%	1.75%	1.94%
Instant Redeemable	22.97%	22.93%	17.87%
Instant Redeemable Cross Ruff	16.25%	9.94%	11.64%
Internet	5.91%	7.75%	10.18%
Magazine On-page	0.40%	0.35%	0.42%
Magazine Pop-up	0.48%	0.54%	0.28%
Military Handout	9.68%	9.92%	8.63%
Military Magazine	2.43%	1.88%	2.62%
Military Shelf Pad	21.43%	20.26%	17.00%
Newspaper Co-op	0.48%	0.24%	0.45%
Newspaper Run-of-press	0.37%	0.26%	0.18%
On-pack	10.14%	13.10%	12.99%
On-pack Cross Ruff	4.45%	3.42%	3.57%
Shelf Box	7.42%	12.03%	8.82%
Shelf Pad	11.47%	n/a	14.34%
Sunday Comics	n/a	12.16%	11.54%
Sunday Supplement	0.42%	0.14%	0.07%

Source: Inmar “2013 Coupons Trends: 2012 Year-End Report”.

US DIRECT MAIL MARKETING SPEND

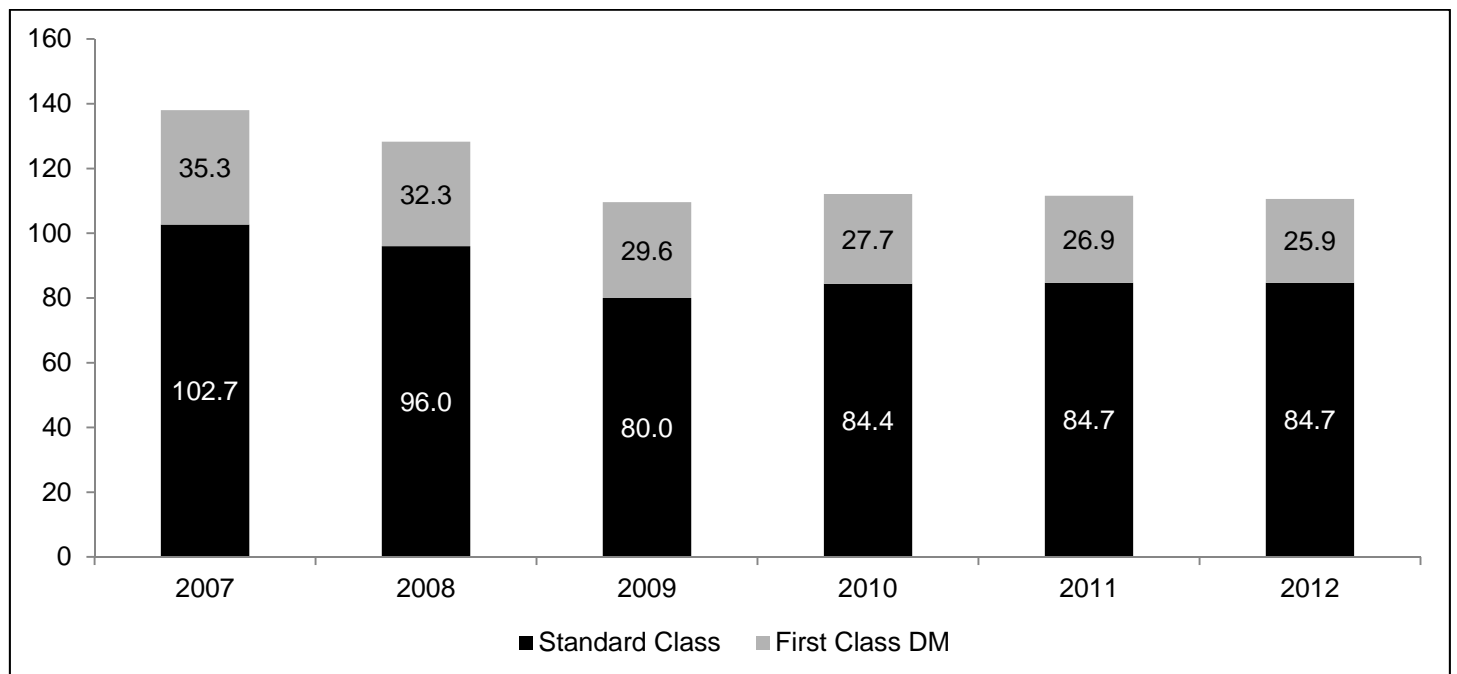
(In Billions)



Source: Winterberry Group, 2013.

US DIRECT MAIL VOLUME, 2007-2012

(In Billions)



Source: Winterberry Group analysis of US Postal Data Service data, 2013.

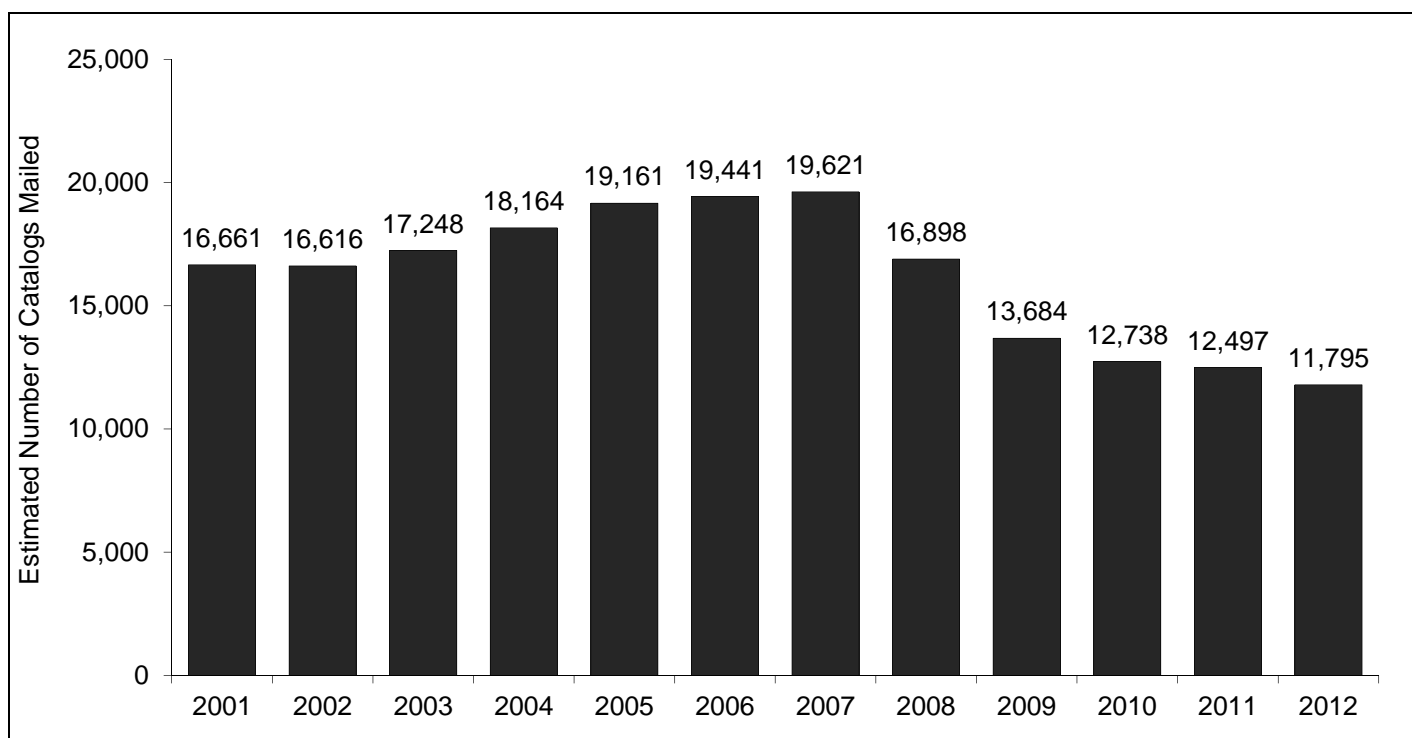
CATALOG

CHAPTER HIGHLIGHTS

- The volume of mailed catalogs fell again in 2012 to 11.8 billion.
- There were 11,743 catalog listings; 94% of them have an online version.
- 80.9 million people in the US bought an item from a catalog in 2012. 60% of buyers were women.
- The salary range for a catalog copywriter with 1–3 years of experience in 2012 was \$46,000–\$50,200; for a catalog creative director with the same experience, the range was \$63,700–\$77,900.
- 75% have an e-commerce website, and 36% have a print catalog.
- 91% of Millennials who use newspaper inserts utilize them to save money, and 60% said they would shop less without newspaper inserts.

CATALOGS MAILED PER YEAR (2001–2012)

(In Millions)



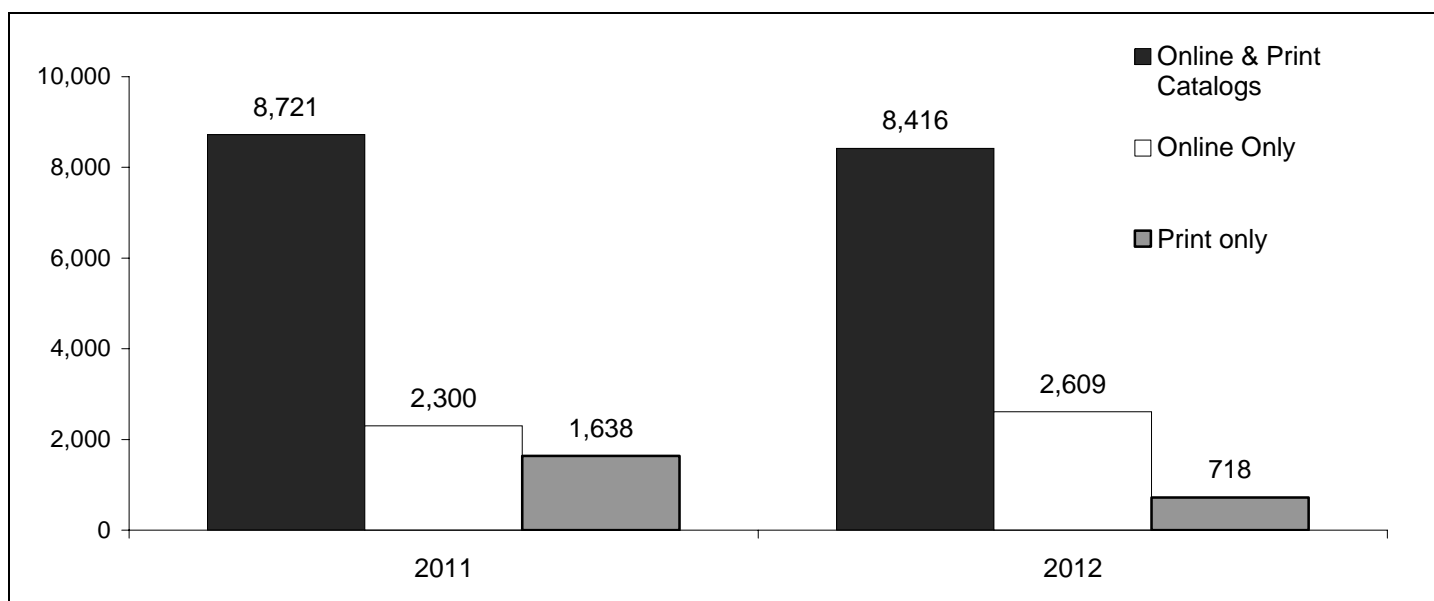
Note: These figures are extrapolated from the USPS Revenue, Pieces, and Weight report. Before 2007, 18% of all Standard Mail (A) is catalogs. 85% of all Board Printed matter mail is catalogs. In 2008, there was change in service categories of mail. So now catalogs represent 90% of standard mail carrier route, 60% of standard mail flats, and 10% of bounded material flats.

Source: DMA/USPS Revenue, Pieces, and Weight Report for Fiscal Year 2012.

NUMBER OF PRINT AND ONLINE CATALOGS

(Distinct Publications)

According to the 2012 edition of the National Directory of Catalogs, there were 11,743 catalog listings; 94% have an online version.



Source: MediaFinder.com, “National Directory of Catalogs,” 2012.

DEMOGRAPHICS OF CONSUMERS PURCHASING THROUGH CATALOGS

	Catalog Purchasers (000)	% of Total
TOTAL ADULT CATALOG PURCHASERS	80,903	100%
GENDER		
MALE	32,187	39.8%
FEMALE	48,716	60.2%
AGE		
18–24	5,857	7.2%
25–34	12,621	15.6%
35–44	13,872	17.1%
45–54	15,688	19.4%
55–64	15,324	18.9%
65+	17,541	21.7%
MEAN AGE	49.4	NA
EDUCATION		
POST GRADUATE	12,809	15.8%
GRADUATED COLLEGE	14,950	18.5%
ATTENDED COLLEGE	23,815	29.4%
GRADUATED HIGH SCHOOL	22,824	28.2%
DID NOT GRADUATE HIGH SCHOOL	6,505	8.0%
MARITAL STATUS — RESPONDENT		
NEVER MARRIED	17,238	21.3%
PRESENTLY MARRIED	46,380	57.3%
DIVORCED/SEPARATED/WIDOWED	17,284	21.4%
EMPLOYMENT STATUS		
EMPLOYED FULL TIME (30+ HOURS)	41,030	50.7%
EMPLOYED PART TIME (<30 HOURS)	8,632	10.7%
RETIRED	15,750	19.5%
HOMEMAKER	5,501	6.8%
HOUSEHOLD INCOME		
<\$10,000	3,123	3.9
\$10,000–\$14,999	3,409	4.2
\$15,000–\$24,999	5,900	7.3
\$25,000–\$34,999	6,992	8.6
\$35,000–\$49,999	9,952	12.3
\$50,000–\$74,999	14,386	17.8
\$75,000–\$99,999	12,119	15.0
\$100,000–\$149,999	13,036	16.1
\$150,000–\$249,999	8,399	10.4
>\$250,000	3,587	4.4

(Continues on following page)

DEMOGRAPHICS OF CONSUMERS PURCHASING THROUGH CATALOGS

(Continued)

	Catalog Purchasers (000)	% of Total
NUMBER OF ADULTS IN HOUSEHOLD		
ONE	16,682	20.6
TWO	45,077	55.7
THREE OR FOUR	16,927	20.9
FIVE OR MORE	2,217	2.7
NUMBER OF CHILDREN		
ONE	10,877	13.4
TWO	9,795	12.1
THREE OR MORE	7,148	8.8
NONE	53,083	65.6
PRESENCE OF CHILDREN BY AGE		
UNDER 2 YEARS	3,820	4.7
2–5 YEARS	8,568	10.6
6–11 YEARS	12,613	15.6
12–17 YEARS	11,695	14.5
ANYONE IN THIS HH EXPECTING A BABY?	2,093	2.6
CENSUS REGIONS		
NORTHEAST	16,958	21.0
MIDWEST	18,261	22.6
SOUTH	28,390	35.1
WEST	17,294	21.4
KIND OF RESIDENCE		
OWN (ANY)	59,653	73.7
RENT (ANY)	19,295	23.8
MOVED INTO PRESENT RESIDENCE IN LAST 12 MONTHS	5,145	6.4

Source: Experian Simmons, "National Consumer Study," 2012.

BUYING BEHAVIOR OF CATALOG PURCHASERS

	Catalog Purchasers (000)	% of Total
TOTAL ADULT CATALOG PURCHASERS	80,903	100%
HOW OBTAINED MERCHANDISE		
AT CATALOG STORE	3,137	1%
BY FAX	751	0%
BY MAIL	9,093	4%
BY PHONE	22,973	10%
ONLINE	48,714	21%
TYPES MERCHANDISE PURCHASED LAST 12 MONTHS		
ACCESSORIES	10,301	7.0%
APPAREL — MEN'S	15,239	10.4%
APPAREL — WOMEN'S	23,116	15.7%
AUTOMOTIVE	5,512	3.7%
COMPUTER PRODUCTS	6,142	4.2%
COSMETICS	6,171	4.2%
ELECTRONICS/APPLIANCES	5,986	4.1%
FOOD/PERISHABLES	6,633	4.5%
FOOTWEAR/SHOES	12,491	8.5%
GARDENING	5,492	3.7%
GENERAL MERCHANDISE	6,609	4.5%
GIFTS	10,399	7.1%
HARDWARE	3,199	2.2%
HOME FURNISHINGS	6,370	4.3%
HOME LINENS	4,814	3.3%
HOUSEWARES	5,142	3.5%
SPORTING GOODS	6,110	4.2%
TOYS/GAMES	8,847	6.0%
OTHER	12,684	8.6%
REQUESTED ANY CATALOGS SENT TO YOU LAST 12 MONTHS	17,760	12.1%
HOW DID YOU MOST OFTEN PAY?		
CASH/CHECK/MONEY ORDER	6,979	4.7%
CREDIT CARD	35,180	23.9%
DEBIT CARD/ELECTRONIC FUNDS TRANSFER	12,346	8.4%
OTHER	1,198	0.8%

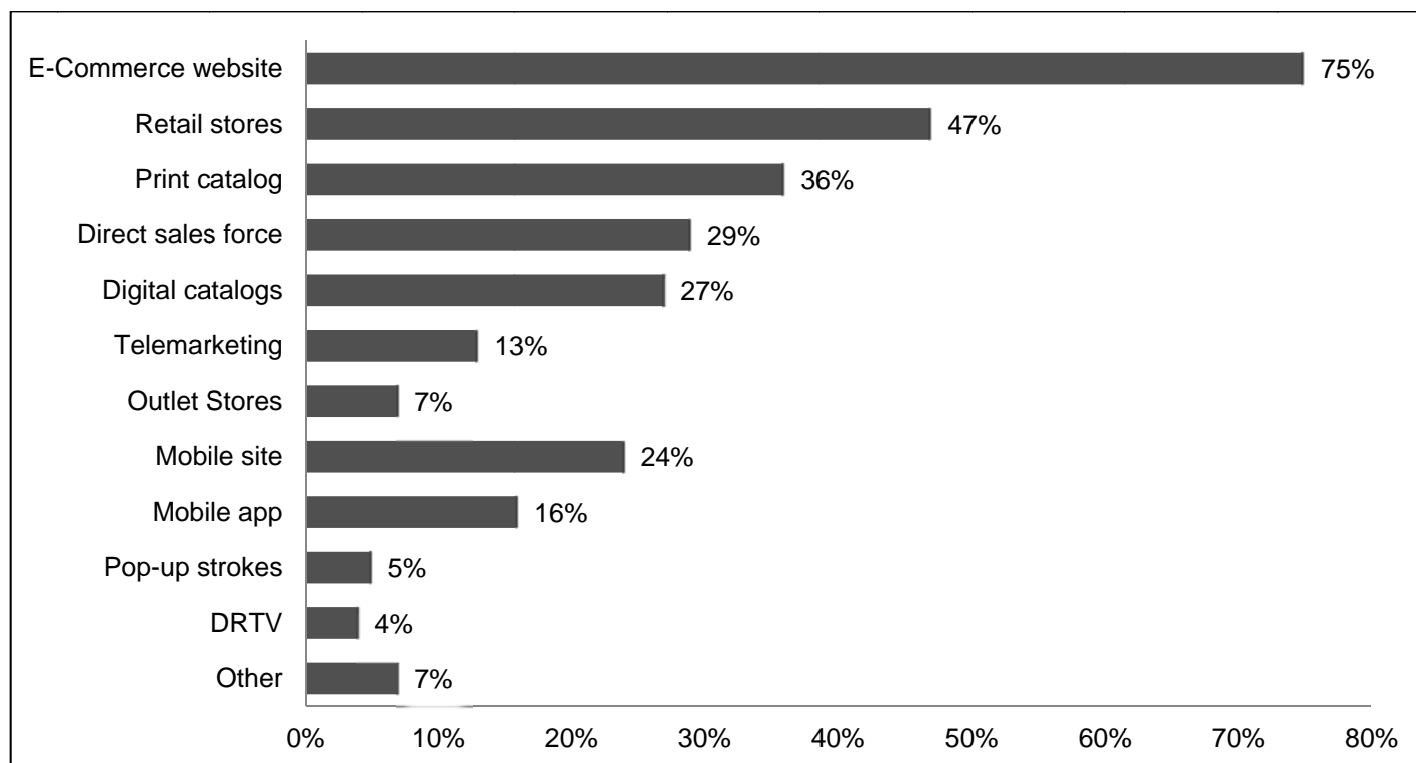
Source: Experian Simmons, "National Consumer Study," 2012.

HOW DO YOU EXPECT YOUR PROMOTIONAL SPENDING IN EACH OF THESE AREAS TO CHANGE IN 2012 vs. 2011?

	Increase	Stay the Same	Decrease
Print ads	12.3%	62.1%	25.6%
SEO/SEM	34.4%	57.7%	7.9%
Website	58.6%	37.9%	3.5%
Print catalog	8.4%	71.8%	19.8%
Digital catalog	12.8%	77.5%	9.7%
Online display ads	28.2%	63.0%	8.8%
Mobile-optimized website	31.7%	60.8%	7.5%
Mobile app	24.2%	68.3%	7.5%
Tablet-optimized website	23.8%	67.8%	8.4%
Tablet app	18.1%	73.6%	8.4%
Email	40.1%	54.2%	5.7%
Direct mail	15.4%	66.5%	18.1%
DRTV	3.1%	80.2%	16.7%
Television	8.4%	74.0%	17.6%
Radio	9.3%	73.6%	17.2%
DR radio	2.6%	78.9%	18.5%
Video	18.1%	70.9%	11.0%
Social media	50.2%	43.6%	6.2%
Affiliate marketing	19.8%	69.2%	11.0%
Targeted landing pages	27.3%	63.9%	8.8%
Outbound telemarketing	8.4%	77.1%	14.5%

Source: Retail Online Integration, "Annual Trend Survey," 2012.

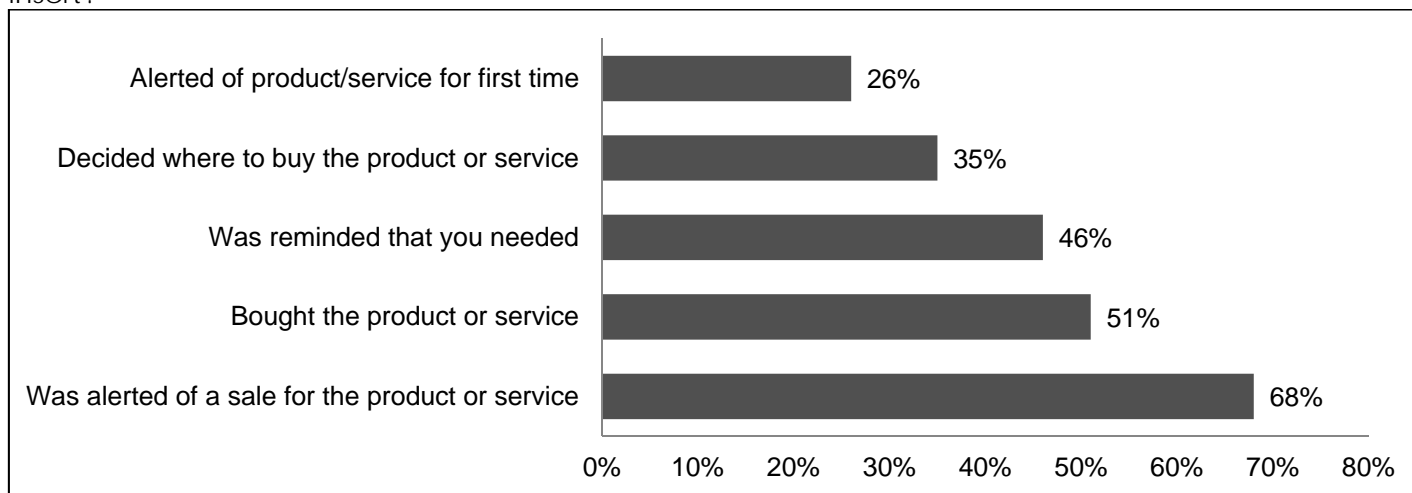
CHANNELS USED TO MARKET



Source: Retail Online Integration, "Annual Trend Survey," 2012.

MILLENNIALS* RESPONSE TO A NEWSPAPER INSERTS

In the past 30 days, did you take any of the following actions in response to seeing a newspaper insert?

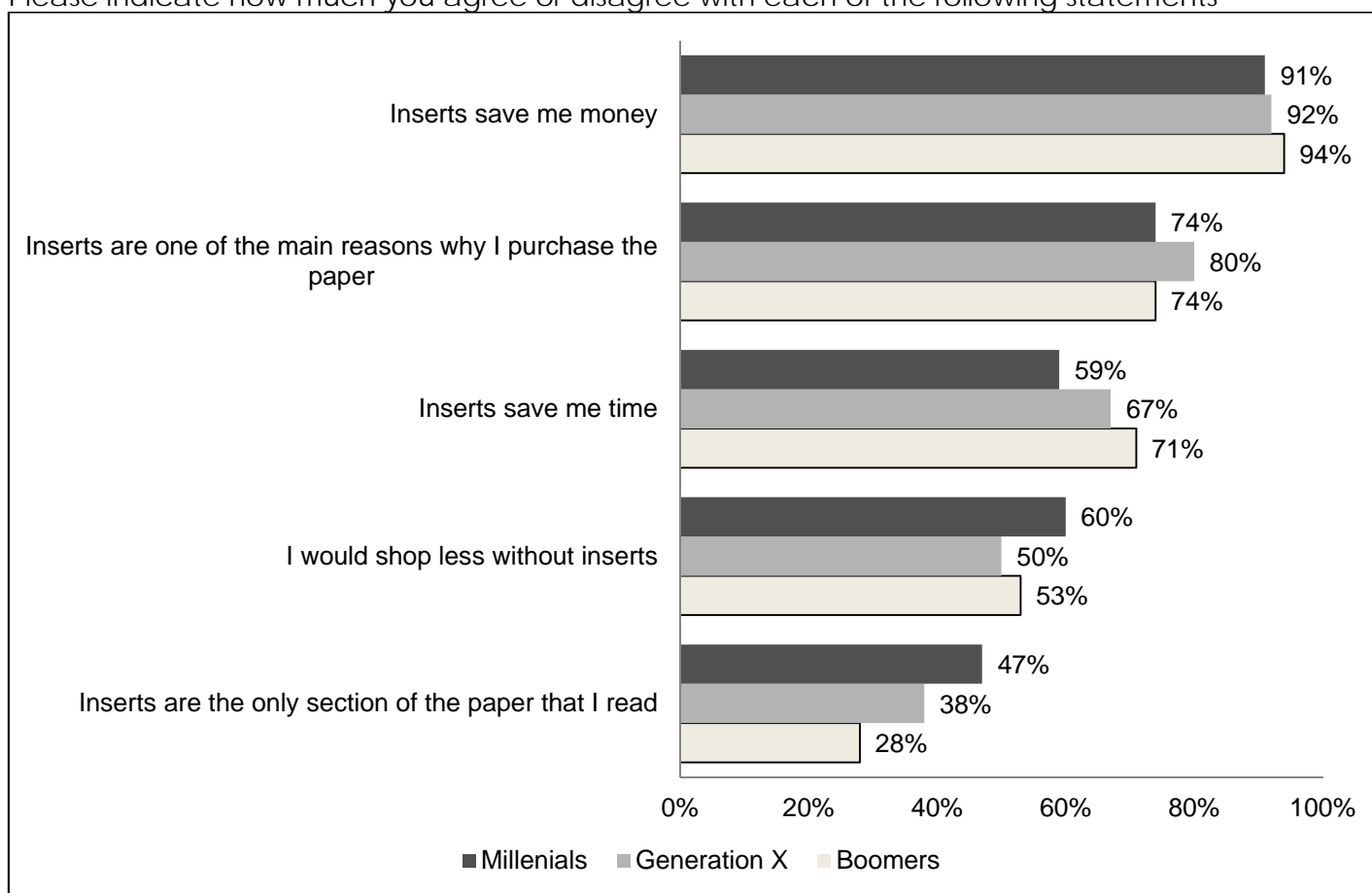


*Millennials are those 18-34 earning at least \$100,000 annually

Source: Valassis, "Millennials & Newspaper – A Story of Engagement," 2012.

IMPACT OF NEWSPAPER INSERTS ON MILLENNIALS*

Please indicate how much you agree or disagree with each of the following statements



*Millennials are those 18-34 earning at least \$100,000 annually

Source: Valassis, "Millennials & Newspaper – A Story of Engagement," 2012.

2012 DIRECT RESPONSE CATALOG ADVERTISING SALARIES

Crandall Associates, Inc., an executive recruiting firm, has determined the salaries by the following process: 1) Discussions with employers, from presidents to personnel officers, nationally, in companies varying in geographic areas, number of employees, and sales volume; 2) Personal interviews and discussions with professionals in Direct Marketing and Online Marketing at all salary levels, working from coast to coast; 3) Analysis of information collected as a result of discussions with potential candidates nationally, with adjustments made for the “fudge” factor. Copies of the full salary guide with 52 functions and regional salary variations are available for \$75 from Crandall Associates, Inc., 6 Litchfield Road, Suite 316, Port Washington, NY 11050, 516.767.6800.

<p>Art Director — Catalog</p> <p>Generally under the intense pressure of time, the Art Director gives the catalog its direction and aura. Also acts as the conciliator between the Merchandising and Marketing experts, a function that’s never written on job specs.</p> <p>DUTIES: Responsible, under the leadership of the Creative Director, for the look and feel of a catalog, the Art Director constantly struggles with “square inch” formulas for space allocation made by marketing and merchandising executives. Designs with copy and, in the great majority of catalogs, photographic and/or graphic images, to make presentation of a three-dimensional product within the limited confines of a printed page. Also responsible for revisions and additions to an existing format or other promotional offering; and, in some cases, the company website. Experienced with paper, type, photography, illustrations, and printing.</p> <table> <tr> <th>Years Experience</th><th>Salary Range</th></tr> <tr> <td>1–3</td><td>\$45,200 to \$50,000</td></tr> <tr> <td>4–7</td><td>\$50,100 to \$62,800</td></tr> <tr> <td>7+</td><td>\$61,300 to \$73,900</td></tr> <tr> <td>Highest Reported</td><td>\$100,000</td></tr> </table>	Years Experience	Salary Range	1–3	\$45,200 to \$50,000	4–7	\$50,100 to \$62,800	7+	\$61,300 to \$73,900	Highest Reported	\$100,000	<p>Copywriter — Catalog</p> <p>When consumers read what the catalog copywriter wrote, they feel you have found a solution, or captured a dream, as well as touched a product or smelled a fragrance. Copywriters know the power of words to create sales.</p> <p>DUTIES: Working within the most stringent confines of inches, catalog writers bring to life a valve, or a suit, or a book, without deviation from the specifications, the quality, essence or contents of the product, often enhancing it with the benefits. Frequently working from a specifications sheet, writes for a printed page, often but not always accompanied by a photograph or illustration. Creates on paper (or in cyberspace) an image for the consumer at home or a buyer in the office. Details particulars of the product or the service offered in the catalog or website, and answers questions before they are asked, and with skill, reduce returns.</p> <table> <tr> <th>Years Experience</th><th>Salary Range</th></tr> <tr> <td>1–3</td><td>\$46,000 to \$50,200</td></tr> <tr> <td>4–7</td><td>\$48,200 to \$60,700</td></tr> <tr> <td>7+</td><td>\$61,500 to \$69,900</td></tr> <tr> <td>Highest Reported</td><td>\$90,000</td></tr> </table>	Years Experience	Salary Range	1–3	\$46,000 to \$50,200	4–7	\$48,200 to \$60,700	7+	\$61,500 to \$69,900	Highest Reported	\$90,000
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Highest Reported	\$90,000																				
<p>Catalog Marketing Manager — Consumer</p> <p>Working in a universe shifting in taste and lifestyle, the Consumer Catalog Manager is challenged daily to explore new marketing techniques and products. It’s a fortuitous day when challenges don’t come hourly.</p> <p>DUTIES: With profit and loss responsibilities, develops short- and long-range marketing plans and goals, projecting sales, growth, and profit objectives. Determines pricing, directs creative output, supervises media including website and e-marketing efforts, and list decisions, oversees telesales department, determines market research requirements, and maintains mailing schedules with production department. Vigilant for new products at trade shows and maintains contact with customer service for ideas in improving or adding to product line. Monitors market share and competitive and noncompetitive “books.”</p> <table> <tr> <th>Years Experience</th><th>Salary Range</th></tr> <tr> <td>1–3</td><td>\$64,800 to \$69,500</td></tr> <tr> <td>4–7</td><td>\$69,000 to \$78,800</td></tr> <tr> <td>7+</td><td>\$78,200 to \$89,800</td></tr> <tr> <td>Highest Reported</td><td>\$125,000</td></tr> </table>	Years Experience	Salary Range	1–3	\$64,800 to \$69,500	4–7	\$69,000 to \$78,800	7+	\$78,200 to \$89,800	Highest Reported	\$125,000	<p>Catalog Marketing Manager — Business-to-Business</p> <p>Equivalent to a product manager in a consumer package goods environment, the Marketing Manager for a catalog is responsible for day-to-day marketing, creative, and operations of one catalog. Or often, two or three.</p> <p>DUTIES: Carries profit and loss responsibilities for a high volume catalog or a number of smaller ones, generally under the guidance of the catalog marketing director. Develops and executes budget. Decides the positioning, theme, pricing, marketing approach, creative thrust, and media selection. Supervises production by internal or external facilities to ensure mailing schedules. Reviews fulfillment procedures to maintain expeditious delivery of customer orders. Confers with research department and is conversant and knowledgeable in recency-frequency-monetary analysis and its descendants.</p> <table> <tr> <th>Years Experience</th><th>Salary Range</th></tr> <tr> <td>1–3</td><td>\$58,000 to \$64,900</td></tr> <tr> <td>4–7</td><td>\$64,000 to \$75,800</td></tr> <tr> <td>7+</td><td>\$71,900 to \$84,900</td></tr> <tr> <td>Highest Reported</td><td>\$104,000</td></tr> </table>	Years Experience	Salary Range	1–3	\$58,000 to \$64,900	4–7	\$64,000 to \$75,800	7+	\$71,900 to \$84,900	Highest Reported	\$104,000
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Note: All salary information from Crandall Associates is absolutely copyright protected. This material may not be photocopied or otherwise reprinted in any other communication, unless permission is directly granted by Crandall Associates, Inc. 516.767.6800. Source: Crandall Associates, 2012.

2012 DIRECT RESPONSE CATALOG ADVERTISING SALARIES (CONTINUED)

Creative Director — Catalog

When dozens of products, in many instances hundreds, must be presented appealingly on a printed page to entice orders, you have an insight to the Herculean task facing the Creative Director of a catalog.

DUTIES: Within the limits of a page and budgetary considerations, directs copywriters, art directors, traffic department and, often, production in the theming, design and execution of layouts for catalogs. Uses photography and/or illustrations to reflect and achieve marketing objectives. Frequently acts in the same function for multiple catalogs targeted at diverse market segments. Responsible for order forms, direct mail packages, space advertisements, television, websites, cable, packaging, corporate house organs, and ancillary creative materials, particularly if retail operations are involved.

Years Experience	Salary Range
1–3	\$63,000 to \$77,900
4–7	\$75,500 to \$91,400
7+	\$90,900 to \$109,000
Highest Reported	\$150,000

Catalog Marketing Director — Business-to-Business

Profit and loss responsibility for catalog sales to businesses, governments, and institutions, generally in a market niche or segment, with a range of proprietary and distributory items. Continually seeks new markets.

DUTIES: Formulates budget and develops long- and short-term strategic marketing plans and policy. Supervises marketing managers and manages teams of creative, merchandising, list, production, research, and customer service and telesales professionals. Evaluates market share and monitors competition. Continually explores customer database to develop new products. Examines development of new markets by entry into markets defined by Standard Industrial Codes. Explores alternative media for customer acquisition. Monitors sales of ancillary products to broaden catalog or launch new ones.

Years Experience	Salary Range
1–3	\$83,100 to \$95,000
4–7	\$92,200 to \$109,900
7+	\$109,500 to \$112,800
Highest Reported	\$185,000

Catalog Circulation Manager

No business has a better understanding of the importance of acquiring new subscribers, and retaining the old, and their lifetime value than does Direct Marketing. In this universe, the Circulation Manager rules.

DUTIES: With creative insight, develops and tests many media, including direct mail packages, e-marketing efforts, list rentals and exchanges, space ads, statement stuffers, bouncebacks, package and free standing inserts, and alternative media programs to acquire new customers. Responsibility for cost and profitability of acquisition efforts. Develops greater analysis and utilization of internal database. Establishes inquiry programs to develop circulation. Maintains contact and negotiates with list brokerage firms and list managers. Knowledgeable in merge-purge, enhancement techniques, and segmentation.

Years Experience	Salary Range
1–3	\$58,600 to \$66,900
4–7	\$67,000 to \$80,500
7+	\$81,100 to \$93,500
Highest Reported	\$114,000

Catalog Marketing Director — Consumer

This is the Direct Marketing executive charged with the profit and loss responsibilities for the company's sale of products and/or services by catalog to consumers at home.

DUTIES: Prepares and executes corporate marketing plans, budgets and short- and long-term strategies and pricing policy. Evaluates, tests, and retests new and old media. Assesses, develops, and tests new products to expand market share and/or introduce new catalogs or programs. Supervises department heads and responsible for creative, merchandising, marketing, market research, lists and telesales, and reviews operations and fulfillment activities. Represents the corporation at industry functions. Keeps abreast of legislative and postal regulations as they affect catalogs or telesales and e-marketing efforts.

Years Experience	Salary Range
1–3	\$85,900 to \$97,000
4–7	\$95,100 to \$118,500
7+	\$119,700 to \$153,000
Highest Reported	\$214,000

Note: All salary information from Crandall Associates is absolutely copyright protected. This material may not be photocopied or otherwise reprinted in any other communication, unless permission is directly granted by Crandall Associates, Inc. 516.767.6800.

Source: Crandall Associates, 2012.

INTERNET

CHAPTER HIGHLIGHTS

- The average Internet user spent 20.4 hours per week online in 2012.
- 74% of people report that they browse in retail stores before buying online. Not surprisingly 59% of respondents report that online purchasing reduces their buying in traditional retail stores.
- 93 million adults redeemed an online coupon in 2012.
- A web marketing manager with 1–3 years of experience has a salary range of \$61,500–\$67,900.
- Nearly 123 million adults in the US bought something online in 2012.
- Email is the preferred communication method between retailers and consumers.
- 425 million devices are connected to the Internet in US homes.

ESTIMATED QUARTERLY US RETAIL SALES: TOTAL AND E-COMMERCE*

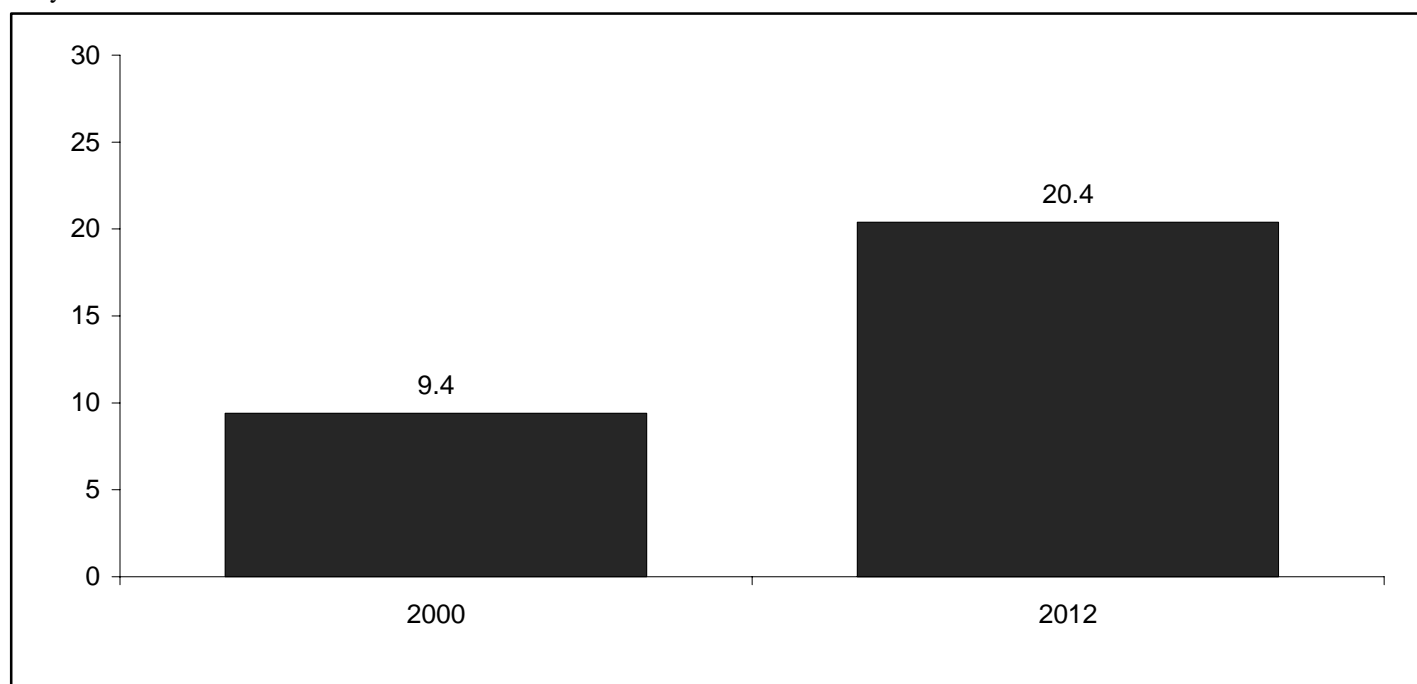
Quarter (adjusted numbers)	Retail Sales (Millions of Dollars)		E-commerce as a Percent of Total
	Total	E-commerce	
4 th quarter 2012	1,106,823	59,545	5.4
3 rd quarter 2012	1,091,897	57,034	5.2
2 nd quarter 2012	1,076,950	54,936	5.1
1 st quarter 2012	1,080,064	53,091	4.9
4 th quarter 2011	1,064,205	51,497	4.8
3 rd quarter 2011	1,052,734	48,244	4.6

*E-commerce sales are sales of goods and services where an order is placed by the buyer or price and terms of sale are negotiated over an Internet, extranet, Electronic Data Interchange (EDI) network, electronic mail, or other online system. Payment may or may not be made online. (Estimates are based on data from the Monthly Retail Trade Survey and administrative records.)

Source: US Department of Commerce, February 2013.

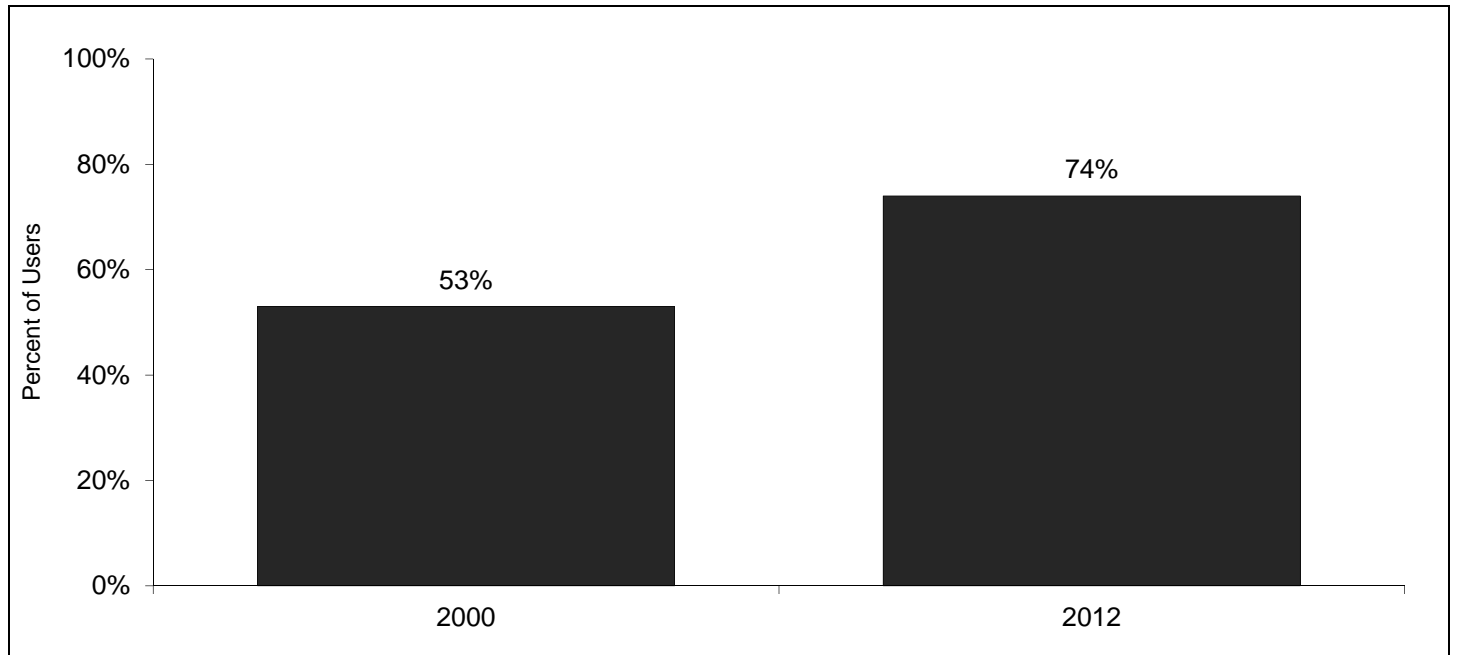
HOURS PER WEEK ONLINE

In 2000, Internet users went online an average of 9.4 hours per week, a figure that has more than doubled in the current Digital Future Study.



Source: USC Annenberg School Center for the Digital Future, “The 2013 Digital Future Report.”

INTERNET PURCHASERS WHO BROWSE IN RETAIL AND BUY ONLINE

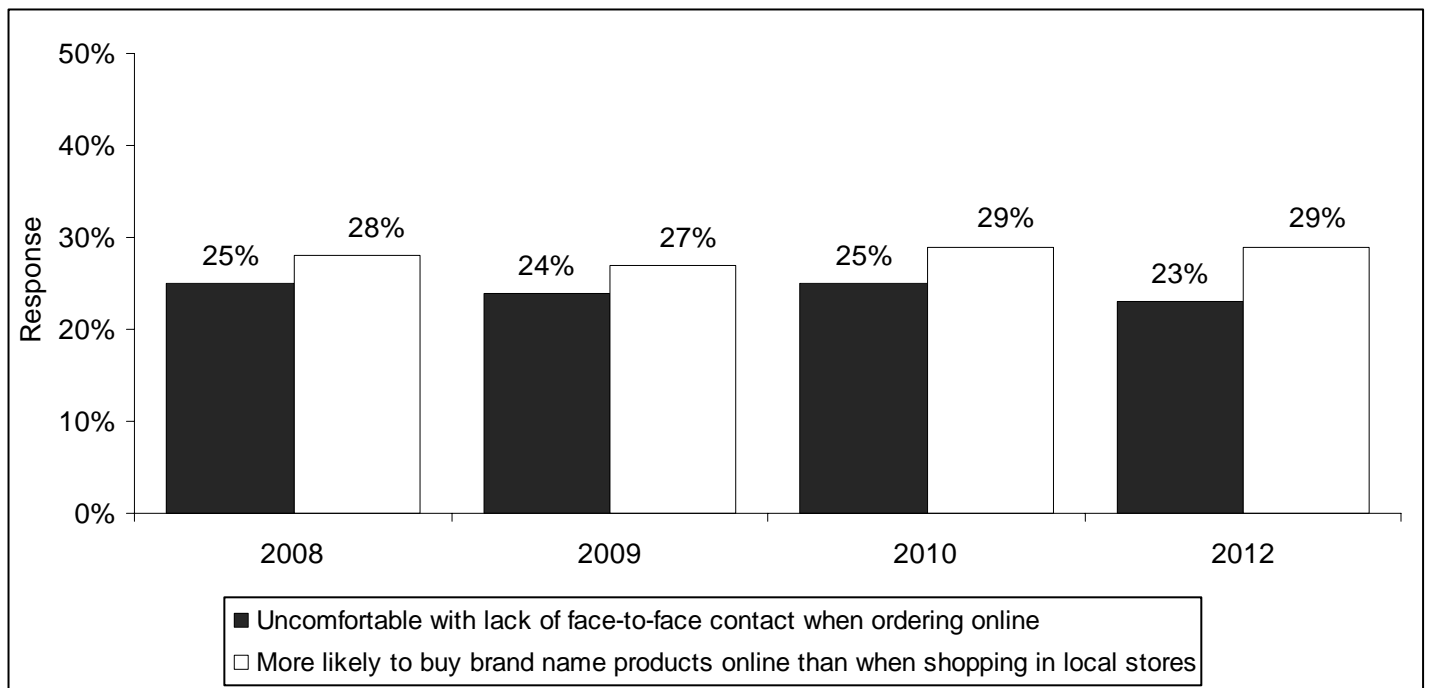


Note: Americans who use the Internet.

Source: USC Annenberg School Center for the Digital Future, "The 2013 Digital Future Report."

VIEWS ABOUT BUYING ONLINE AND IN LOCAL STORES

(Internet Users Who Agree or Strongly Agree)

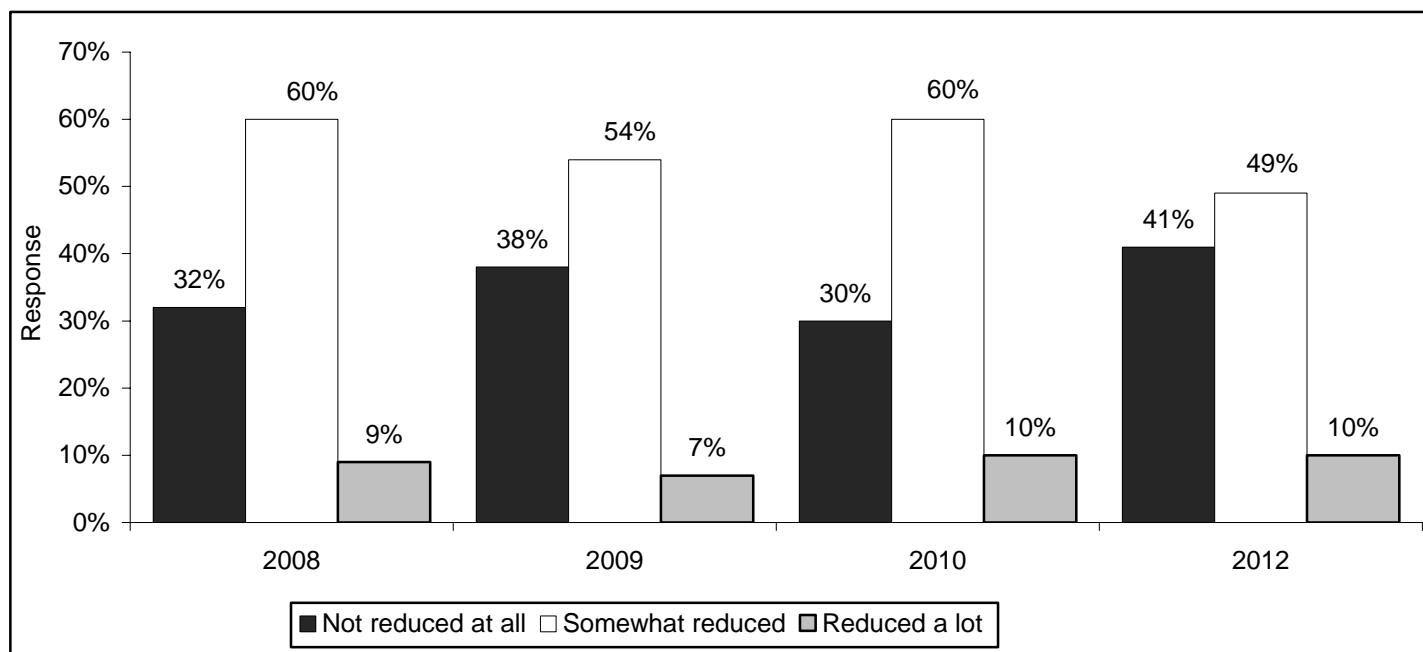


Note: No data available for 2011.

Source: USC Annenberg School Center for the Digital Future, "The 2013 Digital Future Report."

DOES BUYING ONLINE AFFECT PURCHASING IN TRADITIONAL RETAIL STORES?

(Internet Users Who Buy Online)

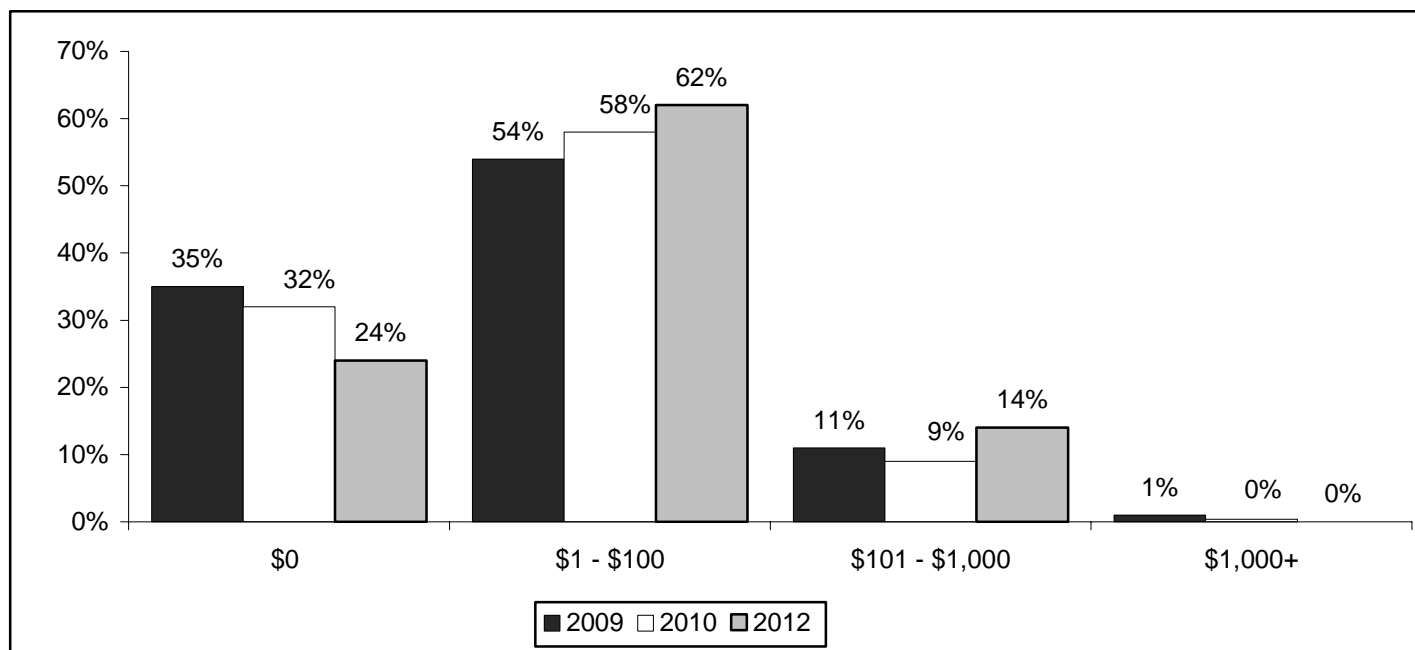


Note: *Data not available for 2011.

Source: USC Annenberg School Center for the Digital Future, "The 2013 Digital Future Report."

AVERAGE MONTHLY PURCHASING

(Adult Internet Users)



Note: Data not available for 2011.

Source: USC Annenberg School Center for the Digital Future, "The 2013 Digital Future Report."

US ADULT ONLINE COUPON USERS, 2010–2014

	2010	2011	2012	2013	2014
Adult online coupons users (Millions)	83.6	88.2	92.5	96.8	100.1
Percent change YOY	8.1%	5.5%	4.9%	4.6%	3.4%
Percent of adult Internet users	46.0%	47.0%	48.0%	49.0%	49.5%

Note: Internet users ages 18+ who redeemed an online coupon/code for online or offline shopping in the past year; includes group-buying coupons and coupons/codes accessed via mobile browser or email.

Source: eMarketer, December 2012.

PRICING GUIDELINES FOR PURL AND LANDING PAGE MARKETING

The employment of Personalized URL (PURL) Marketing and campaign landing page marketing has increased dramatically since 2005. Engaging customers and prospects with targeted relevant content substantially increased customer LTV.

There are many factors that affect pricing for the development of any PURL/Landing Page Program. Following are some parameters of likely pricing guidelines.

<p>Program Setup:</p> <p>To initiate any PURL campaign and architect the program, including reporting, there are typical set-up fees that include creating a customized dashboard, importing the records, prepping the records, segmenting and filtering as instructed, and setting up all likely reporting features. Because size and scopes of projects vary widely, the range below is broad.</p> <p>\$3,000–\$8,000</p>	<p>Creative Importing/Conversion:</p> <p>Typically an agency develops creative on behalf of its clients, but there are instances where the creative is prepared by an agency and then repurposed for PURL/Landing Page creation and distribution by a third party. The agency or third party will have to import, convert, and tag the code where necessary. Again, a broad range is shown; until the strategy has been derived, it is unclear how many pages will be necessitated.</p> <p>\$3,000–\$8,000</p>
<p>PURL/Landing Page Creation:</p> <p>Once the creative is imported and there is a clear understanding of the program objectives, the necessary pages are then created. This is generally a short turnaround, unless the creative is extraordinarily complex.</p> <p>Per Page: \$750–\$1,500</p>	<p>Per Message Fees:</p> <p>Once the program is set up and all measuring/reporting functions are in place, the fees become transactional. Similar to print, email pricing improves with volume.</p> <p>Per message: \$0.10 for small quantities to less than \$0.03 for very large quantities.</p>
<p>Reporting:</p> <p>Marketers are then given administrative access to reporting modules, but there may be instances where it might be preferred that the agency pull periodic reports. Depending on frequency and total, a complete price will be provided.</p>	<p>Microsite:</p> <p>A separately hosted campaign driven site that can be used in lieu of a PURL or landing page. Microsites are normally less than 12 pages and are launched and then taken down at a pre-determined future date.</p> <p>Costs can range from \$10,000 - \$50,000 depending on number of pages and overall site functionality.</p>

Note: These are the fees typically associated with executing a PURL/Landing Page campaign. For any other fees, or for custom applications, prices are better furnished upon an understanding of the deliverable.

Source: Moddern Marketing 2013 – www.moddern.com.

2012 INTERNET MARKETING SALARIES

Crandall Associates, Inc., an executive recruiting firm, has determined the salaries by the following process: 1) Discussions with employers, from presidents to personnel officers, nationally, in companies varying in geographic areas, number of employees, and sales volume; 2) Personal interviews and discussions with professionals in Direct Marketing and Online Marketing at all salary levels, working from coast to coast; 3) Analysis of information collected as a result of discussions with potential candidates nationally, with adjustments made for the “fudge” factor. Copies of the full salary guide with 52 functions and regional salary variations are available for \$75 from Crandall Associates, Inc., 6 Litchfield Road, Suite 316, Port Washington, NY 11050, 516.767.6800.

Web Marketing Manager

The Internet channel is drawing many new recruits to the field of direct marketing. The traditional direct marketing manager's sibling, the Internet Marketing Manager, has emerged as a very desirable position, managing a source that is growing by leaps and bounds. The opportunities afforded by the Internet channel in terms of cost efficiency, flexibility and reactivity are just beginning to be fully recognized.

DUTIES: Access and utilize all relevant research and sales support tools in order to stay current in the online marketplace. Drive sales and customer retention through the website experience. Recommend product, content, and marketing programs to support company marketing plans. Monitor and report on the online sales and traffic results for the website. Build infrastructures and processes for enabling and executing web contacts. Work closely with the marketing and IT teams to drive and execute various projects.

Years Experience	Salary Range
1–3	\$61,500 to \$67,900
4–7	\$67,000 to \$83,600
7+	\$81,600 to \$87,500
Highest Salary:	\$120,000

Website Manager

The website is the storefront — or at least the corporate brochure — for the organization, and it takes a savvy professional to present it well. An effective Website Manager keeps them coming back again and again.

DUTIES: Responsible for developing and executing marketing communications focusing on building the company's website customer base. Responsible for growth of page impressions, unique users, web subscribers, and registered users against target. Studies the analysis of site traffic and user surveys to gain understanding of customer purchase patterns. Responsible for the overall “look and feel” of the website and ensuring consistency with the company's brand image. Works closely with advertising technology vendors and partners to ensure advertising is delivered effectively and efficiently. Keeps abreast of web-related developments and evaluates new revenue opportunities.

Years Experience	Salary Range
1–3	\$63,900 to \$69,800
4–7	\$75,100 to \$81,600
7+	\$83,00 to \$91,300
Highest Salary:	\$110,000

Search Engine Optimization Manager

Top 10 positioning in search engines is the most effective form of online marketing. Mystery shrouds how to accomplish this. Enter the Search Engine Manager.

DUTIES: With the vast majority of all new visitors to a website originating from major search engines, it is essential that every business implement a search engine optimization marketing campaign that allows customers to find them ahead of the competition. The Search Engine Optimization Manager develops and maintains keyword phrases that have a high amount of search traffic, conducts site analysis to ensure the site is user-friendly and optimized, reviews text writing to maximize search engine ranking, and creates a program in which links are utilized. It takes skill and time to ensure that the website is ranked above competitors, while still achieving maximum return on investment.

Years Experience	Salary Range
1–3	\$53,400 to \$64,800
4–7	\$65,800 to \$79,200
7+	\$78,900 to \$91,100
Highest Salary:	\$131,000

Email Marketing Manager

There is more “direct” response in direct marketing than the email channel. Campaign results can be determined with unprecedented speed, and other adjusted accordingly. This person is responsible for all aspects of planning and execution, including calendar management, creative development, productions and analytics.

DUTIES: Drives and executes email marketing communications to create awareness and interest, resulting in customers returning to purchase new and additional products. Develop and execute regularly scheduled “push” campaigns and special promotions. Develops and oversees the executions of e-newsletters and other regularly scheduled emailing campaigns. Must have an understanding of CAN-SPAM.

Years Experience	Salary Range
1–3	\$61,500 to \$70,700
4–7	\$67,600 to \$77,300
7+	\$75,000 to \$90,500
Highest Salary:	\$96,000

Note: All salary information from Crandall Associates is absolutely copyright protected. This material may not be photocopied or otherwise reprinted in any other communication, unless permission is directly granted by Crandall Associates, Inc. 516.767.6800.

Source: Crandall Associates, 2012.

DEMOGRAPHICS OF CONSUMERS PURCHASING ONLINE

	Online Buyers (000)	% of Total
TOTAL NUMBER OF ADULTS PURCHASING ONLINE	122,593	100%
GENDER		
MALE	56,074	45.7%
FEMALE	66,519	54.3%
AGE		
18–24	14,332	11.7%
25–34	25,512	20.8%
35–44	25,369	20.7%
45–54	24,730	20.2%
55–64	19,738	16.1%
65+	12,912	10.5%
MEAN AGE	43.8	
EDUCATION		
POST GRADUATE	22,806	18.6%
GRADUATED COLLEGE	26,172	21.3%
ATTENDED COLLEGE	40,657	33.2%
GRADUATED HIGH SCHOOL	27,239	22.2%
DID NOT GRADUATE HIGH SCHOOL	5,719	4.7%
MARITAL STATUS — RESPONDENT		
NEVER MARRIED	33,033	26.9%
PRESENTLY MARRIED	71,853	58.6%
DIVORCED/SEPARATED/WIDOWED	17,707	14.4%
EMPLOYMENT STATUS		
EMPLOYED FULL TIME (30+ HOURS)	71,638	58.4%
EMPLOYED PART TIME (<30 HOURS)	14,003	11.4%
RETIRED	12,747	10.4%
HOMEMAKER	8,104	6.6%
HOUSEHOLD INCOME		
<\$10,000	2,681	2.2%
\$10,000–\$14,999	3,094	2.5%
\$15,000–\$24,999	5,889	4.8%
\$25,000–\$34,999	8,847	7.2%
\$35,000–\$49,999	14,541	11.9%
\$50,000–\$74,999	23,276	19.0%
\$75,000–\$99,999	19,853	16.2%
\$100,000–\$149,999	22,600	18.4%
\$150,000–\$249,999	15,427	12.6%
>\$250,000	6,385	5.2%

(Continues on following page)

DEMOGRAPHICS OF CONSUMERS PURCHASING ONLINE

(Continued)

	Online Buyers (000)	% of Total
NUMBER OF ADULTS IN HOUSEHOLD		
ONE	18,064	14.7%
TWO	70,504	57.5%
THREE OR FOUR	30,211	24.6%
FIVE OR MORE	3,814	3.1%
NUMBER OF CHILDREN		
ONE	19,662	16.0%
TWO	18,768	15.3%
THREE OR MORE	11,179	9.1%
NONE	72,984	59.5%
PRESENCE OF CHILDREN BY AGE		
UNDER 2 YEARS	8,223	6.7%
2–5 YEARS	15,567	12.7%
6–11 YEARS	21,707	17.7%
12–17 YEARS	20,290	16.6%
ANYONE IN THIS HOUSEHOLD EXPECTING A BABY?	3,183	2.6%
CENSUS REGIONS		
NORTHEAST	23,593	19.2%
MIDWEST	26,513	21.6%
SOUTH	42,465	34.6%
WEST	30,022	24.5%
KIND OF RESIDENCE		
OWN (ANY)	91,064	74.3%
RENT (ANY)	28,615	23.3%
MOVED INTO PRESENT RESIDENCE IN LAST 12 MONTHS	9,558	7.8%

Source: Experian Simmons, "National Consumer Study," 2012.

PURCHASING BEHAVIOR OF ONLINE BUYERS

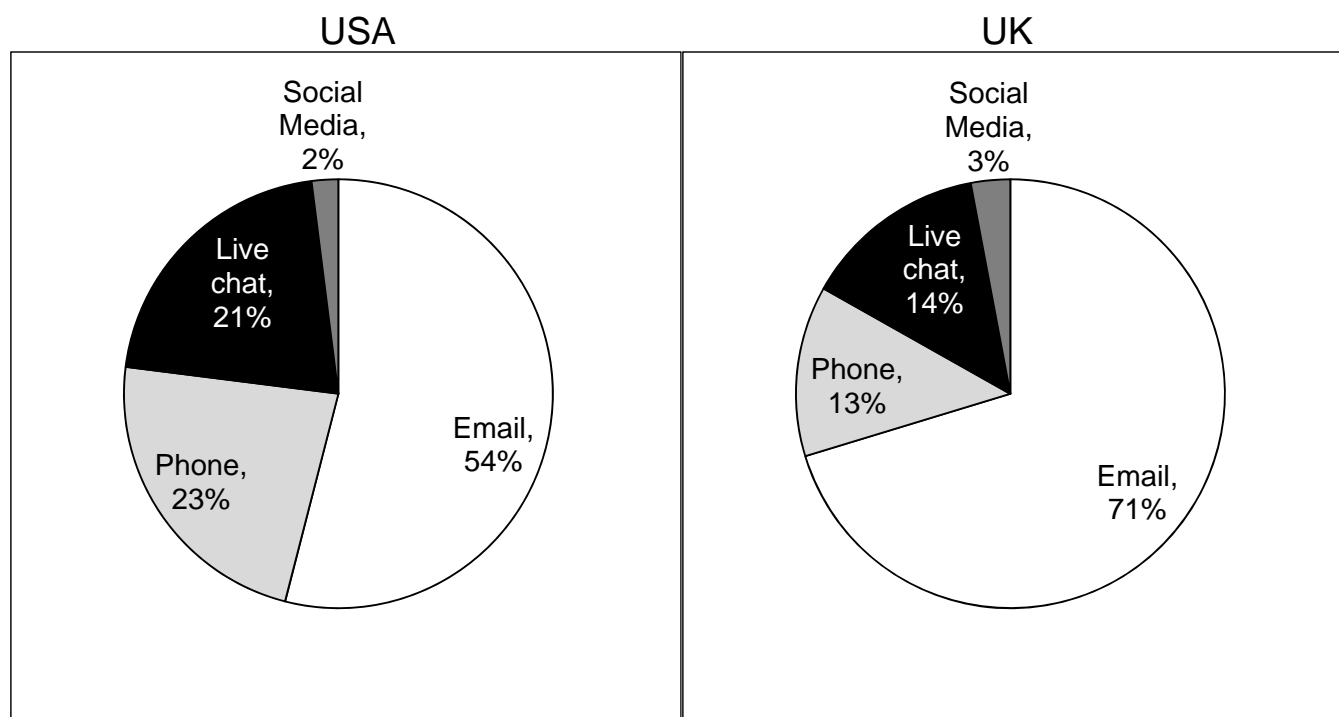
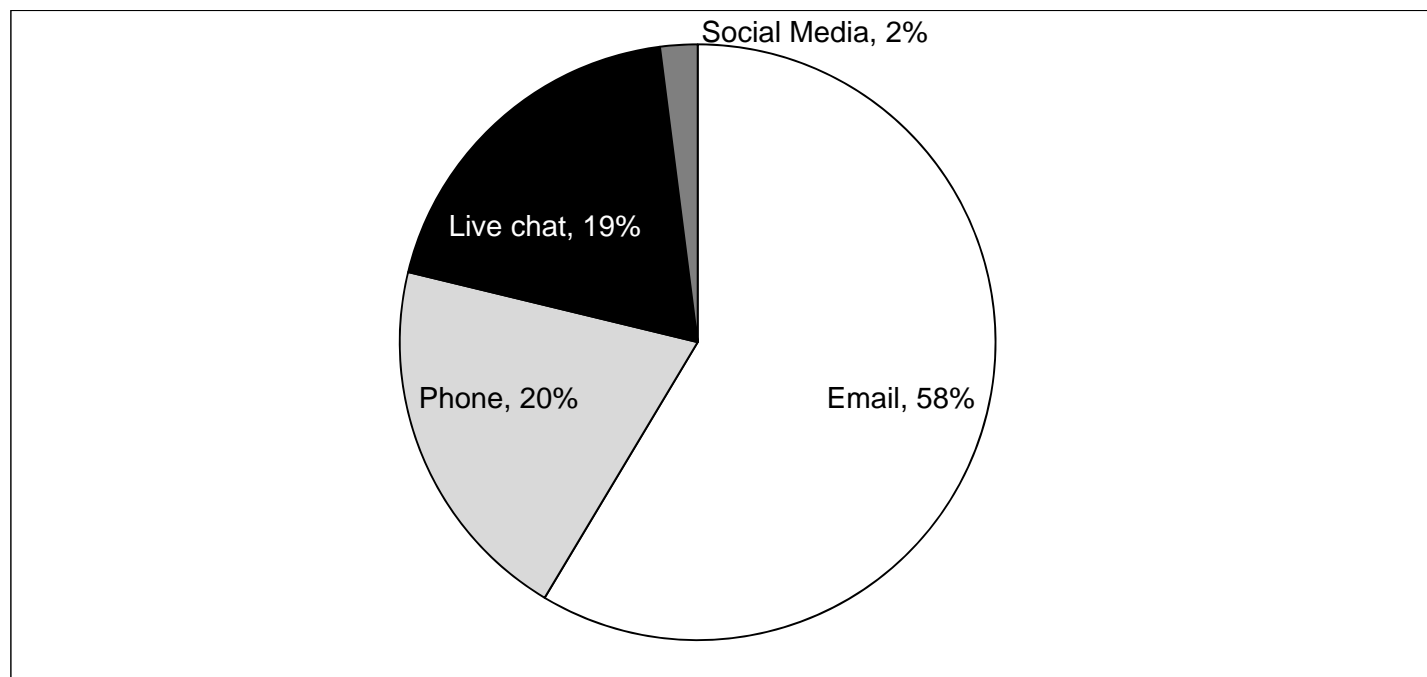
	Online Buyers (000)	% of Total
TOTAL NUMBER OF ADULTS PURCHASING ONLINE	122,593	100%
TYPES MERCHANDISE PURCHASED LAST 12 MONTHS		
ACCESSORIES	22,668	18.5%
APPAREL — MEN'S	23,964	19.5%
APPAREL — WOMEN'S	32,976	26.9%
AUTOMOTIVE PRODUCTS	10,795	8.8%
BANKING SERVICES	12,878	10.5%
BOOKS/MUSIC/VIDEO	46,077	37.6%
COLLECTIBLES	7,065	5.8%
COMPUTER PRODUCTS	21,013	17.1%
COSMETICS (WAS COSMETICS/TOILETRIES)	10,573	8.6%
CREDIT CARDS	5,545	4.5%
ELECTRONICS/APPLIANCES	21,969	17.9%
FOOD/GROCERIES	6,873	5.6%
FOOTWEAR	21,249	17.3%
GARDENING	4,750	3.9%
HARDWARE	5,681	4.6%
HOME FURNISHINGS	9,980	8.1%
HOUSEWARES	10,250	8.4%
INSURANCE	4,806	3.9%
OFFICE SUPPLIES	9,057	7.4%
OTHER HEALTH/MEDICAL ITEMS	6,354	5.2%
PRESCRIPTION DRUGS	9,312	7.6%
SPORTING GOODS/EQUIPMENT	12,446	10.2%
TICKETS FOR EVENTS OTHER THAN MOVIES	18,182	14.8%
TICKETS FOR MOVIES	13,682	11.2%
TOYS/GAMES	23,815	19.4%
TRAVEL SERVICES/PACKAGES	18,112	14.8%
OTHER ITEMS	28,166	23.0%
PURCHASE METHOD		
CASH/CHECK/MONEY ORDER	2,220	1.8%
CREDIT CARD	71,626	58.4%
DEBIT CARD/ELECTRONIC FUNDS TRANSFER	36,059	29.4%
OTHER	3,918	3.2%

Source: Experian Simmons, "National Consumer Study," 2012.

LIVE CHAT TECHNOLOGY AS A COMMUNICATION METHOD FOR CONSUMERS

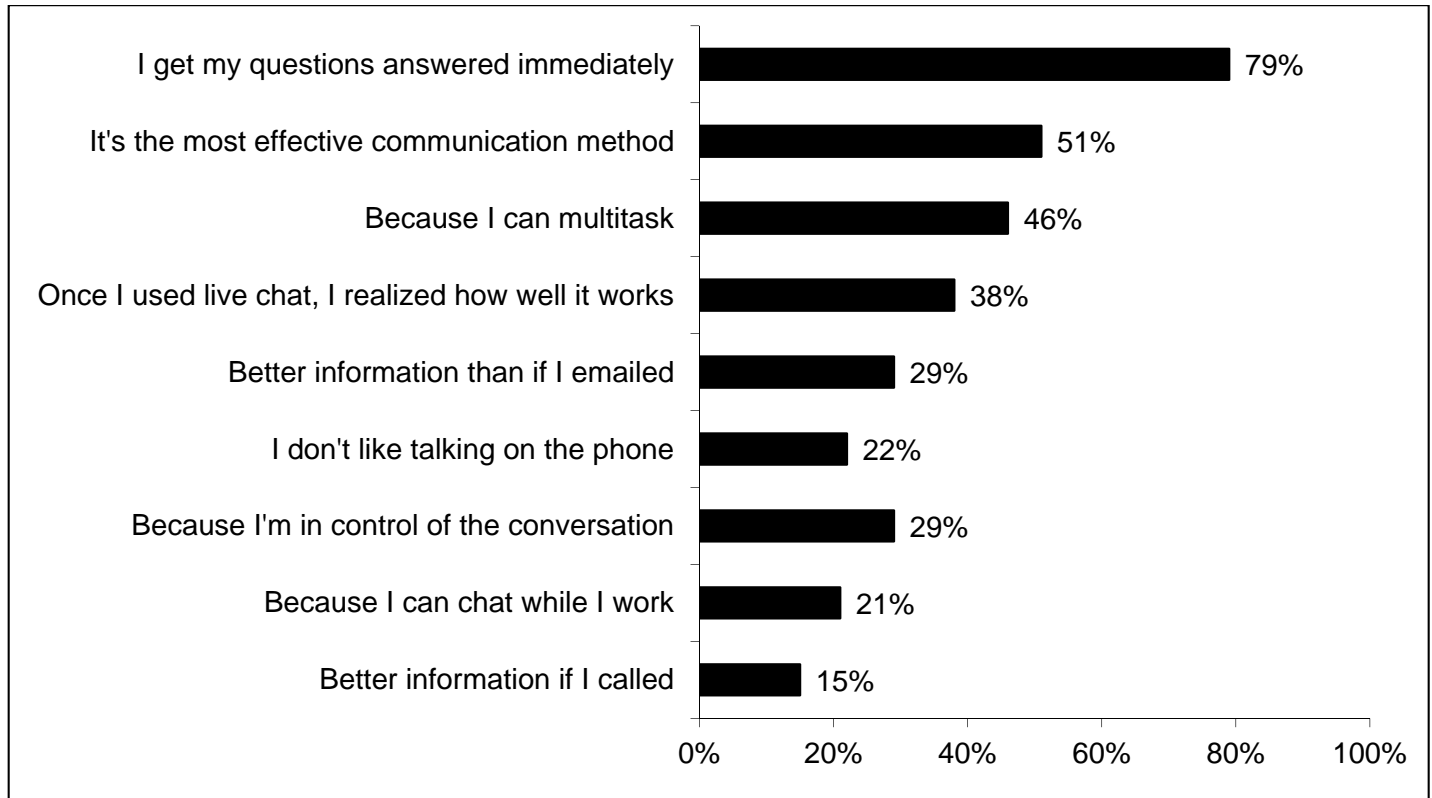
(Percentage of Consumers Reporting as Preferred Method)

Nineteen percent of total respondents indicated that live chat was their preferred method of communication with an online merchant, up from last year. While most readers might assume that placing a phone call would have been the leader, it is an incorrect assumption. In reality, chat and phone were very similarly ranked while email was the standout winner—especially for respondents residing in the UK.



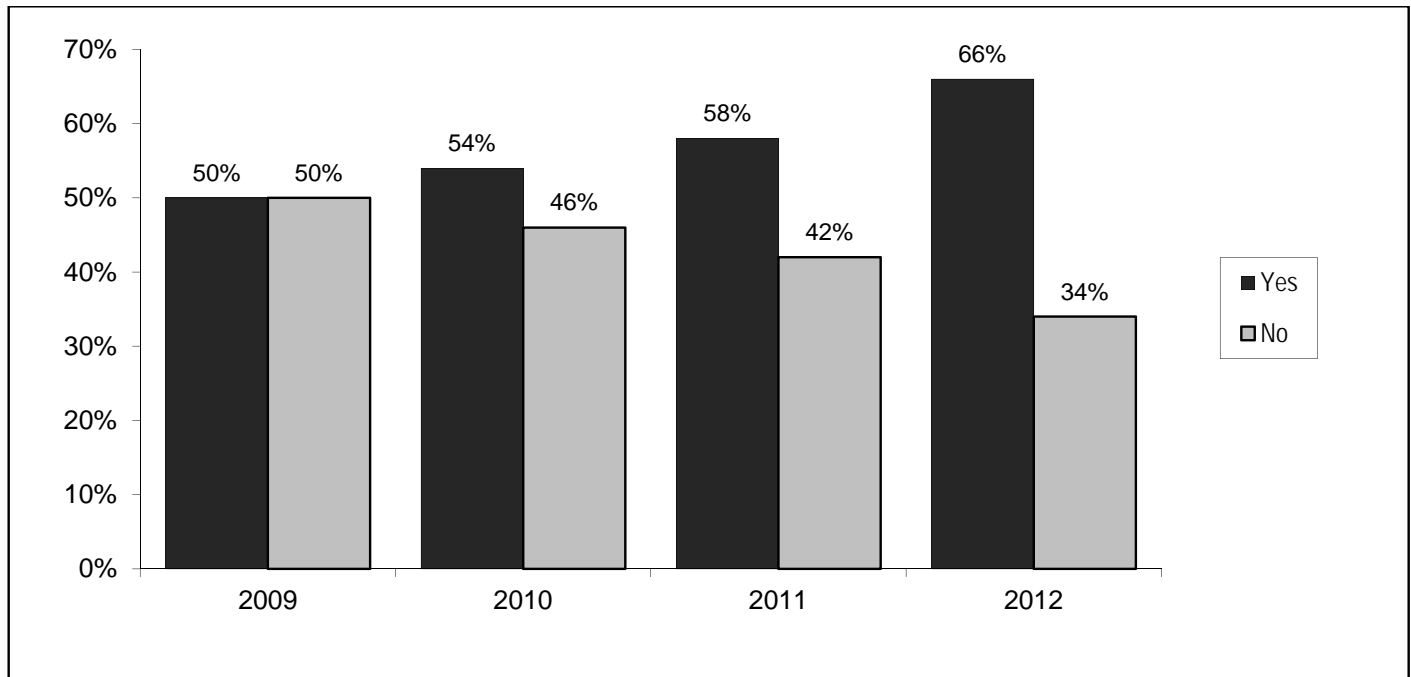
Source: The e-Tailing Group, “The Effectiveness of Live Chat Technology,” 2012.

REASONS FOR LIVE CHAT PREFERENCE



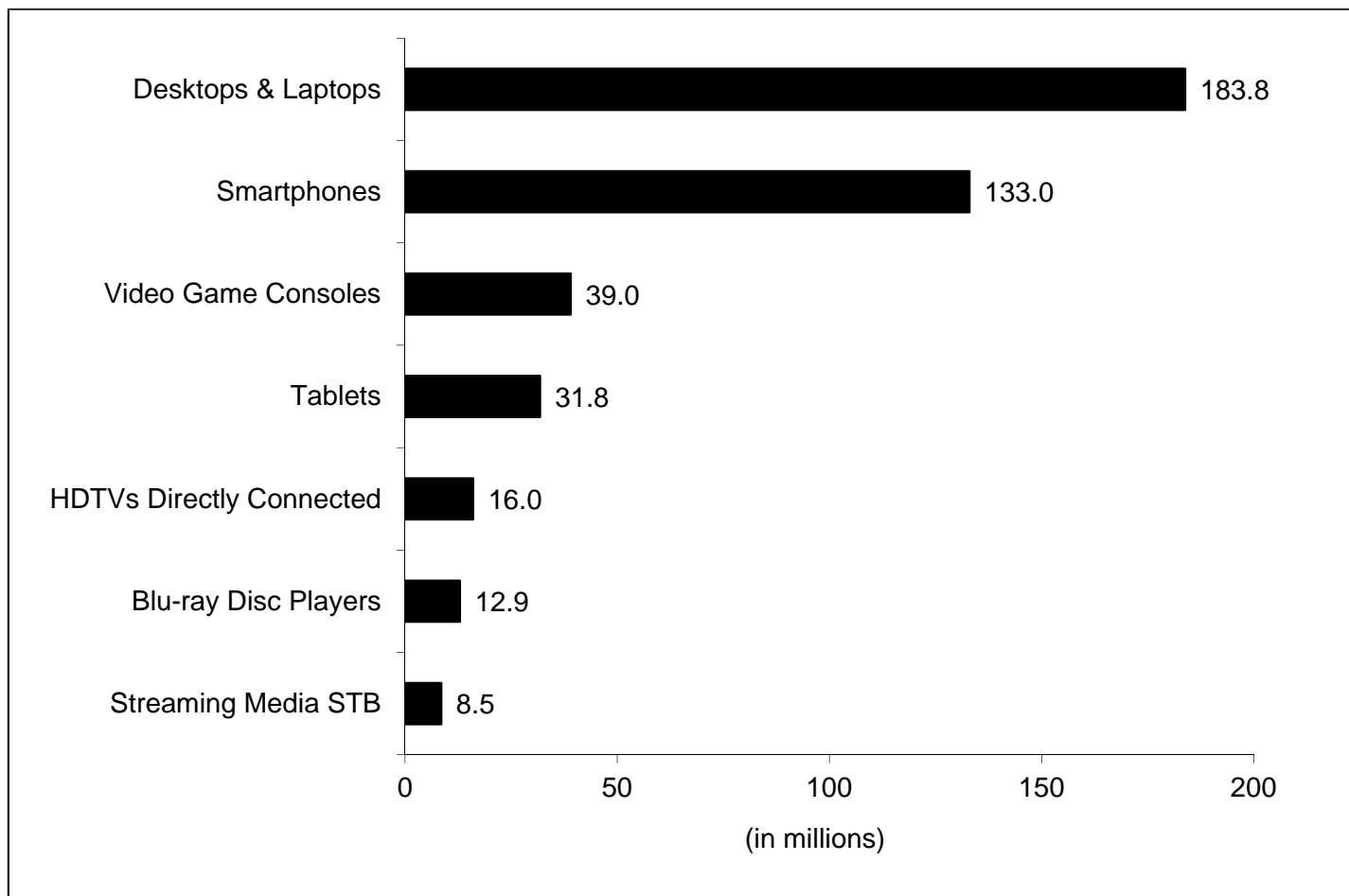
Source: The e-Tailing Group, "The Effectiveness of Live Chat Technology," 2012.

HAVE YOU EVER CHATTED?



Source: The e-Tailing Group, "The Effectiveness of Live Chat Technology," 2012.

INSTALLED AND INTERNET CONNECTED DEVICES



Source: NPD Group, 2013.

INTERNET ENABLED DEVICES CONNECTED IN US HOMES

425 million

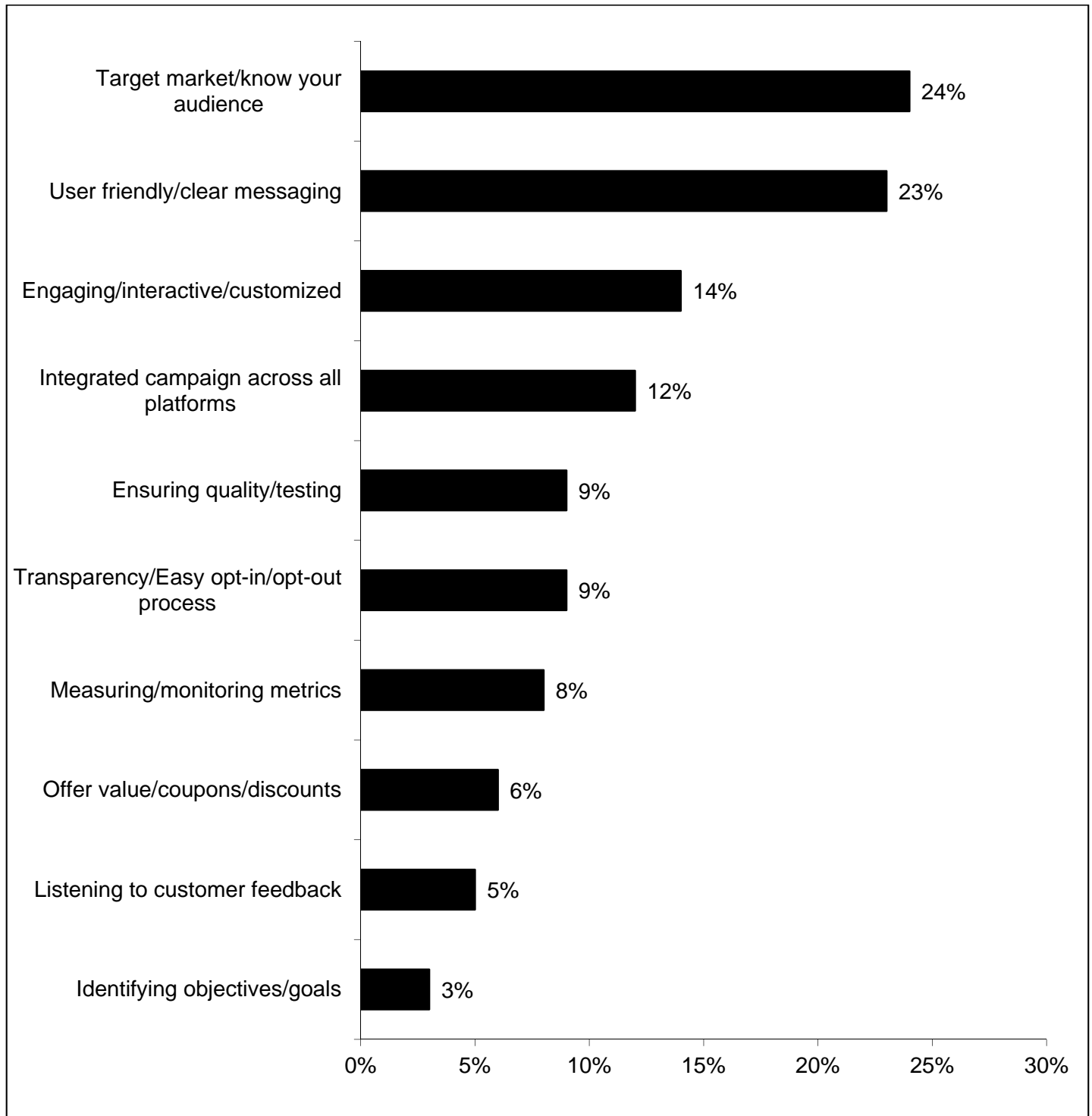
...devices are connected to the Internet in US homes.

According to the US Census Bureau, the US population is approximately...

315 million.

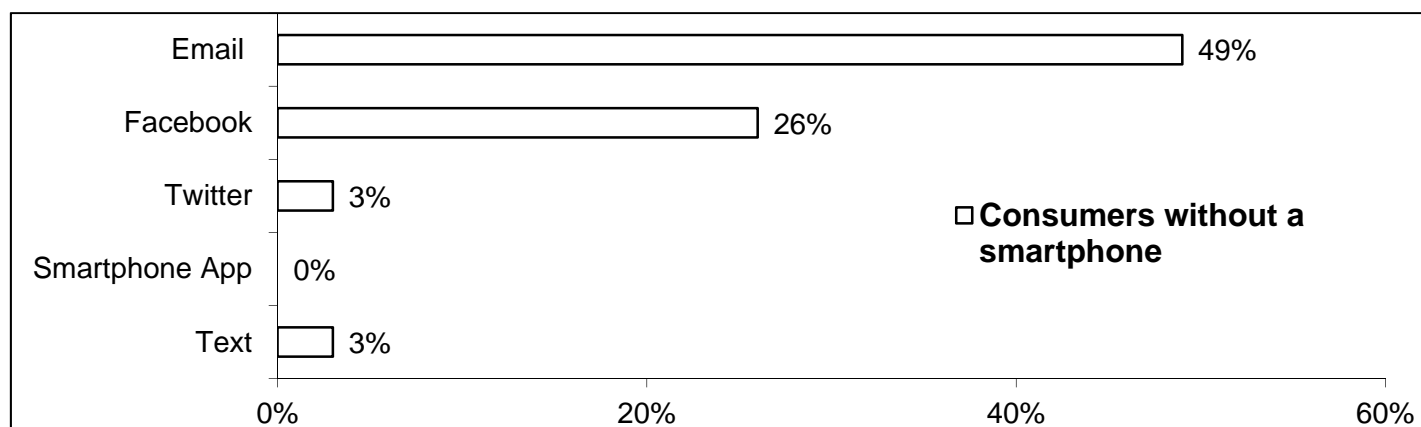
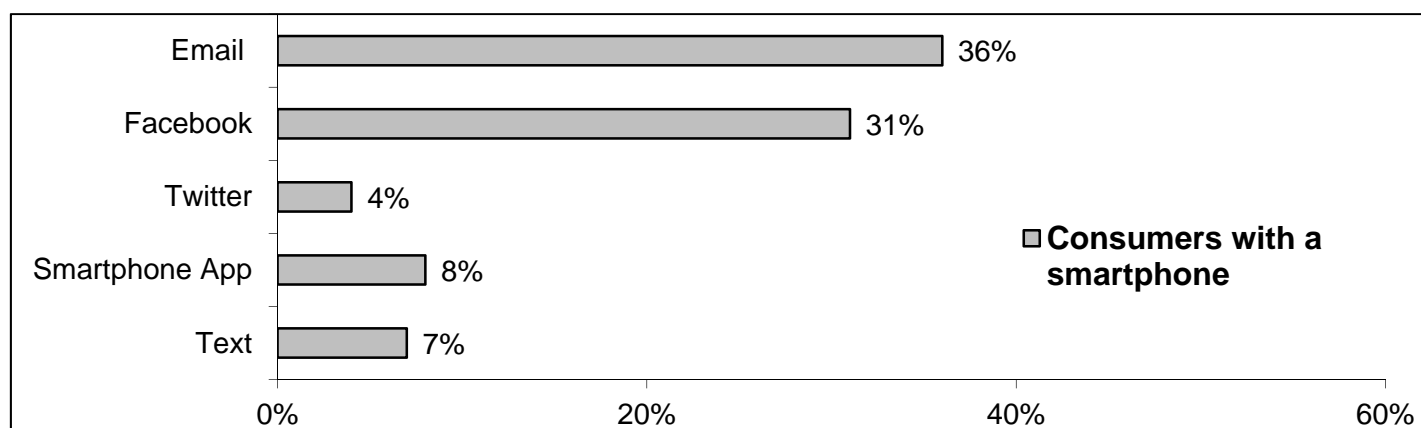
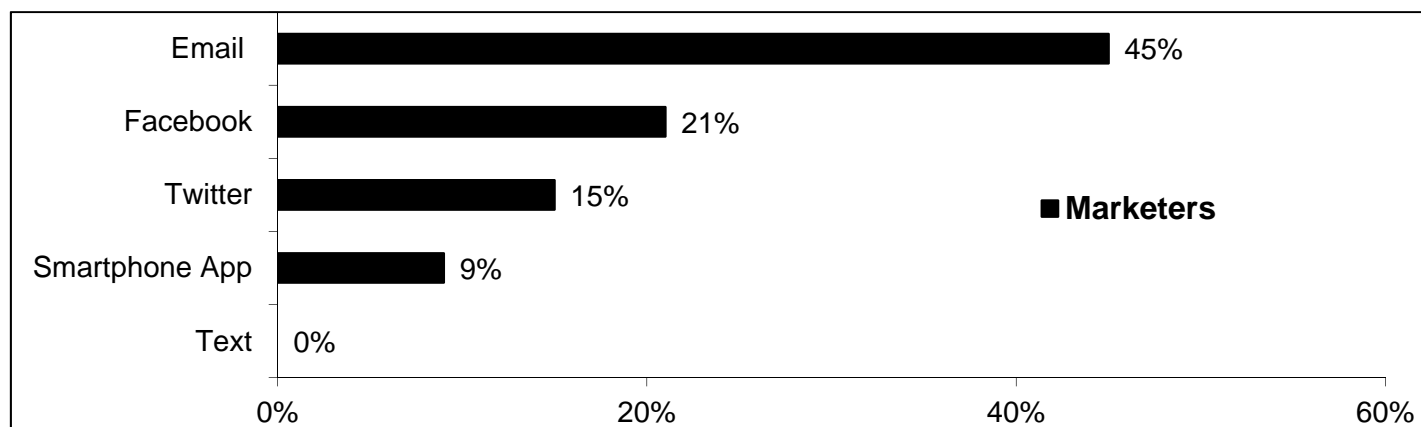
Source: NPD Group, 2013.

BEST PRACTICES IN DIGITAL MARKETING



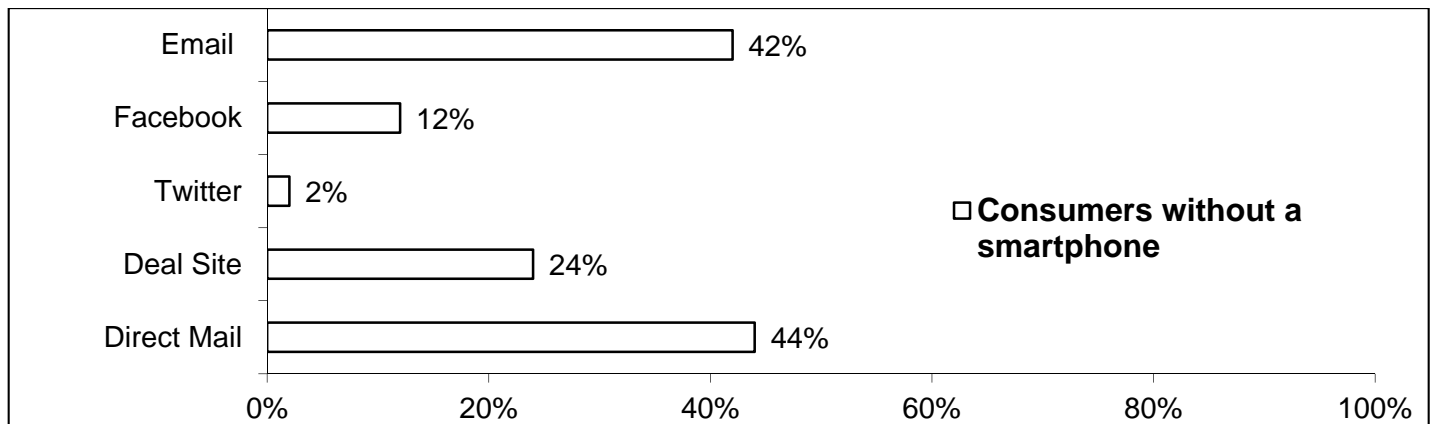
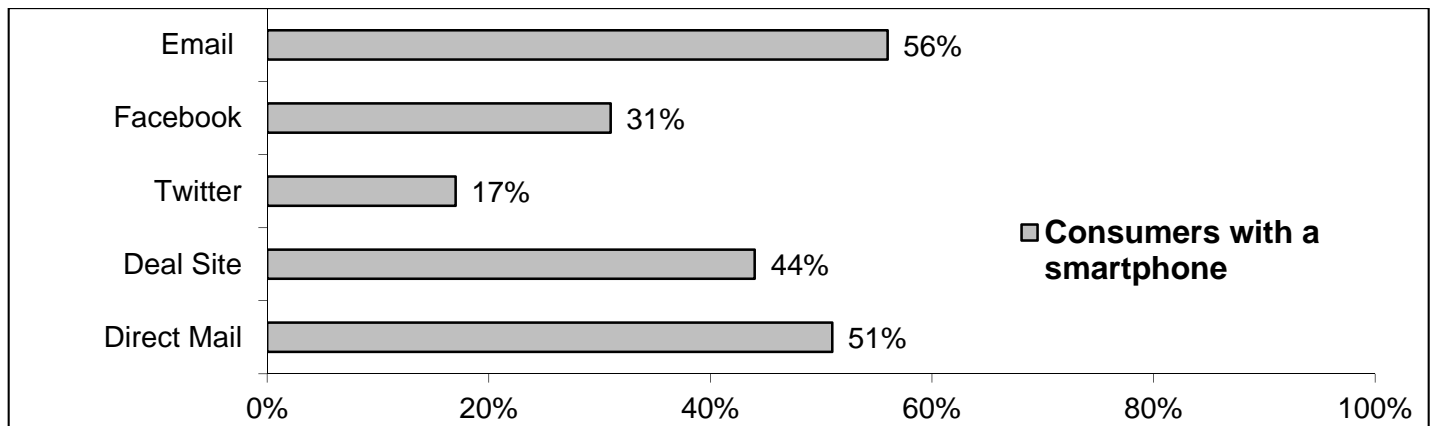
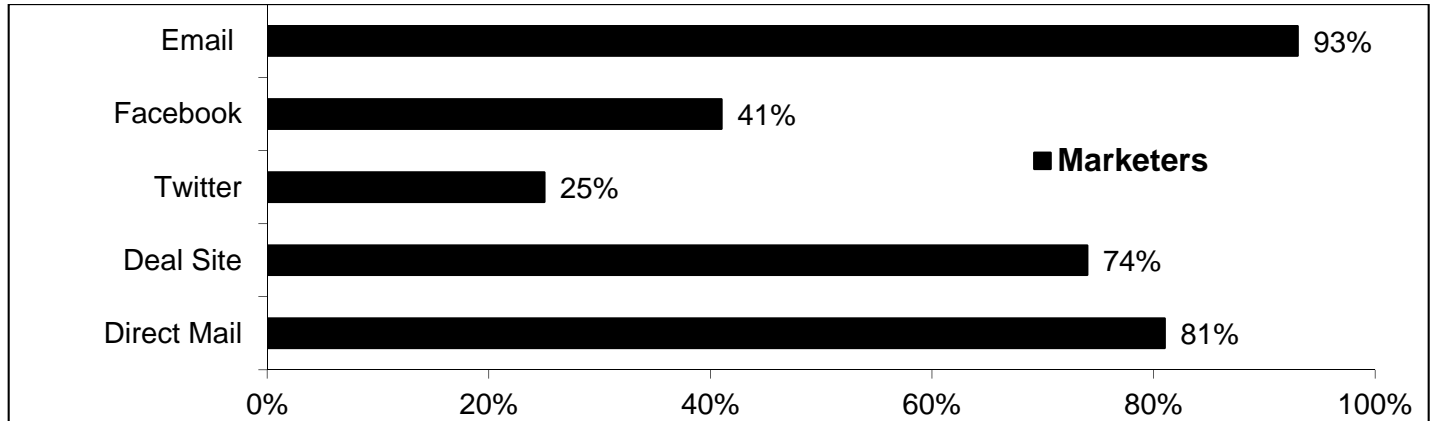
Source: DMA/Ipsos, "Digital Marketing: Navigating the Digital Labyrinth", 2012.

WHICH OF THE FOLLOWING DO YOU USE MOST OFTEN TO CONNECT WITH BRANDS/COMPANIES YOU TRUST?



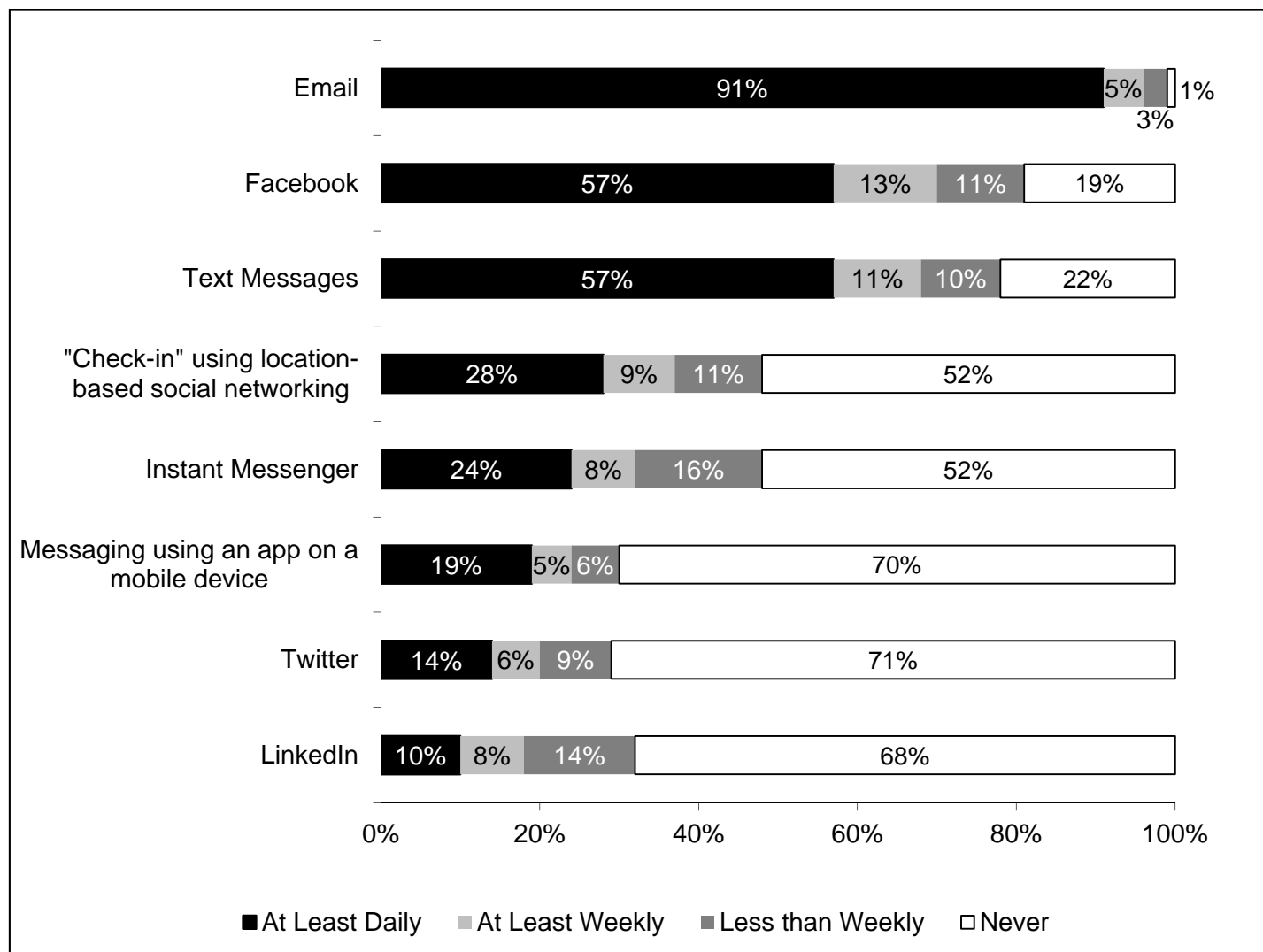
Source: ExactTarget, "2012 Marketers from Mars."

HAVE YOU EVER MADE A PURCHASE AS THE DIRECT RESULT OF A MARKETING MESSAGE YOU RECEIVED THROUGH THE FOLLOWING CHANNELS?



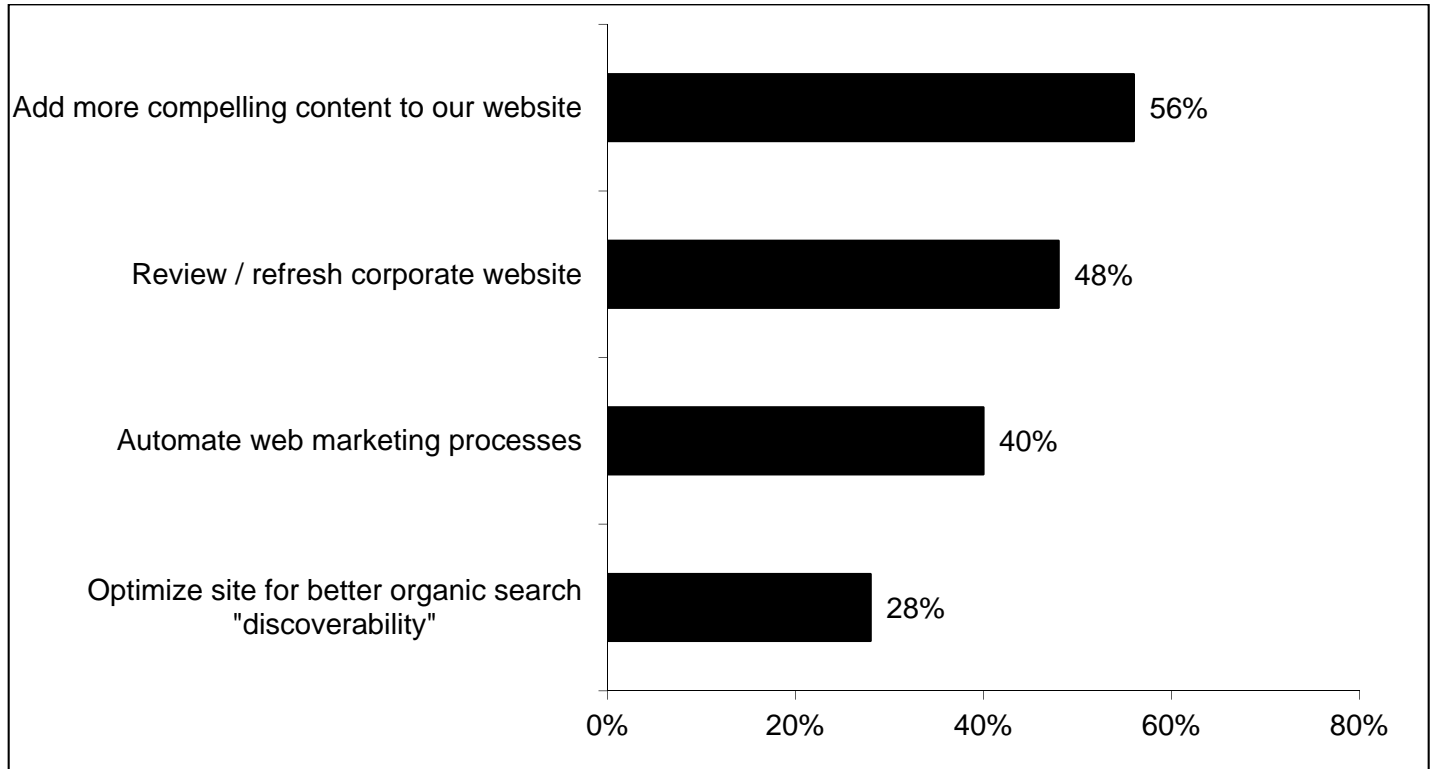
Source: ExactTarget, "2012 Marketers from Mars."

HOW OFTEN DO YOU USE EACH OF THE FOLLOWING?



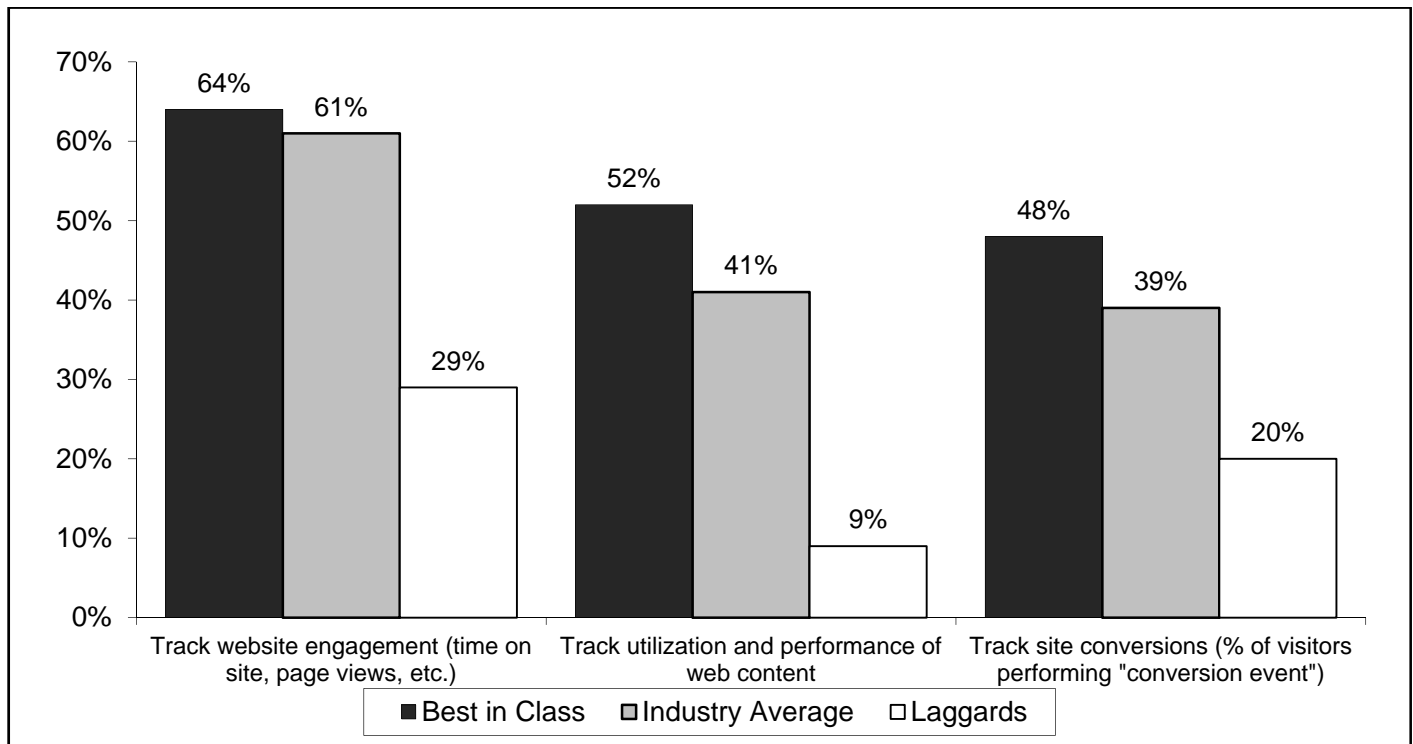
Source: ExactTarget, "2012 Channel Preferences Survey."

WEB EXPERIENCE MANAGEMENT STRATEGIES OF BEST-IN-CLASS COMPANIES



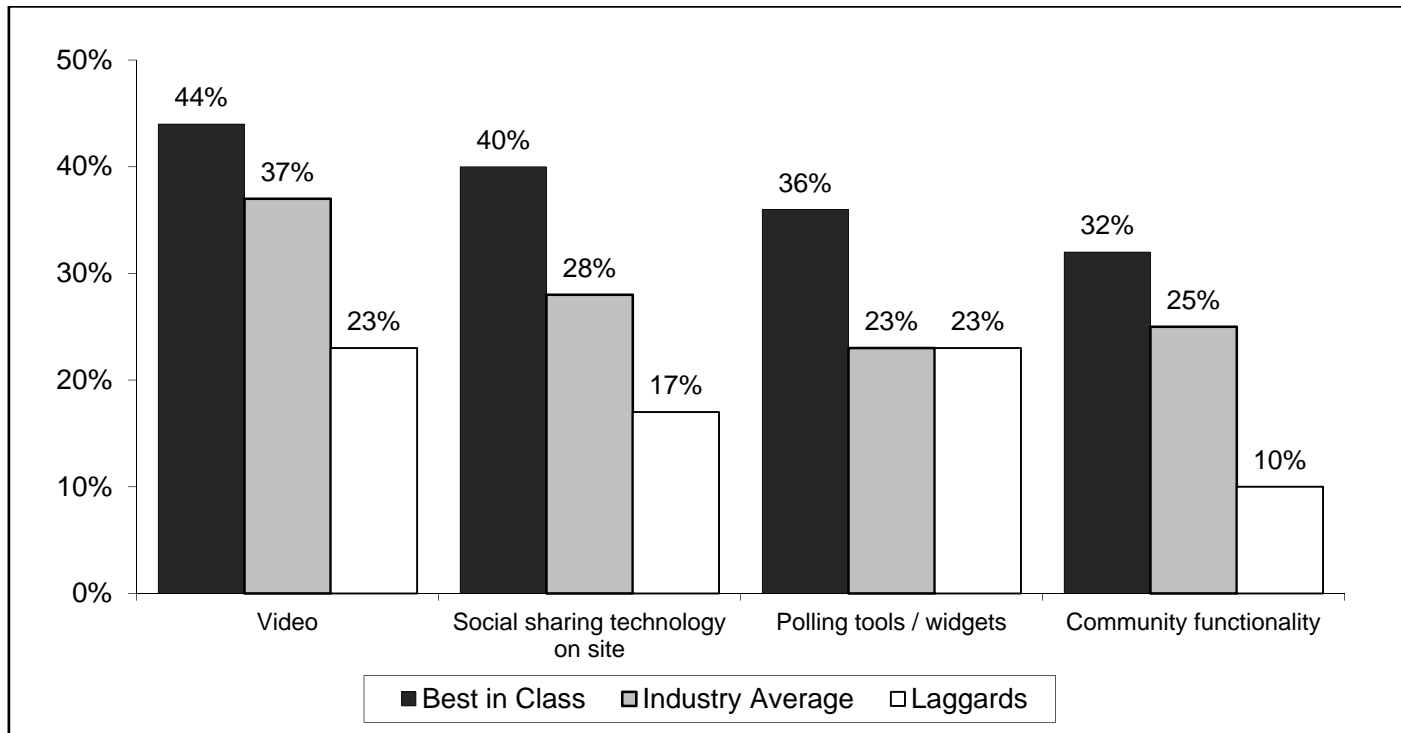
Source: Aberdeen Group, 2012.

HOW COMPANIES MEASURE WEB EXPERIENCE



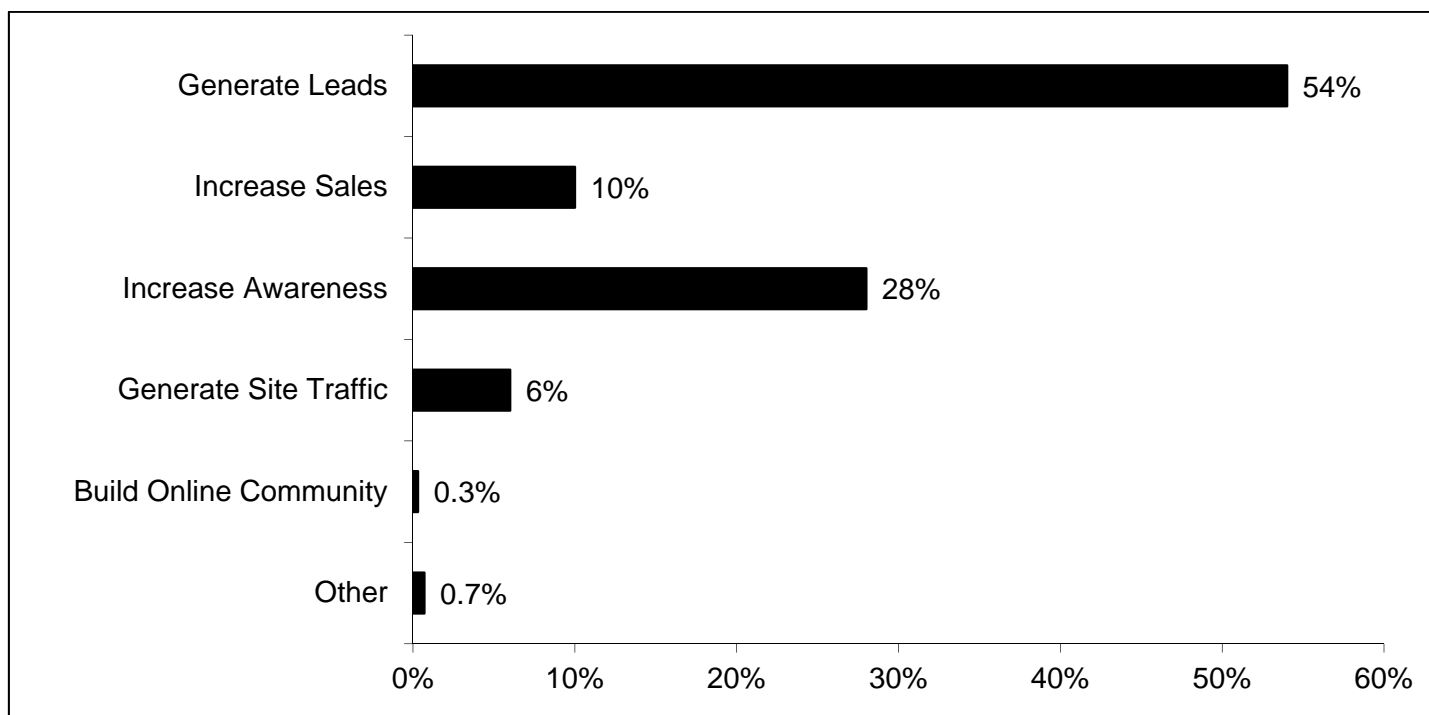
Source: Aberdeen Group, 2012.

ADOPTION OF RICH MEDIA/INTERACTIVE TECHNOLOGIES



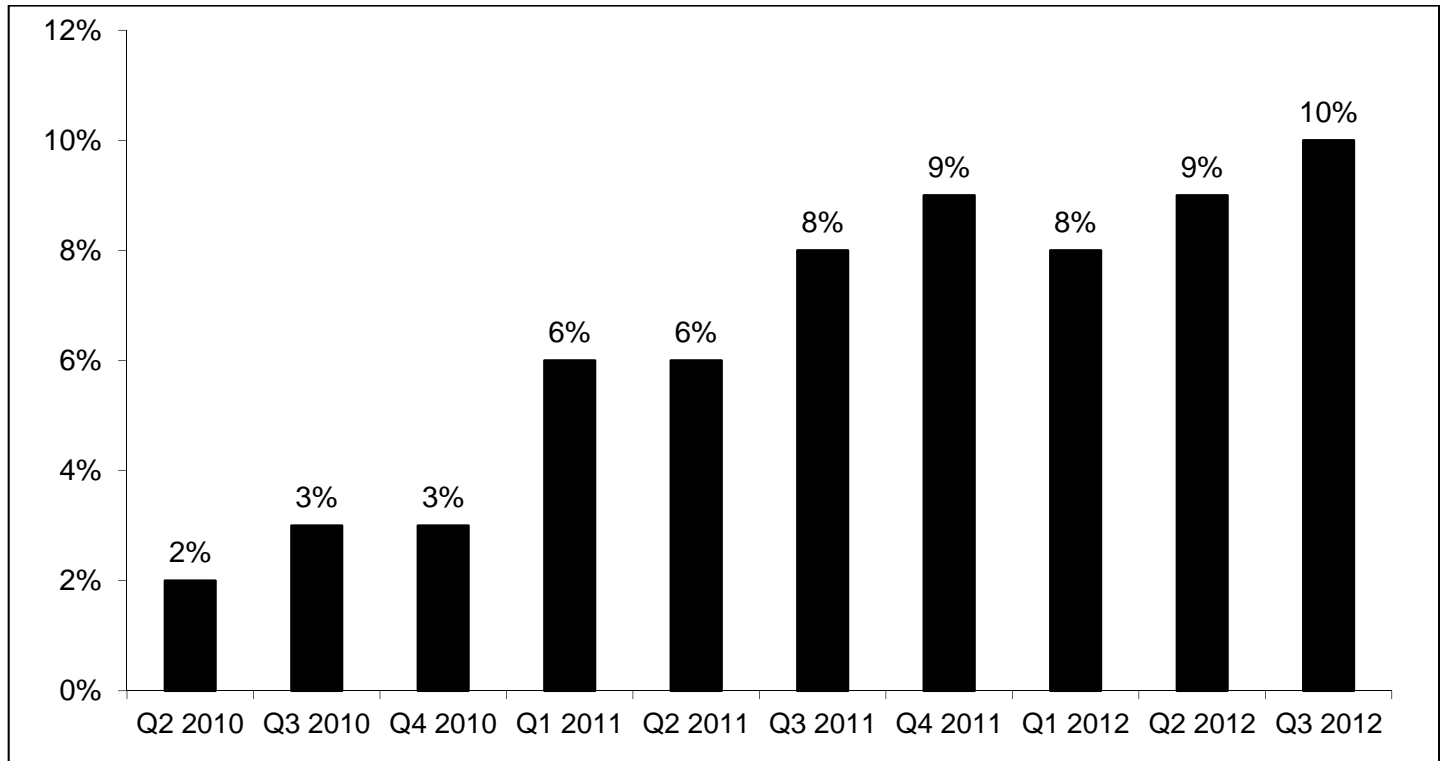
Source: Aberdeen Group, 2012.

TOP OBJECTIVES FOR DIGITAL MARKETING PROGRAMS



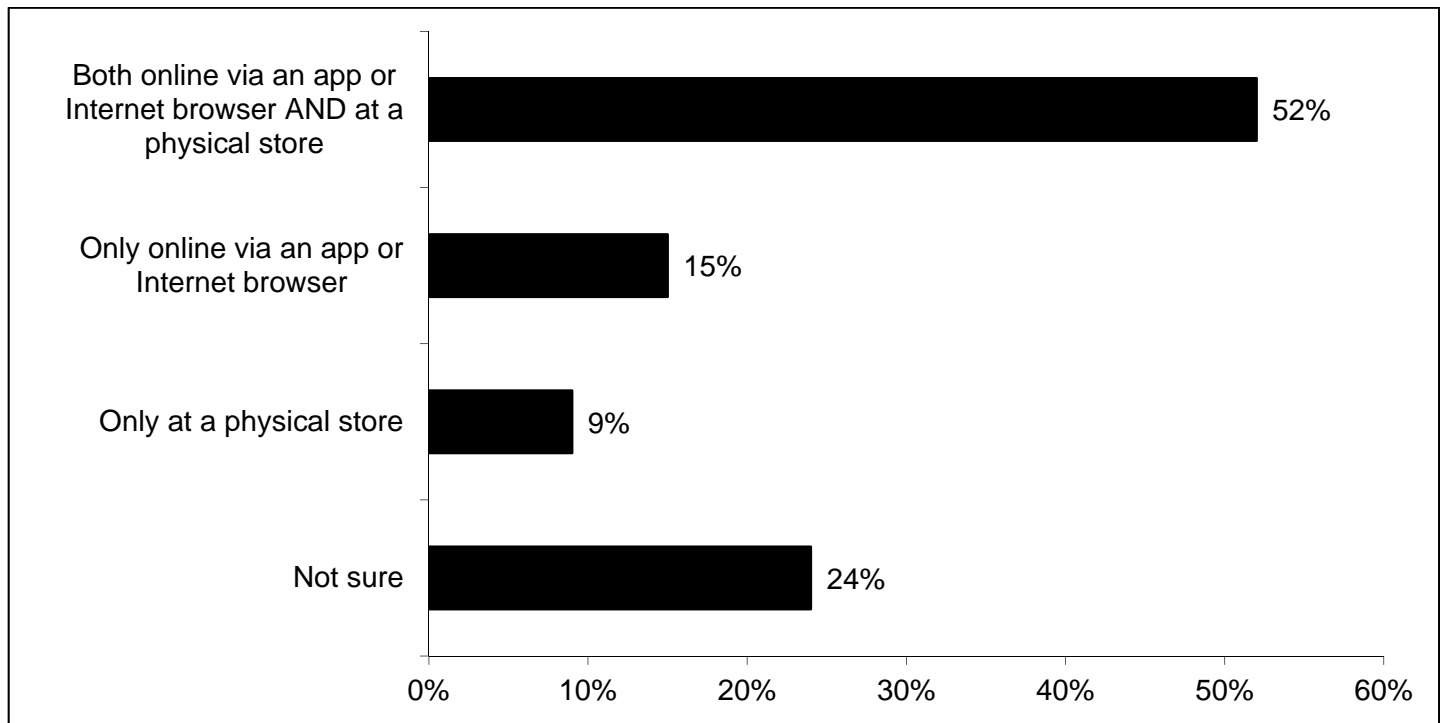
Source: Webmarketing123, "2012 State of Digital Marketing Report."

PERCENTAGE OF RETAIL E-COMMERCE DOLLARS SPENT VIA MOBILE OR TABLET



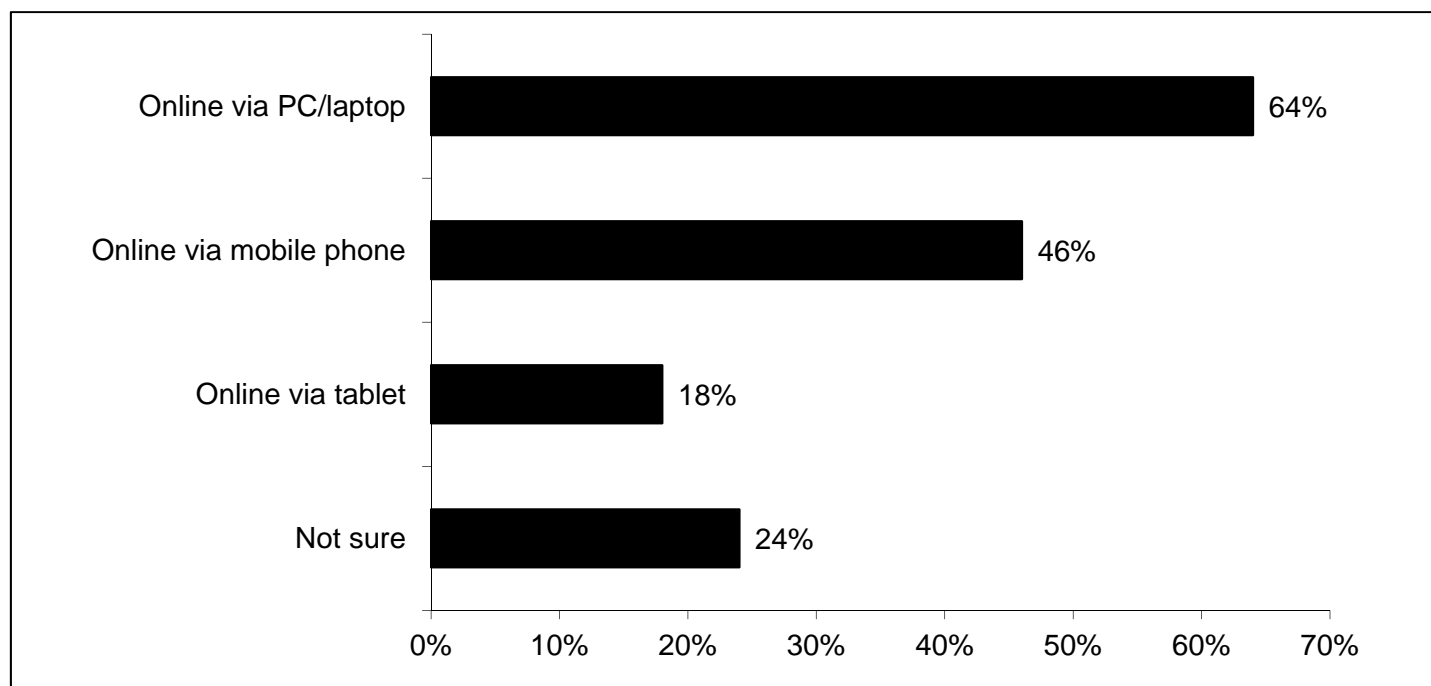
Source: comScore, "The State of the Internet," 2012.

WHERE WOULD PREFER TO MAKE PURCHASES USING A DIGITAL WALLET?



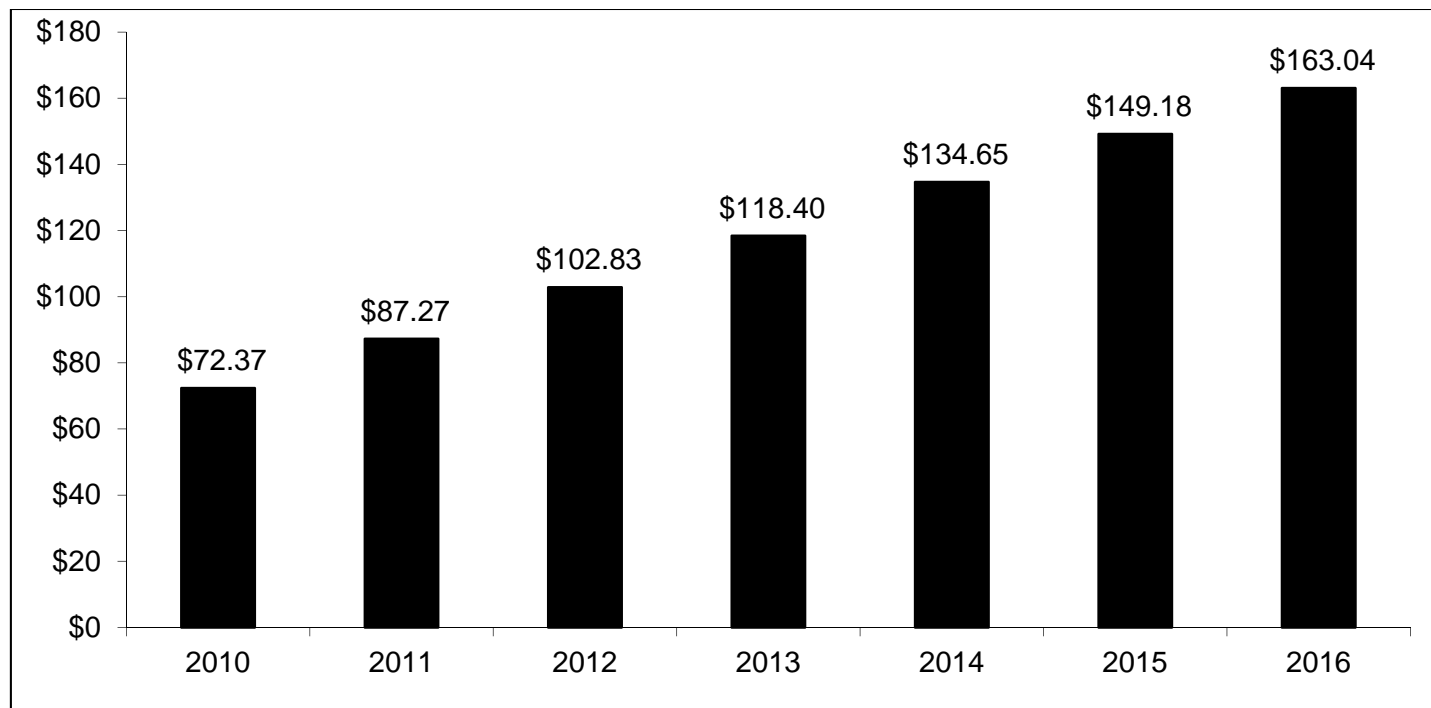
Source: comScore, "Digital Wallets & Payments," 2013.

WHICH OF THE FOLLOWING DEVICES WOULD YOU USE WHEN MAKING PURCHASES WITH A DIGITAL WALLET?



Source: comScore, "Digital Wallets & Payments," 2013.

DIGITAL AD SPENDING WORLDWIDE, 2010-2016 (IN BILLIONS)



Source: eMarketer, December 2012.

DEMOGRAPHICS OF INTERNET USERS

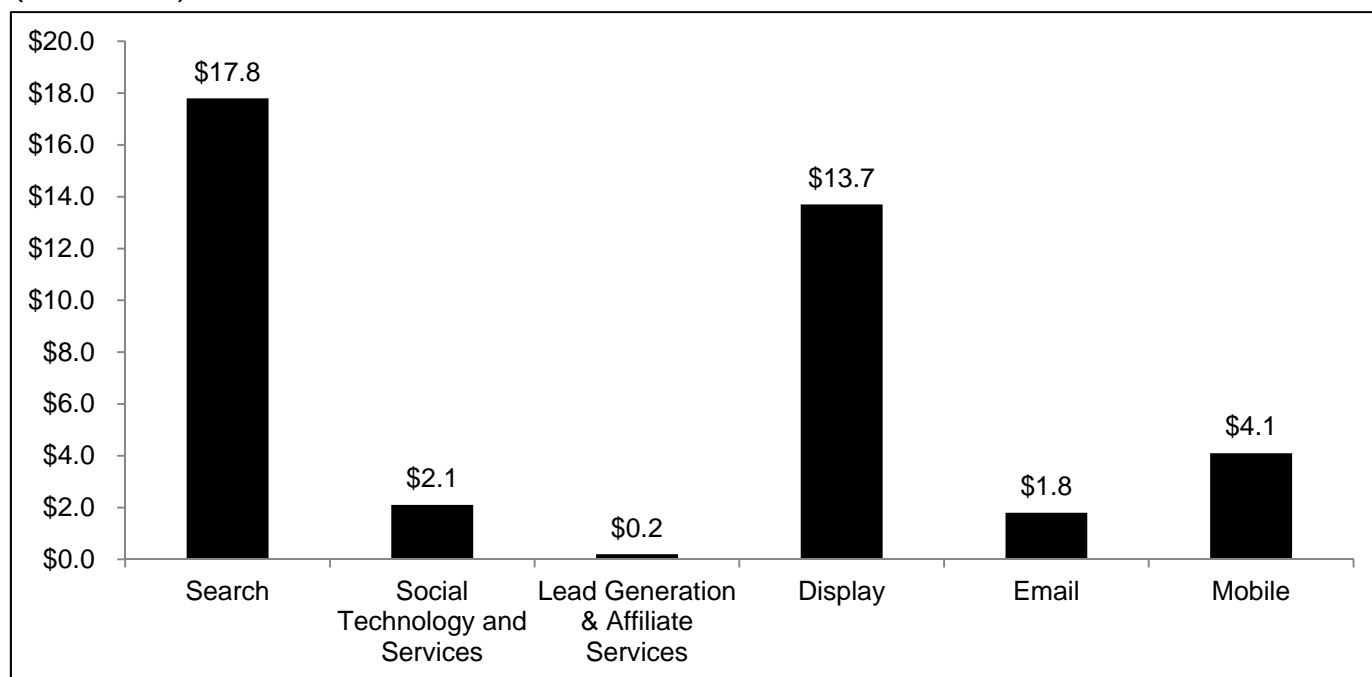
(% OF AMERICAN ADULTS WITHIN EACH GROUP WHO USE THE INTERNET)

All Adults	81%
GENDER	
Male	80
Female	82
RACE/ETHNICITY	
White, Non-Hispanic	84
Black, Non-Hispanic	73
Hispanic	74
AGE	
18–29	94
30–49	89
50–64	77
65+	54
EDUCATION ATTAINMENT	
No high school diploma	51
High school grad	74
Some college	89
College+	95
HOUSEHOLD INCOME	
Less than \$30,000/year	67
\$30,000 - \$49,999	86
\$50,000 - \$74,999	90
\$75,000+	98

Source: Pew Research Center's Internet & American Life Project survey conducted from November 14 – December 9, 2012. N = 2,261, composed of adults 18 and older.

SPENDING ON DIGITAL ADVERTISING, 2012

(IN BILLIONS)



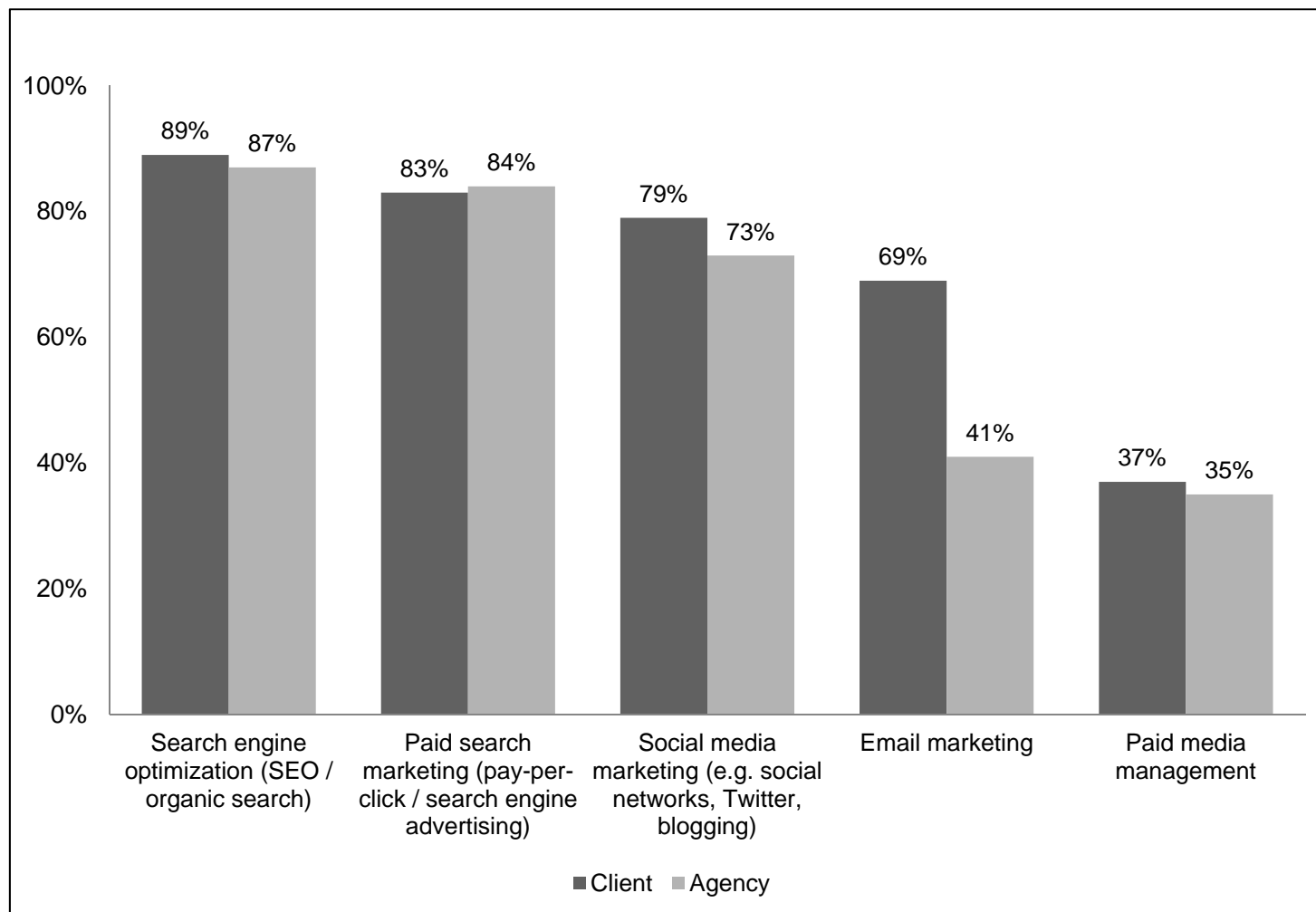
Source: Winterberry Group, 2013.

SEARCH

CHAPTER HIGHLIGHTS

- 89% of companies report that they do SEO, compared with 83% that use paid search and 79% that use social media marketing.
- 97% of companies using paid search use Google AdWords, compared with 65% for the Bing/Yahoo! alliance.
- 47% of marketers indicated that the rise of the mobile Internet is highly significant for search marketing.
- The leading objective of paid search in 2012 was lead generation, followed closely by direct sales. The reverse was true in 2010.
- Q4 2012 saw an increase over previous quarters for the paid search click share for smartphones.
- The total cost per click for a paid search campaign is \$3.05, compared to a cost per click of \$1.69 for B-to-C and \$2.21 for B-to-B.

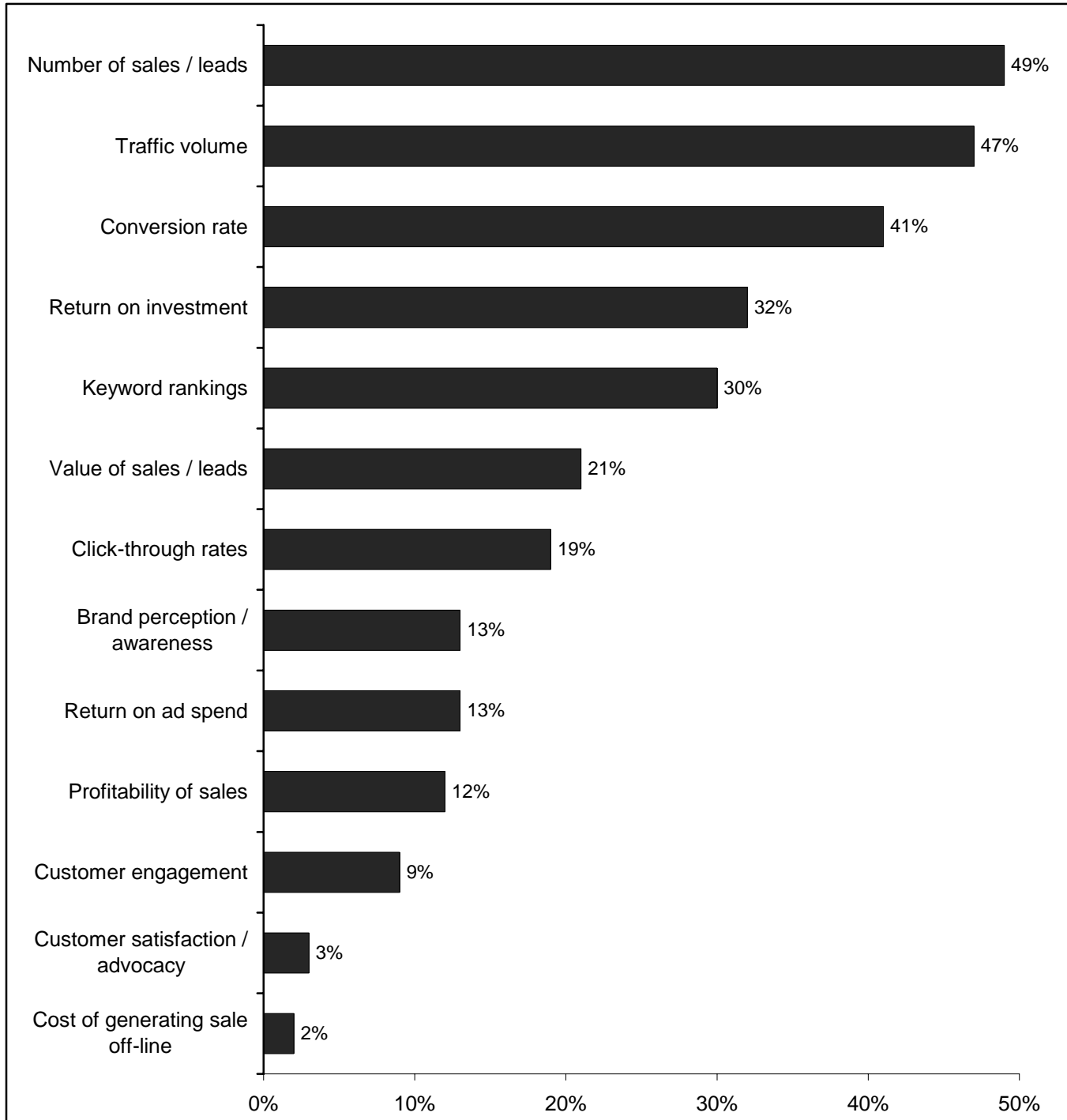
WHICH OF THE FOLLOWING TYPES OF ACTIVITIES DOES YOUR ORGANIZATION CARRY OUT?



Source: SEMPO and Econsultancy, "State of Search Marketing Report 2012."

THE MOST IMPORTANT SUCCESS METRICS FOR SEARCH ENGINE OPTIMIZATION

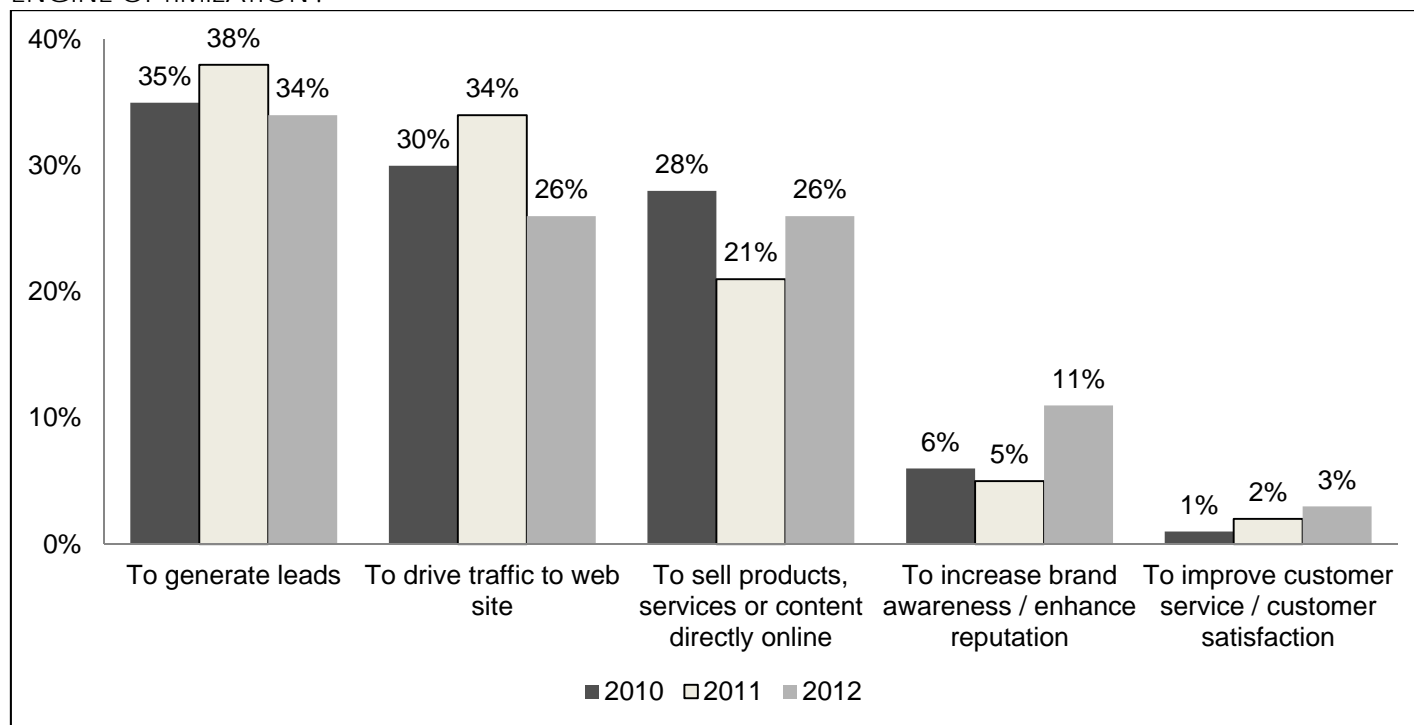
WHAT ARE THE THREE MOST IMPORTANT METRICS YOU USE FOR GAUGING THE SUCCESS OF SEARCH ENGINE OPTIMIZATION?



Source: SEMPO and Econsultancy, "State of Search Marketing Report 2012."

OBJECTIVES FOR SEARCH ENGINE OPTIMIZATION

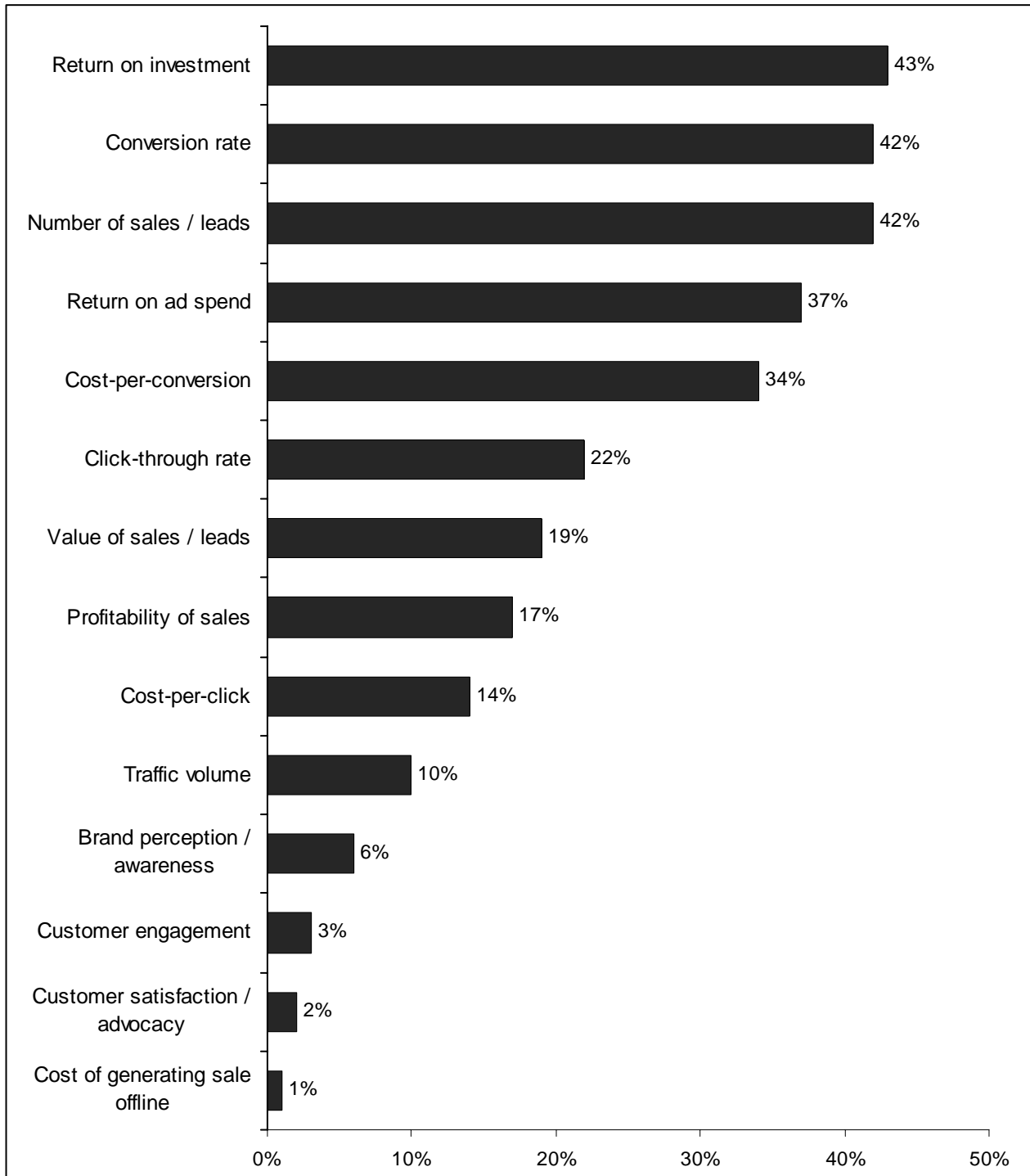
WHAT IS THE MOST IMPORTANT OBJECTIVE YOUR CLIENTS ARE TRYING TO ACHIEVE THROUGH SEARCH ENGINE OPTIMIZATION?



Source: SEMPO and Econsultancy, "State of Search Marketing Report 2012."

MOST IMPORTANT METRICS FOR MEASURING PAID SEARCH MARKETING

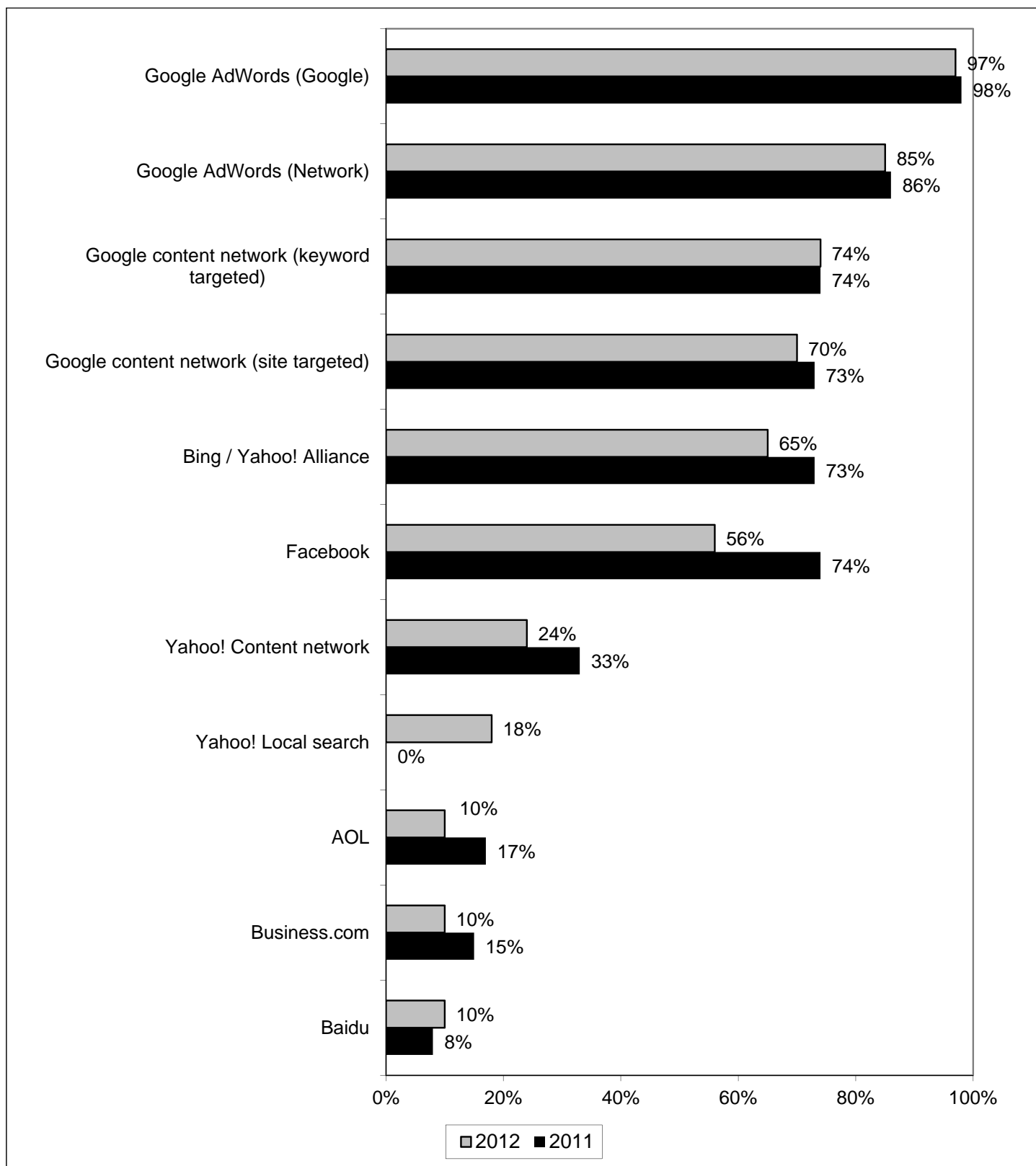
WHAT ARE THE THREE MOST IMPORTANT METRICS YOU USE FOR GAUGING THE SUCCESS OF PAID SEARCH MARKETING?



Source: SEMPO and Econsultancy, "State of Search Marketing Report 2012."

WEB PROPERTIES USED FOR PAID SEARCH ADVERTISING

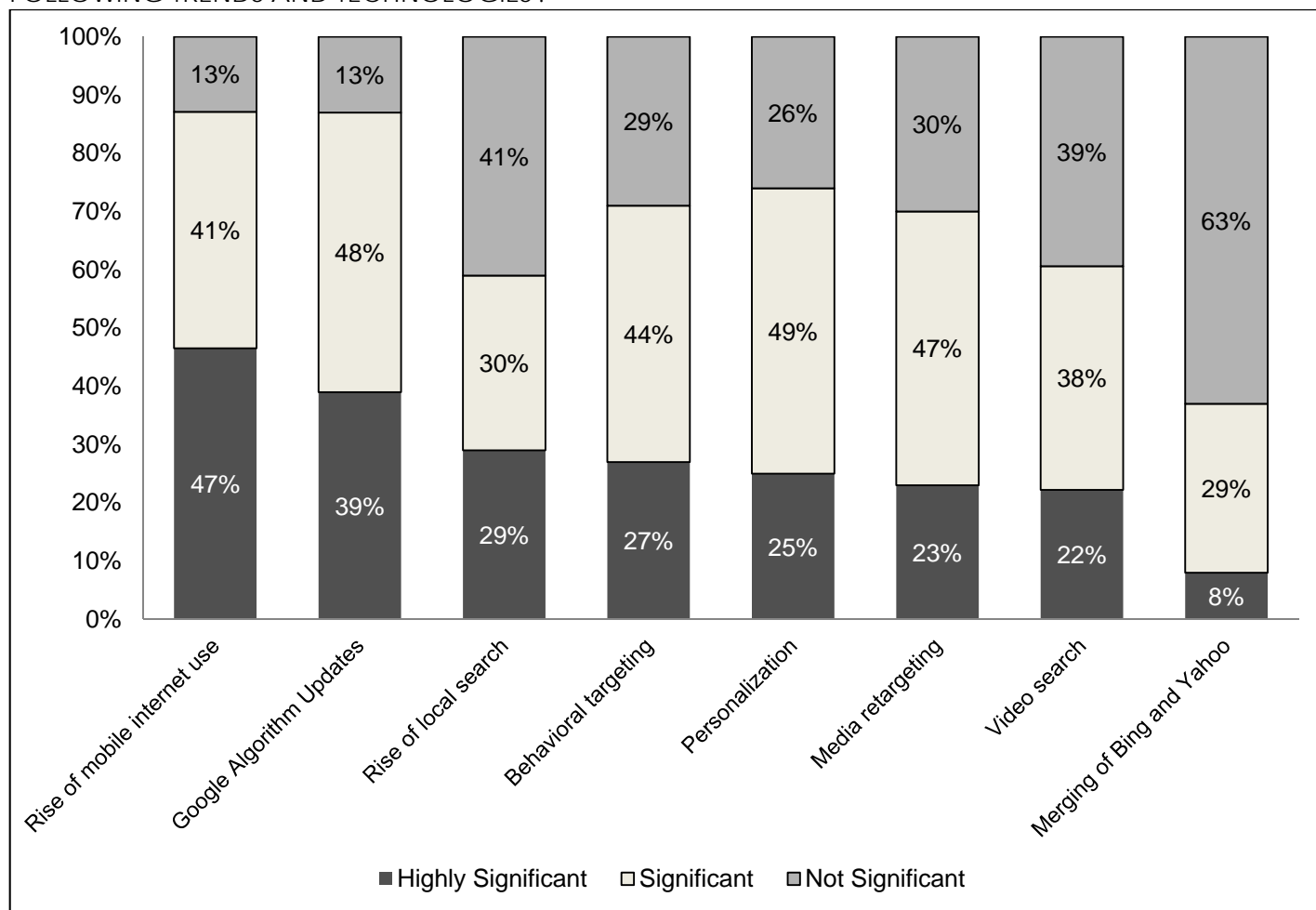
ON WHICH OF THE FOLLOWING WEB PROPERTIES DO YOU RUN PPC CAMPAIGNS?



Source: SEMPO and Econsultancy, "State of Search Marketing Report 2012."

IMPACTS OF TRENDS AND TECHNOLOGIES

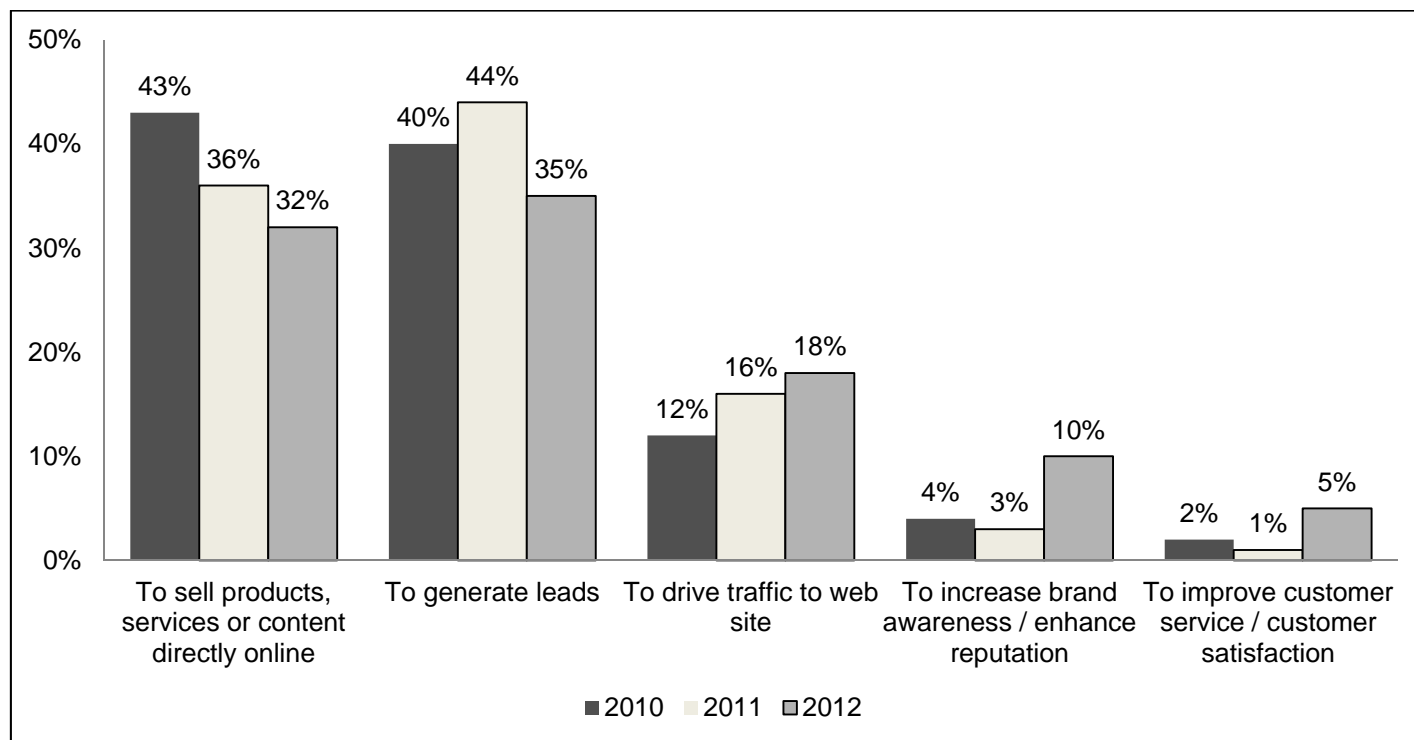
IN THE CONTEXT OF YOUR SEARCH MARKETING EFFORTS, HOW WOULD YOU DESCRIBE THE IMPACT OF THE FOLLOWING TRENDS AND TECHNOLOGIES?



Source: SEMPO and Econsultancy, "State of Search Marketing Report 2012."

OBJECTIVES FOR PAID SEARCH

WHAT IS THE MOST IMPORTANT OBJECTIVE YOUR CLIENTS ARE TRYING TO ACHIEVE THROUGH PAID SEARCH?



Source: SEMPO and Econsultancy, "State of Search Marketing Report 2012."

FAMILIARITY WITH SEARCH ENGINE MARKETING

	Very familiar*		Use always/often**	
	2010	2011	2010	2011
Pay per Click/Sponsored Links				
Marketers	63%	53%	59%	51%
Agencies	59%	59%	47%	42%
Search Engine Optimization				
Marketers	60%	58%	73%	65%
Agencies	46%	60%	49%	55%

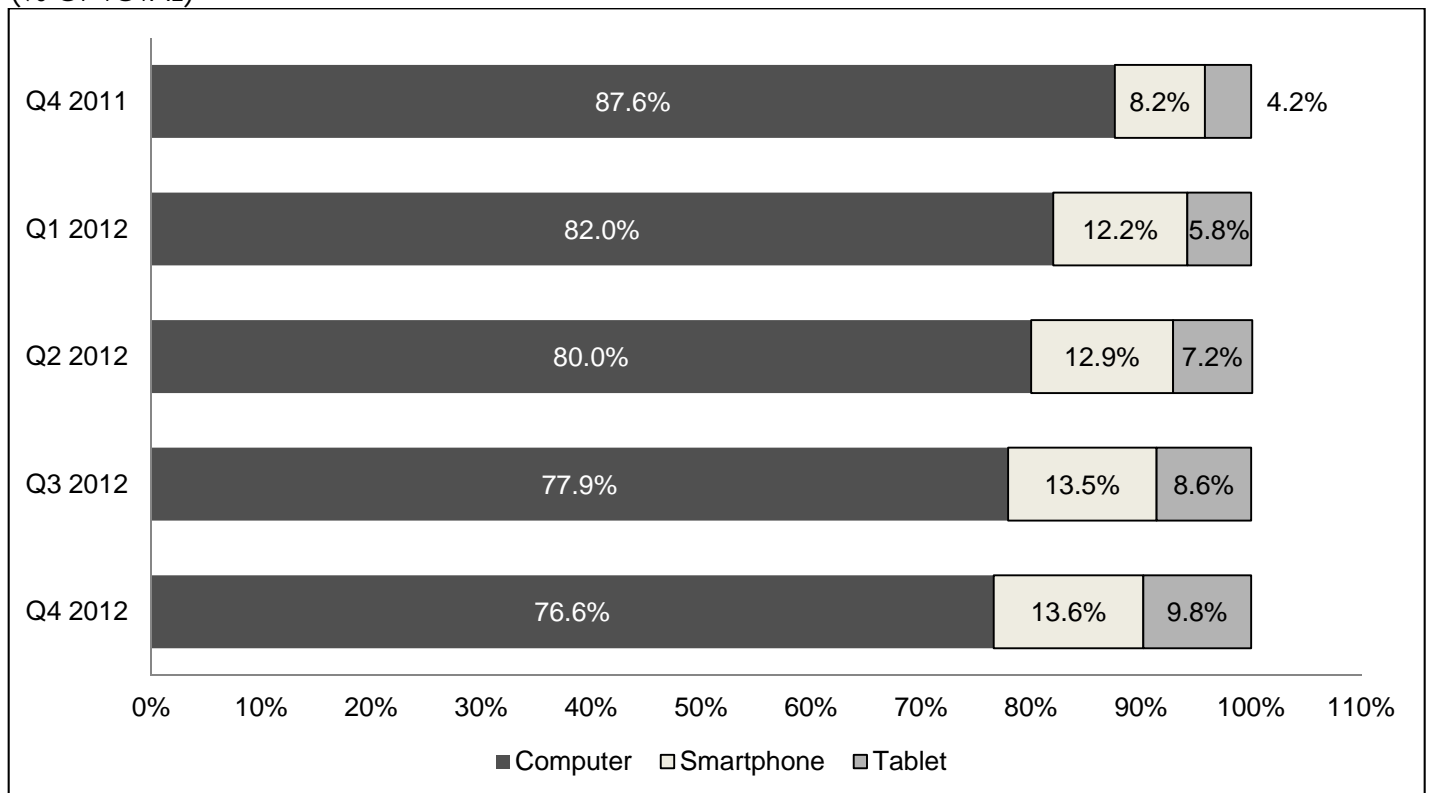
* Top 3 responses on a 10-point familiarity scale.

** Top 2 responses on a 5-point usage scale.

Source: DMA/Ipsos, "Digital Marketing: Navigating the Digital Labyrinth", 2012.

US PAID SEARCH CLICK SHARE, BY DEVICE, Q4 2011-Q4 2012

(% OF TOTAL)



Source: eMarketer, January, 2013.

INTERNET PAID SEARCH METRIC OVERVIEW

	Average	Number of Campaigns
TOTAL		
Click rate	3.88%	43
Conversion rate (per click)	5.80%	37
Cost per click	\$3.05	42
ROI (median)	6.80	33
B-TO-C		
Click rate	2.97%	20
Conversion rate (per click)	5.72%	12
Cost per click	\$1.69	20
ROI (median)	5.90	12
B-TO-B		
Click rate	2.94%	16
Conversion rate (per click)	3.86%	15
Cost per click	\$2.21	17
ROI (median)	5.00	17
DIRECT SALE		
Click rate	3.74%	30
Conversion rate (per click)	6.88%	28
Cost per click	\$3.67	26
ROI (median)	6.40	22
LEAD GENERATION		
Click rate	4.12%	17
Conversion rate (per click)	3.56%	15
Cost per click	\$2.03	18
ROI (median)	6.80	11

Source: DMA, "Response Rate 2012 Report."

EMAIL

CHAPTER HIGHLIGHTS

- There will be 216 million email users in 2013.
- The consulting, transportation, and wholesale industries have the highest average click-through rates among industries, each of which on average getting about 3.5%.
- Emails with a subject line with 28 – 39 characters have the highest click rates (4.0%).
- The largest portion (31%) of email marketing budgets goes to Email Service Providers.
- ROI and conversion rate are the two leading financial metrics companies use to judge email effectiveness.
- On average, consumers spend \$97.39 per order on their smartphone.
- 88% of people check their email via a mobile phone daily.
- Two-thirds of respondents report that they integrate website content targeting with email marketing activity.

HOUSEHOLD EMAIL CAPABILITY BY INCOME

ENTRY OVERVIEW (PERCENTAGE OF HOUSEHOLDS) POSTAL FISCAL YEARS 2010 AND 2011

Capability	Under \$7K		\$7K–\$9.9K		\$10K–\$14.9K		\$15K–\$19.9K	
	2010	2011	2010	2011	2010	2011	2010	2011
Have Personal Computer	34.2	56.6	28.0	44.7	34.5	45.6	43.1	52.4
Have Dial-Up Access	7.8	3.2	3.6	3.8	6.0	3.3	7.8	4.7
Have Broadband Access	24.7	41.6	23.0	30.3	27.9	45.6	33.7	42.5

Capability	\$20K–\$24.9K		\$25K–\$34.9K		\$35K–\$49.9K		\$50K–\$64.9K	
	2010	2011	2010	2011	2010	2011	2010	2011
Have Personal Computer	56.8	69.4	64.6	75.8	79.1	81.1	84.4	86.8
Have Dial-Up Access	8.8	4.7	5.9	3.7	8.9	3.1	7.4	4.4
Have Broadband Access	44.9	55.3	56.3	65.2	65.7	71.0	74.2	75.4

Capability	\$65K–\$79.9K		\$80K–\$99.9K		\$100K–Over	
	2010	2011	2010	2011	2010	2011
Have Personal Computer	90.8	92.6	93.2	95.9	96.7	97.4
Have Dial-Up Access	7.4	3.0	4.3	3.1	2.2	1.2
Have Broadband Access	80.9	84.5	87.2	86.7	93.2	91.3

Note: Broadband access includes any form of Internet access other than dial-up.

Source: USPS Household Diary Study, 2012.

HOUSEHOLD EMAIL CAPABILITY BY AGE OF HOUSEHOLD

ENTRY OVERVIEW (PERCENTAGE OF HOUSEHOLDS) POSTAL FISCAL YEARS 2010 AND 2011

Capability	18–21		22–24		25–34		35–44		45–54	
	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011
Have Personal Computer	81.6	84.3	81.1	87.1	89.9	94.4	89.7	89.4	83.9	85.8
Have Dial-Up Access	2.0	0.0	2.0	1.0	3.8	1.4	4.8	2.5	5.7	4.0
Have Broadband Access	70.7	63.2	78.3	63.1	84.4	83.2	82.8	81.1	75.9	76.0

Capability	55–64		65–69		70–74		75+	
	2010	2011	2010	2011	2010	2011	2010	2011
Have Personal Computer	79.4	79.1	71.0	68.1	60.2	60.4	42.3	44.0
Have Dial-Up Access	7.0	3.9	7.7	4.0	7.1	5.3	6.2	4.2
Have Broadband Access	70.0	70.1	60.2	58.3	49.9	52.3	31.2	32.7

Note: Broadband access includes any form of Internet access other than dial-up

Source: USPS Household Diary Study, 2012.

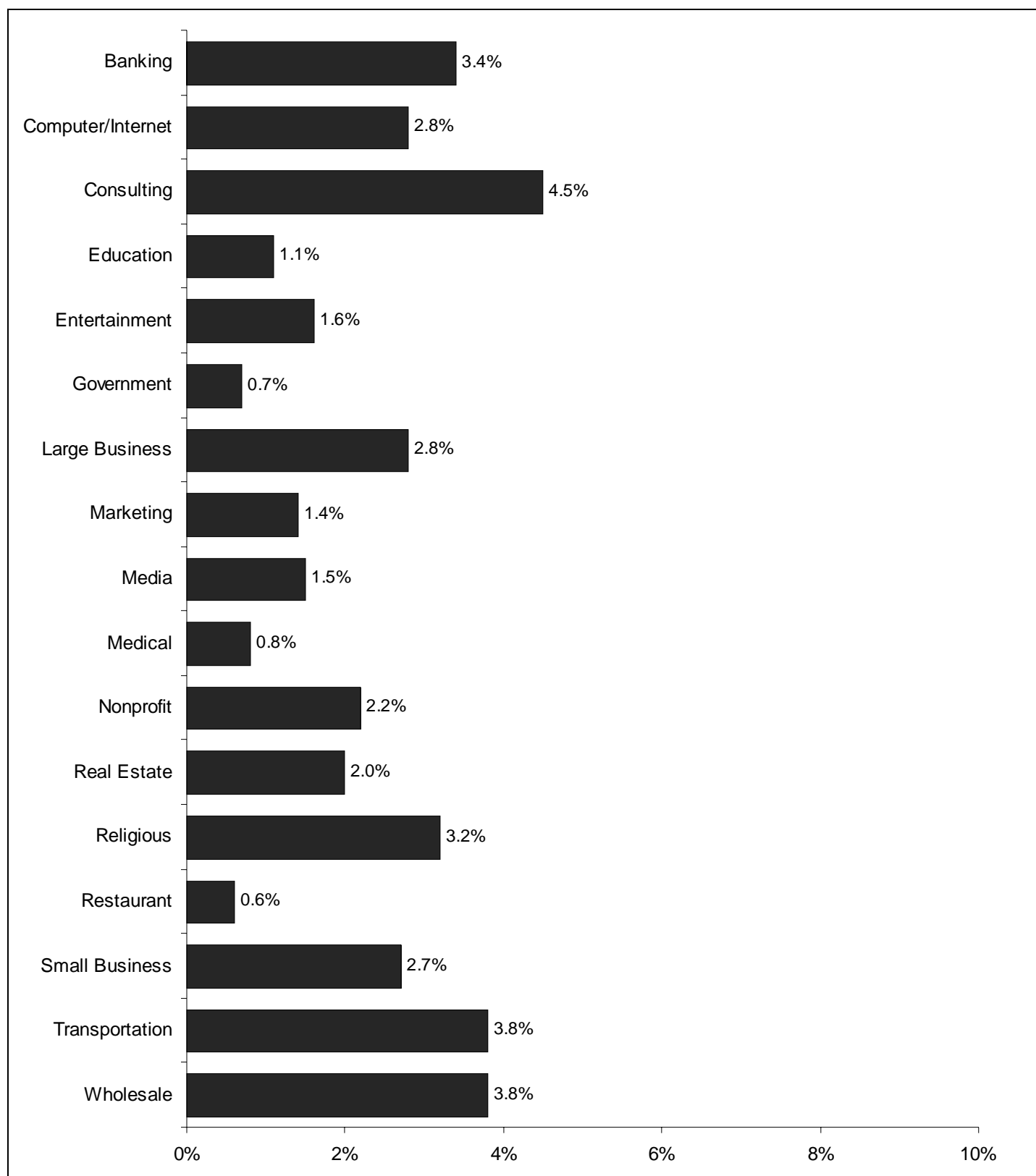
US EMAIL USERS, 2012–2017

	2012	2013	2014	2015	2016	2017
Email users (In Millions)	210.7	216.6	222.9	227.8	232.5	236.8
% change	2.6%	2.8%	2.9%	2.2%	2.1%	1.8%
% of population	67.1%	68.4%	69.9%	70.9%	71.8%	72.6%
% of internet users	88.7%	89.0%	89.6%	89.6%	90.0%	90.4%

Note: Internet users who send an email at least once per month.

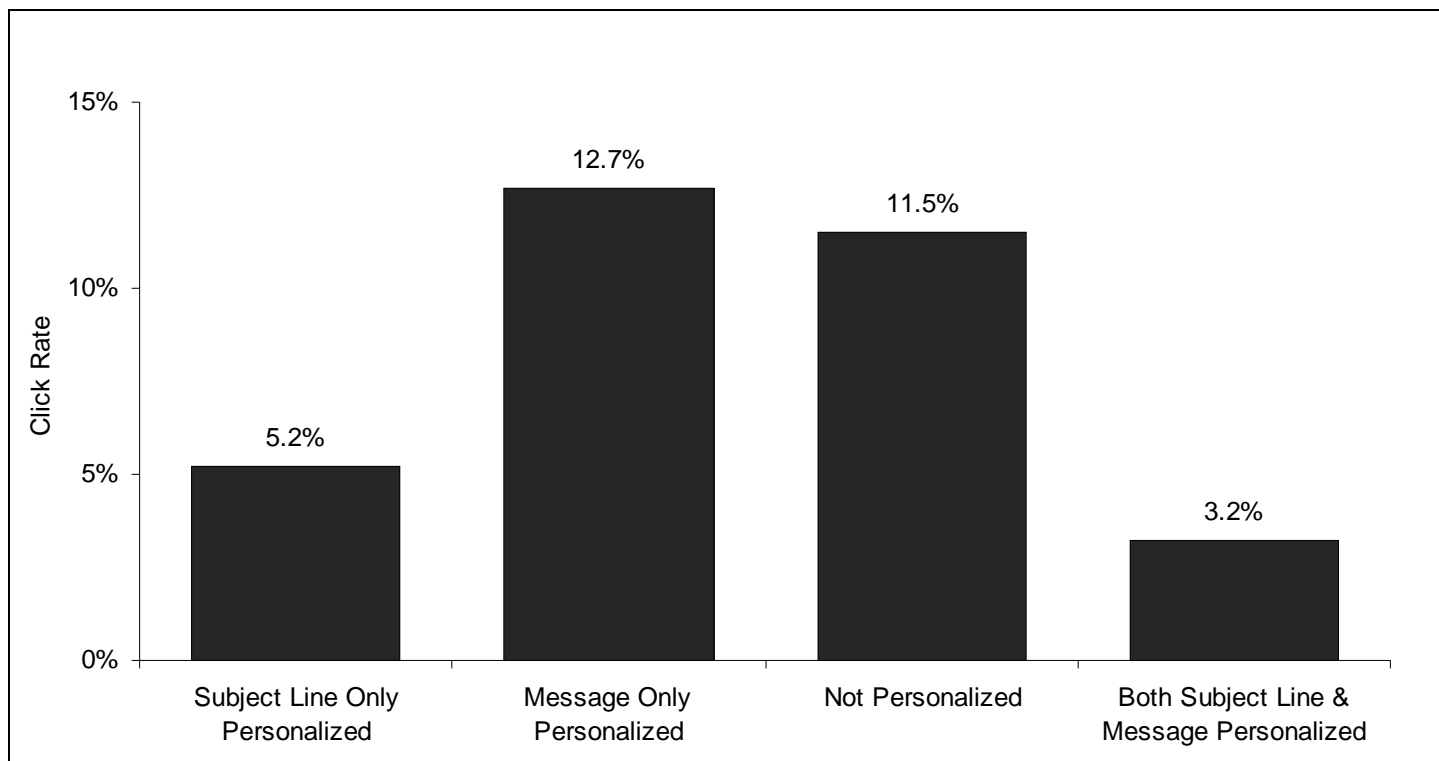
Source: eMarketer, February 2013.

CLICK RATES BY INDUSTRY



Source: MailerMailer LLC, 2012.

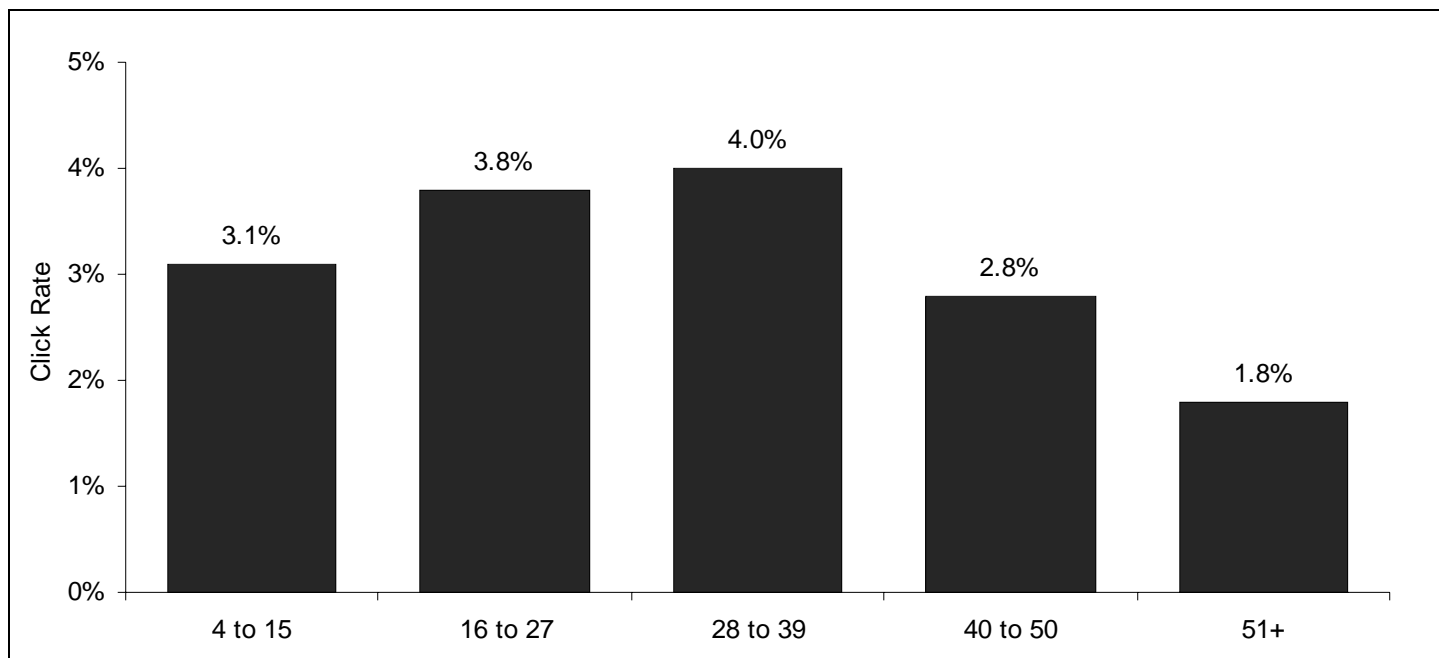
CLICK RATES BY PERSONALIZATION



Source: MailerMailer LLC, 2012.

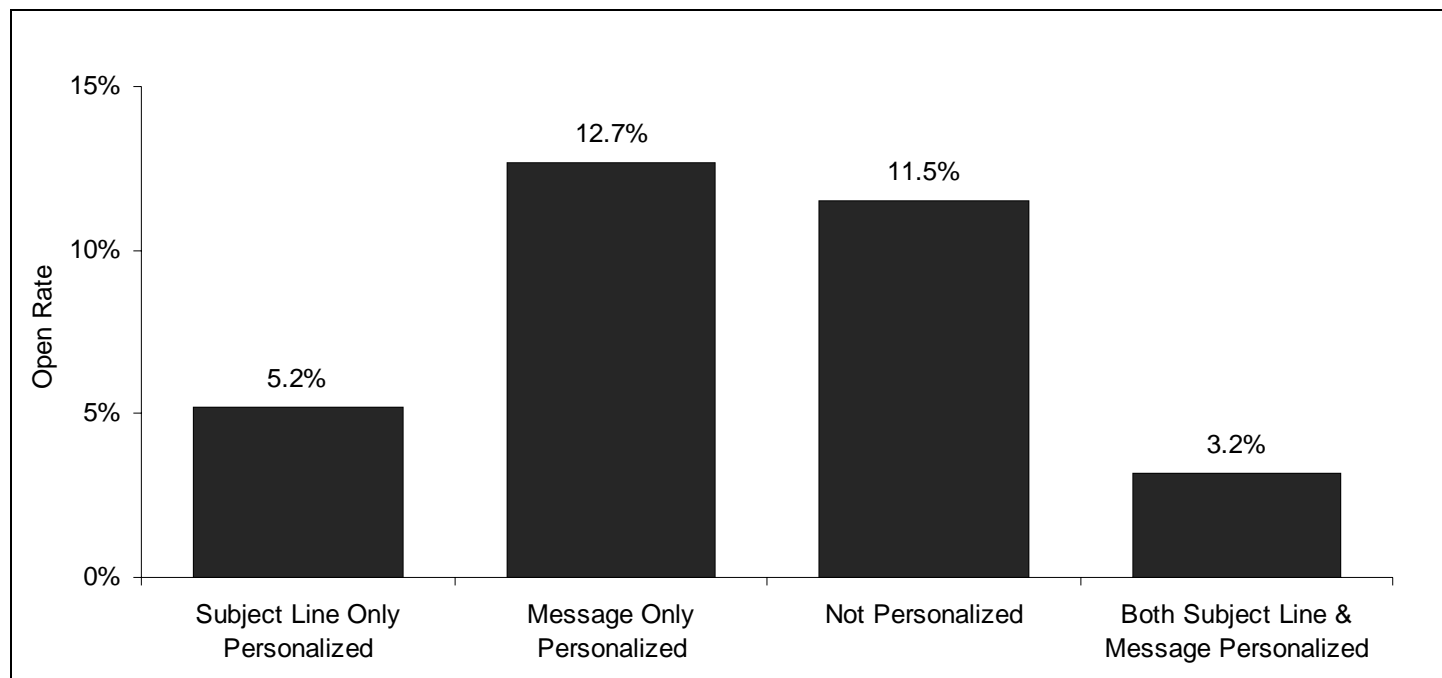
CLICK RATES BY SUBJECT LINE LENGTH

(In Characters)



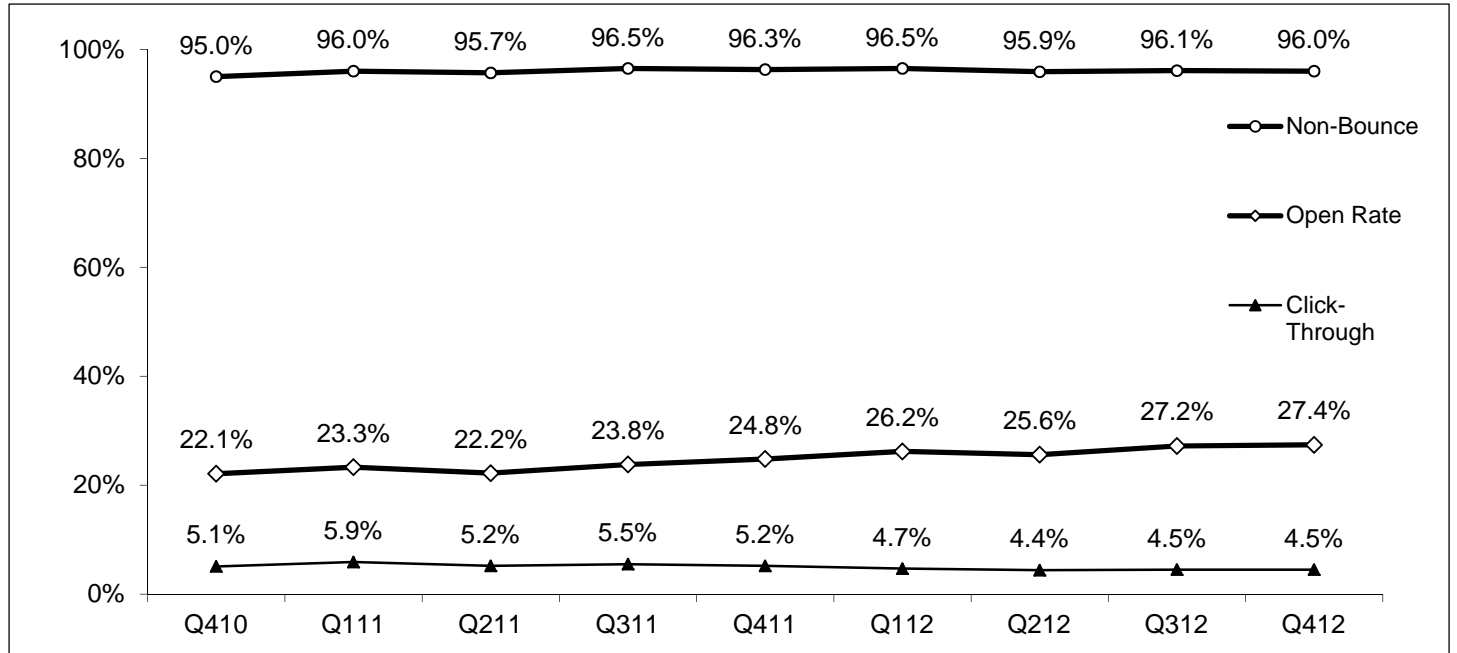
Source: MailerMailer LLC, 2012.

OPEN RATES BY PERSONALIZATION



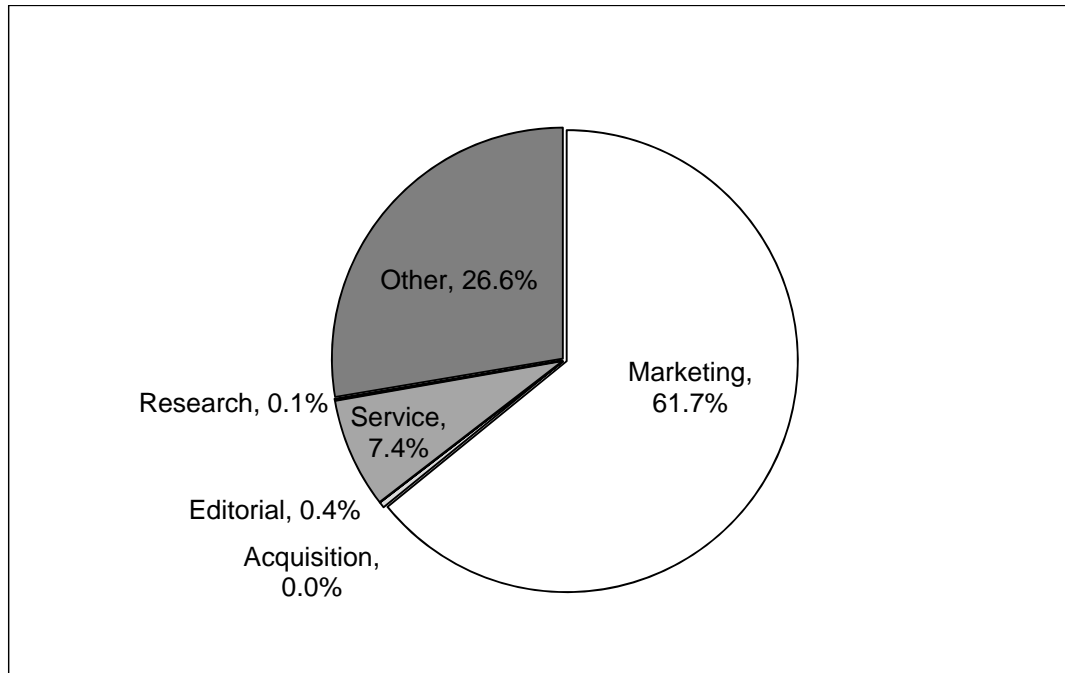
Source: MailerMailer LLC, 2012.

NON-BOUNCE, OPEN AND CLICK RATES



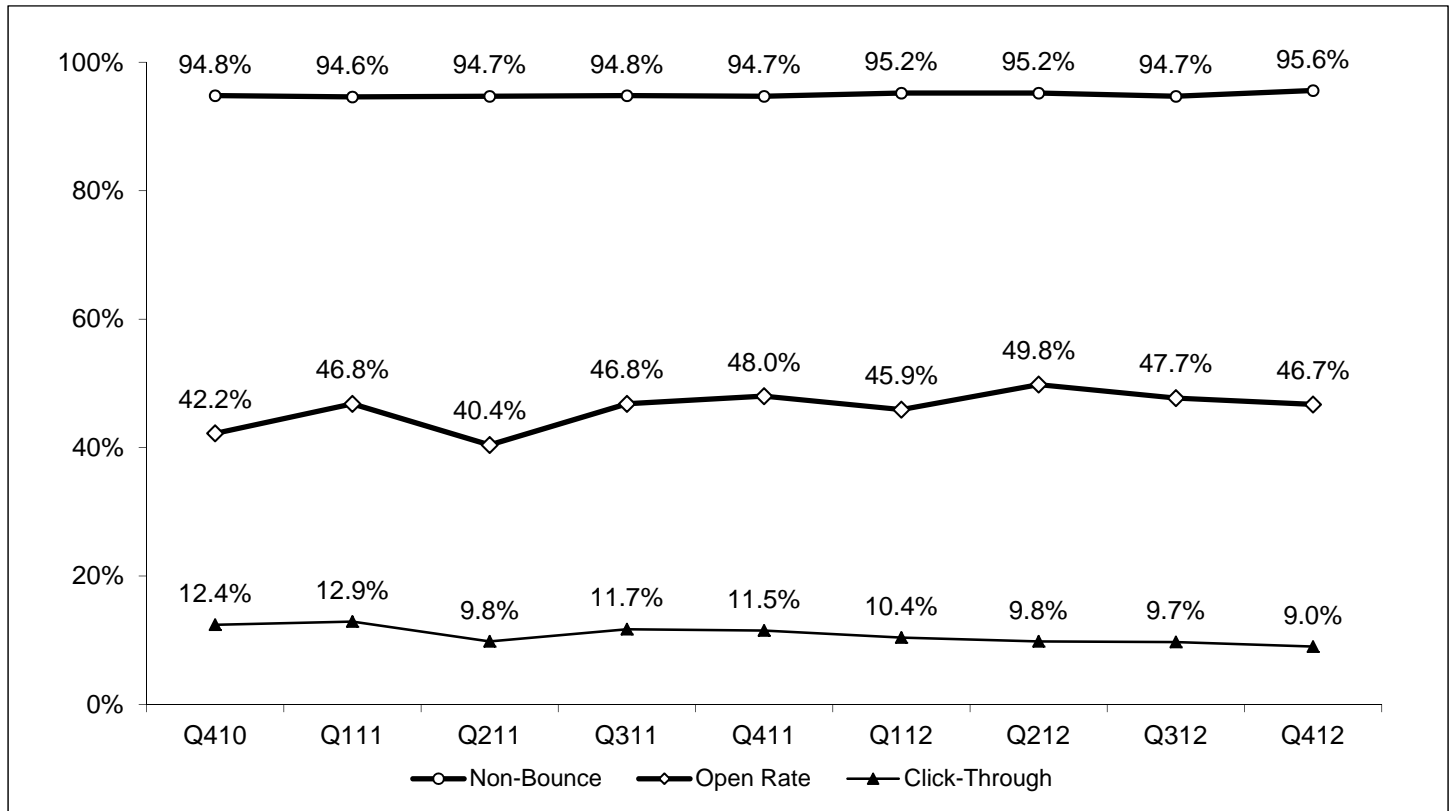
Source: Epsilon, “Q4 2012 Email Trends and Benchmarks Study,” 2013.

TYPES OF EMAIL MESSAGES DELIVERED FOR COMPANIES IN Q4 2012



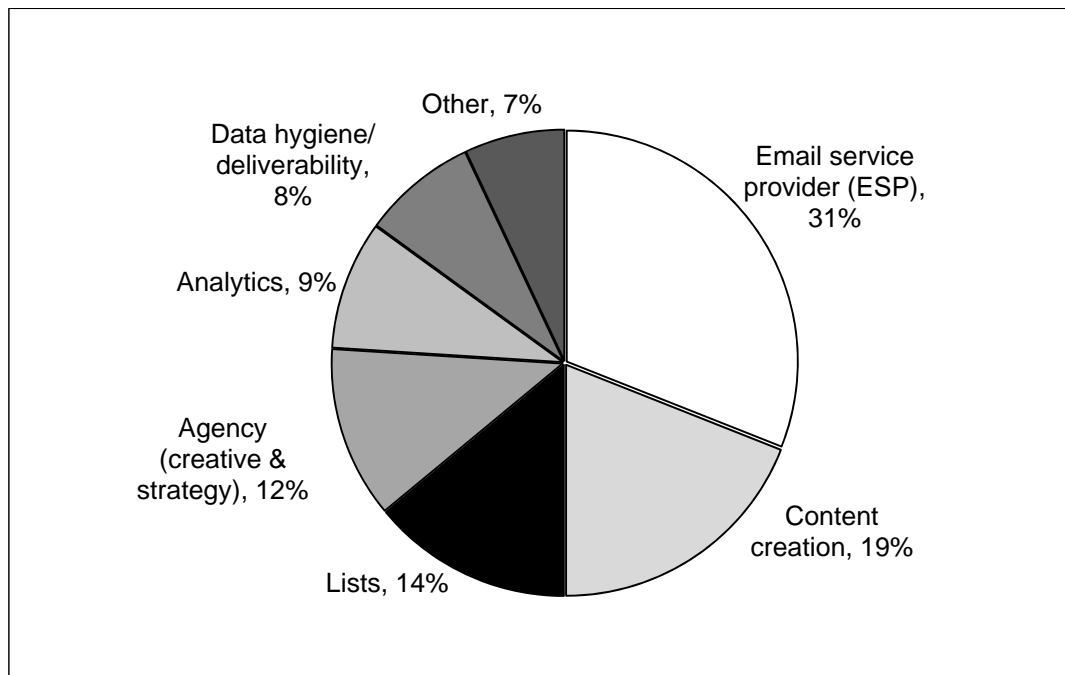
Source: Epsilon, “Q4 2012 Email Trends and Benchmarks,” 2013.

OVERALL TRIGGERED MESSAGE PERFORMANCE



Source: Epsilon, "Q4 2012 Email Trends and Benchmarks," 2013.

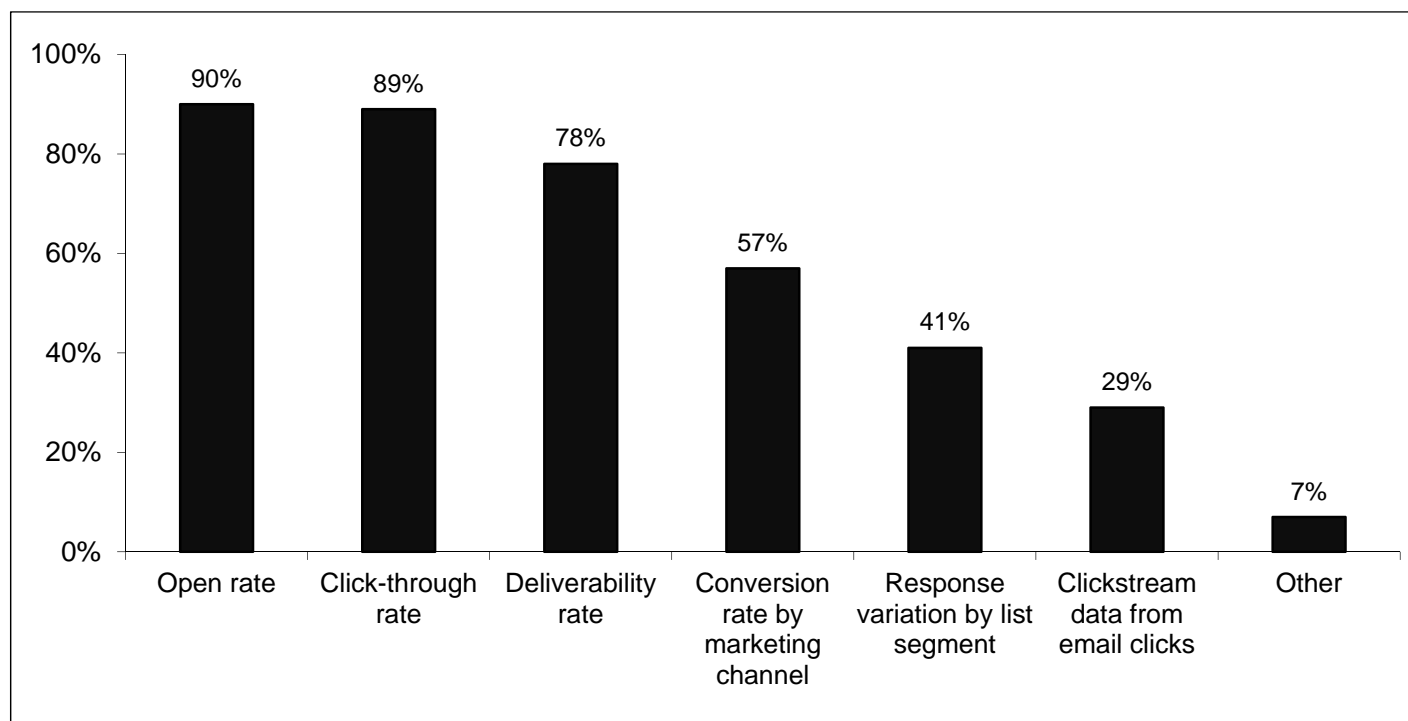
EMAIL BUDGET DISTRIBUTION



Source: DMA and Econsultancy, "2012 Email in Action."

EMAIL METRICS TRACKED

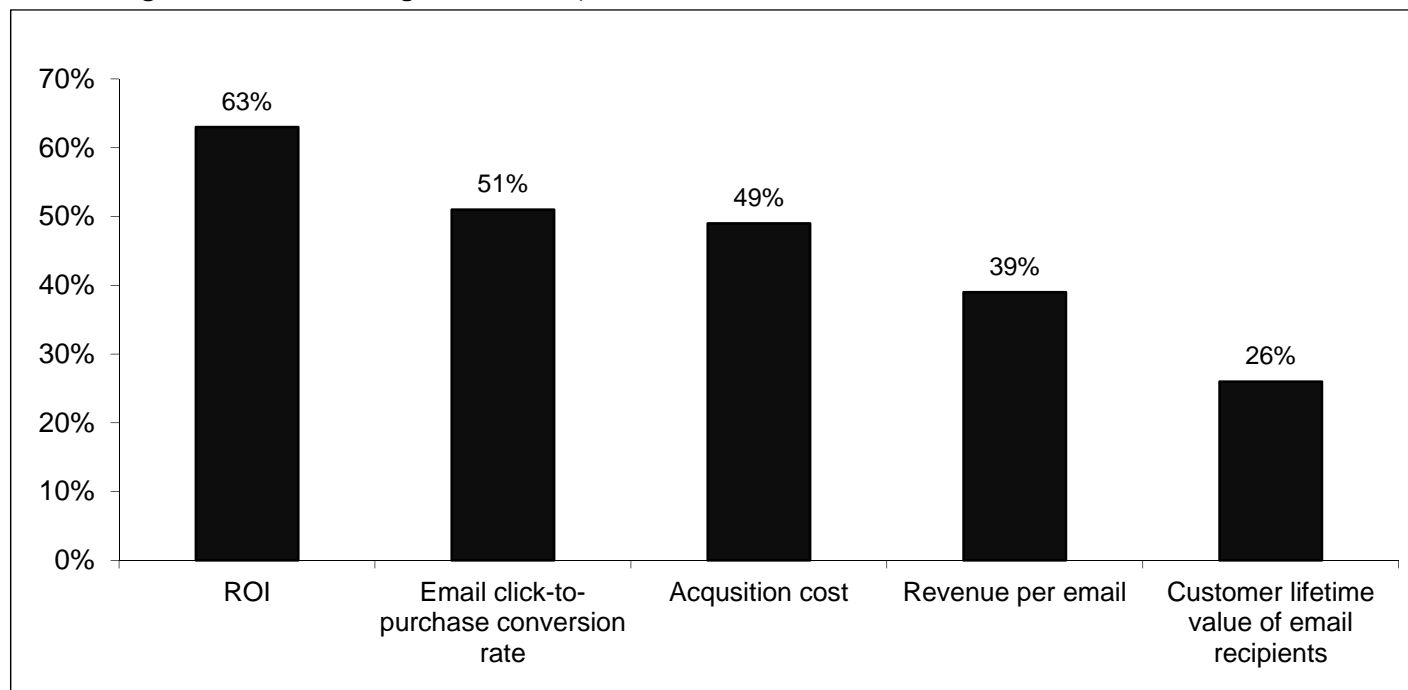
(Percentage of Marketers Using Each Metric)



Source: DMA and Econsultancy, "2012 Email in Action."

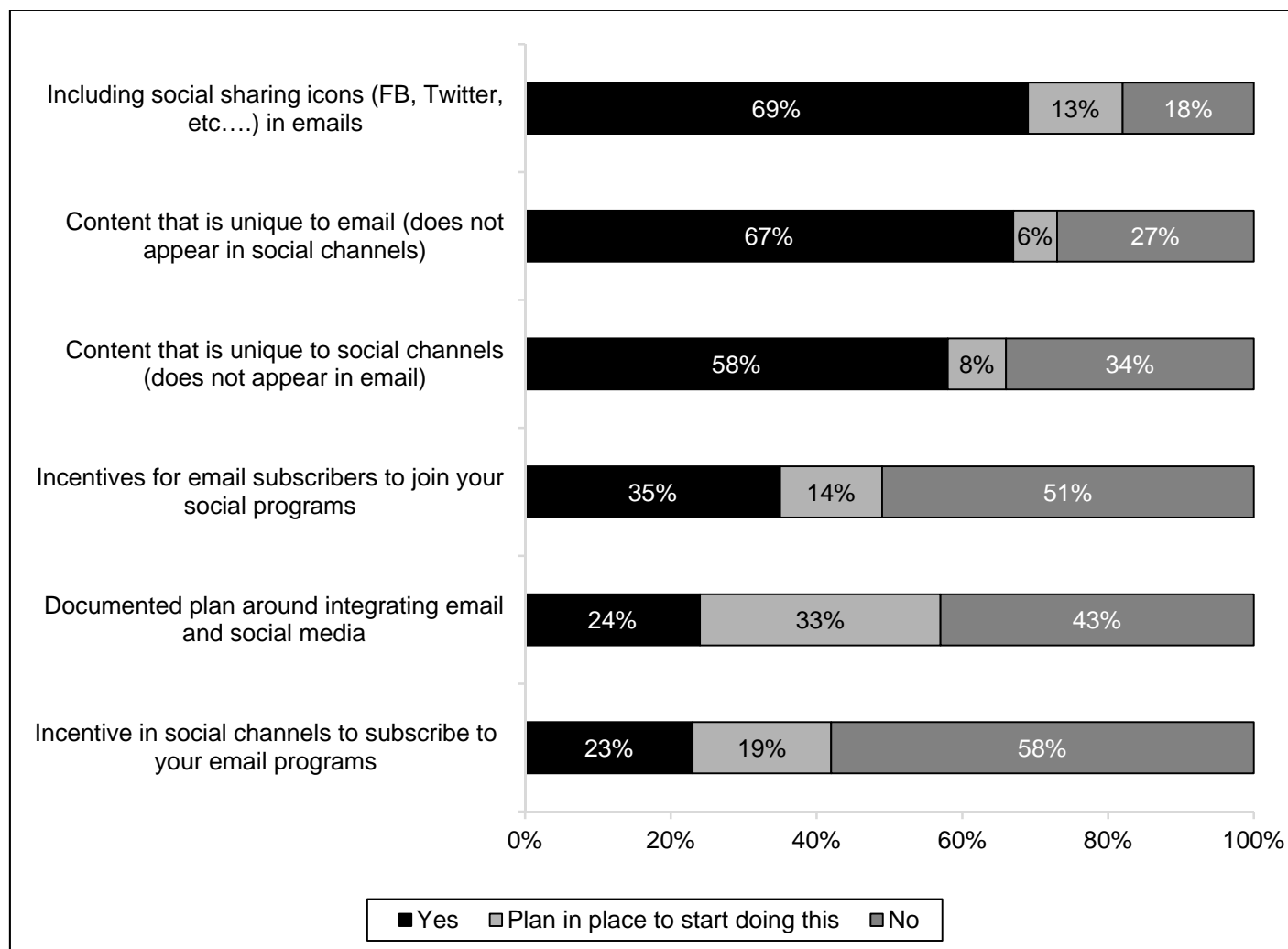
FINANCIAL METRICS TRACKED

(Percentage of Marketers Using Each Metric)



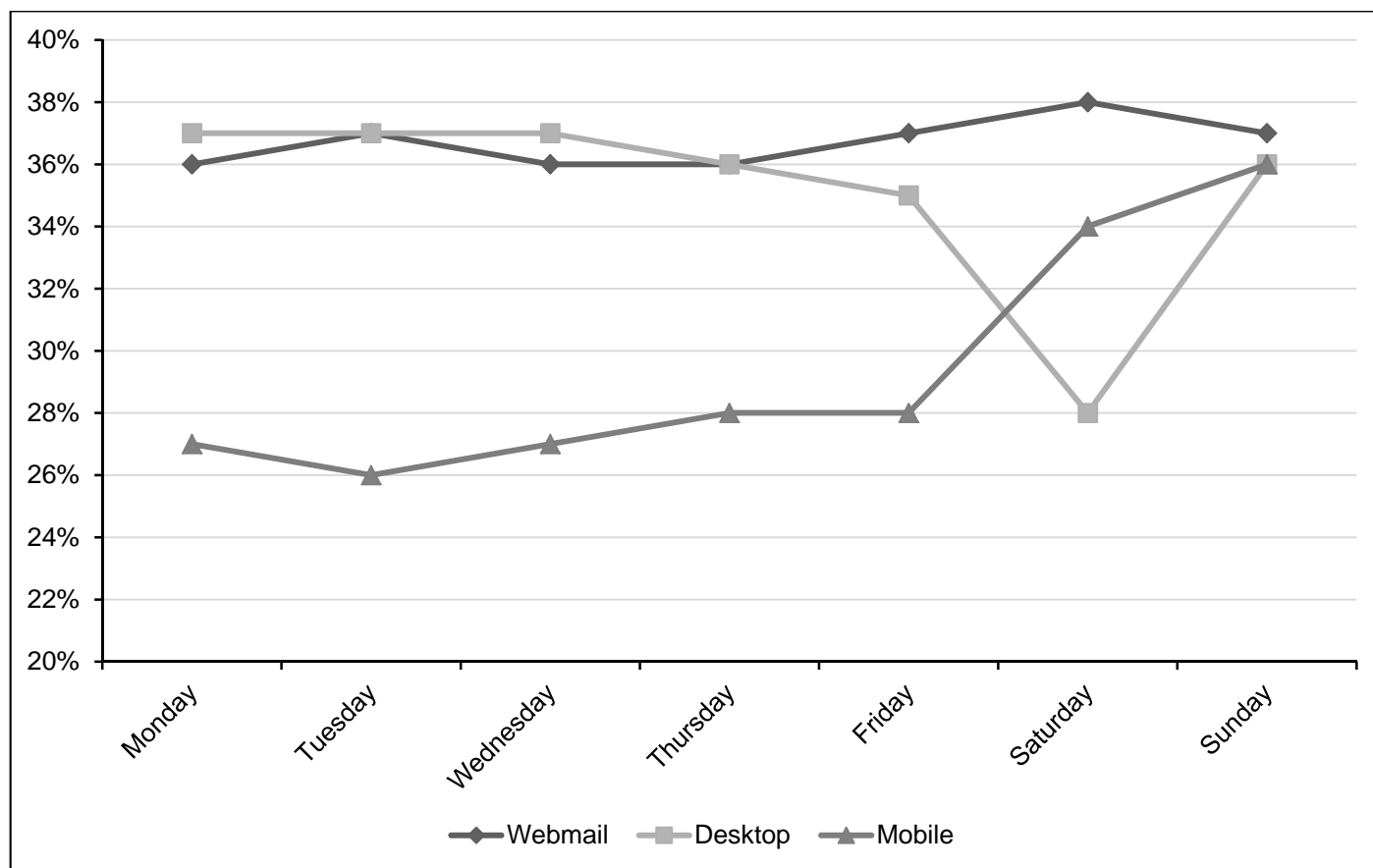
Source: DMA and Econsultancy, "2012 Email in Action."

SOCIAL AND EMAIL INTEGRATION



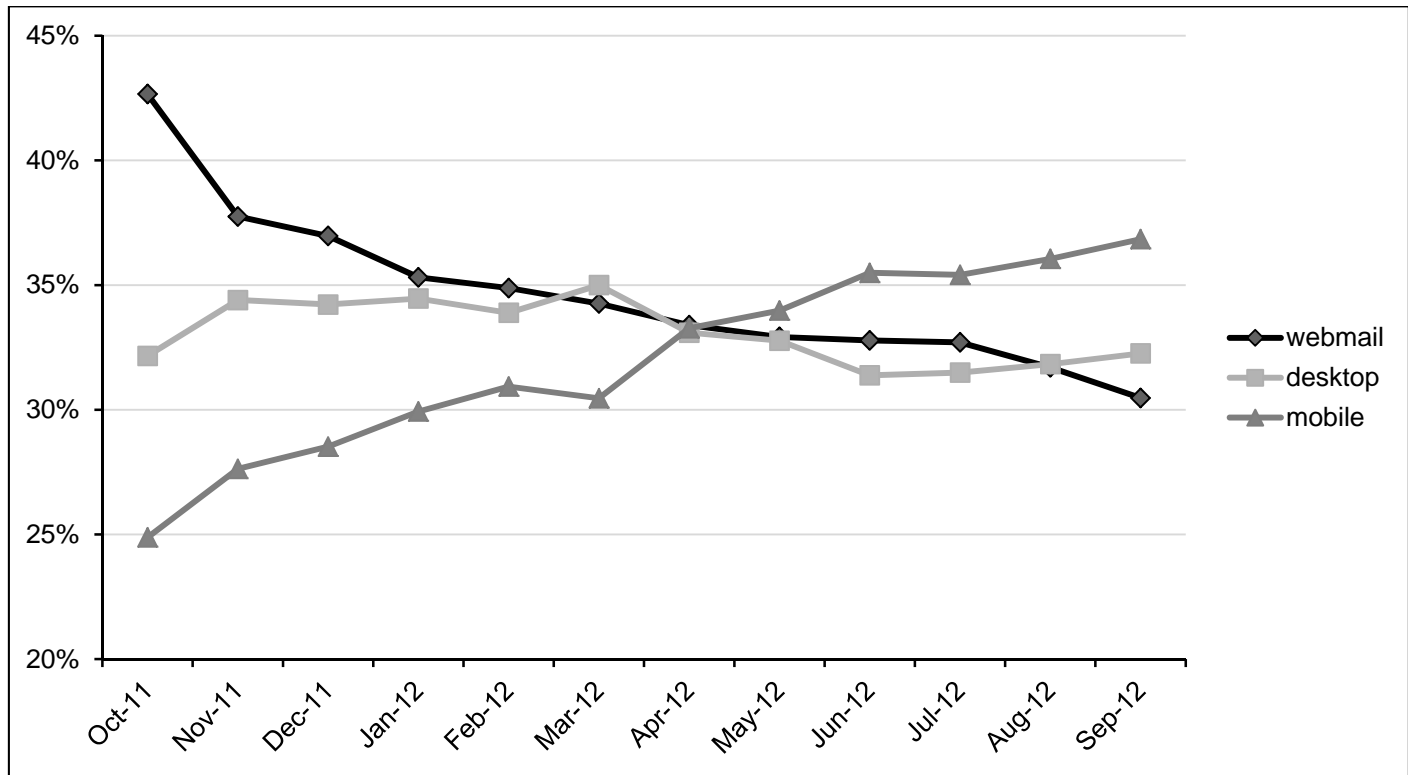
Source: Econsultancy and DMA, “2012 Email in Action.”

HOW DAY OF WEEK AFFECTS WHERE EMAIL IS VIEWED



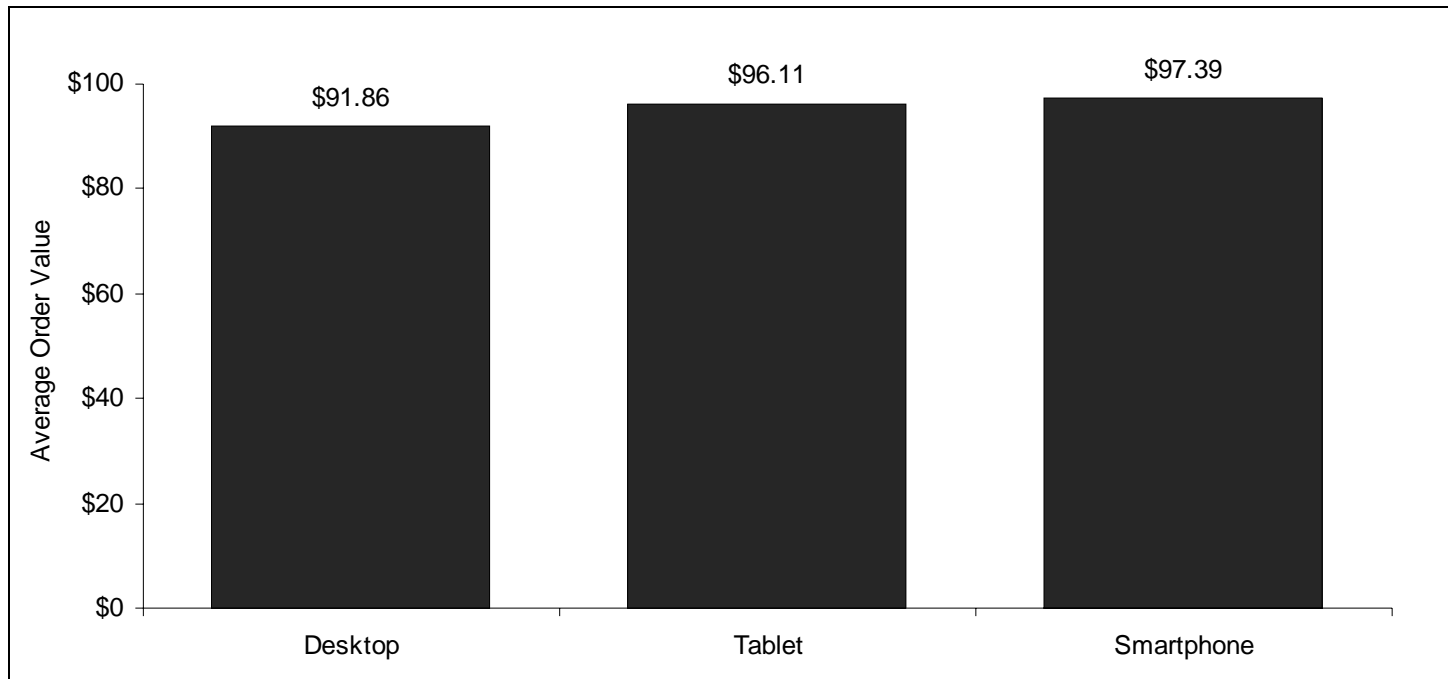
Source: Return Path., 2013.

OPEN RATES BY PLATFORM



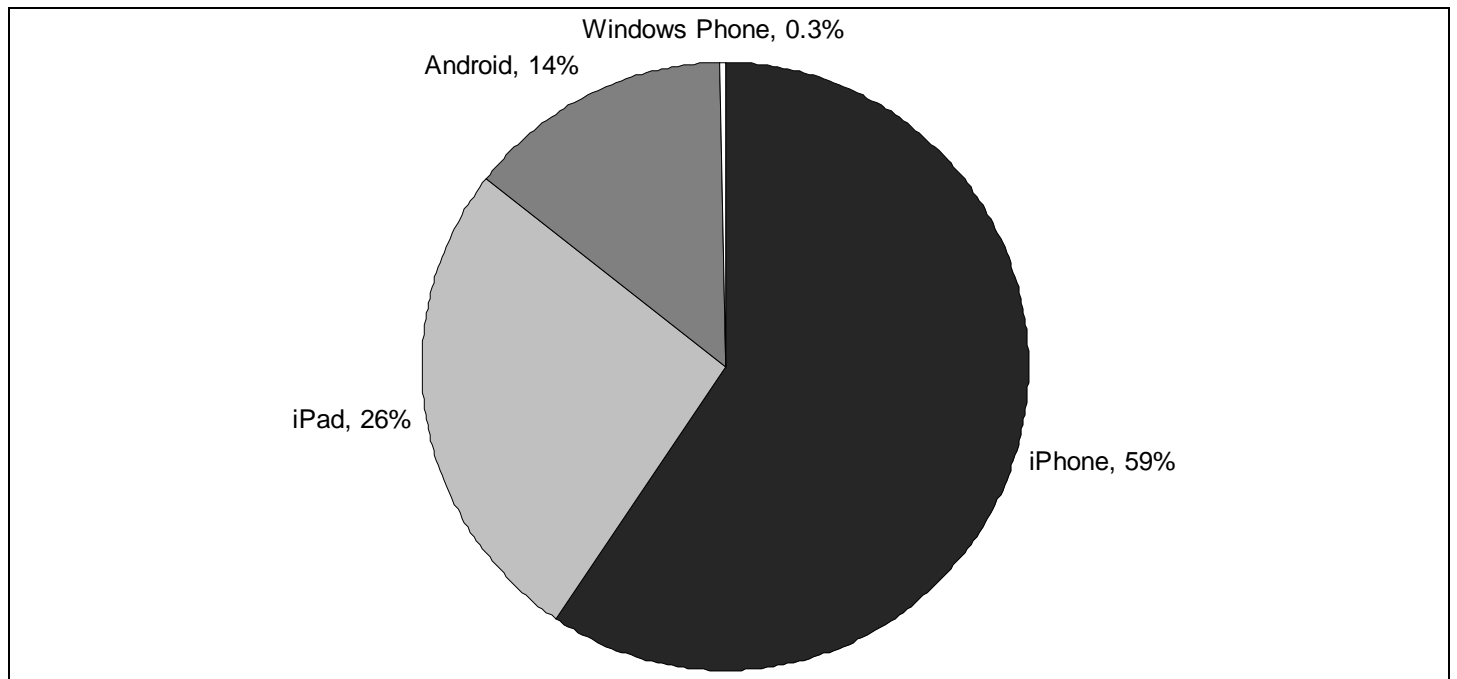
Source: Return Path., 2013.

AVERAGE ORDER VALUE BY DEVICE



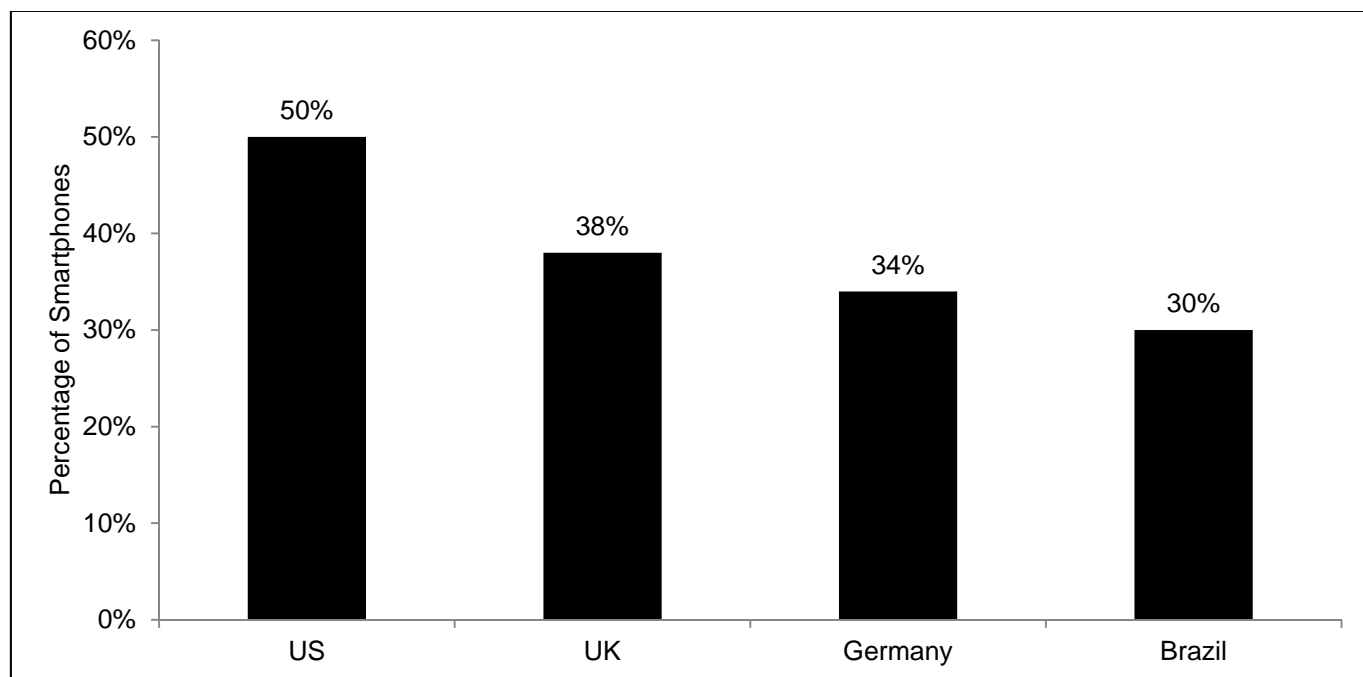
Source: Return Path., 2013.

OPEN RATE SHARE BY MOBILE DEVICE



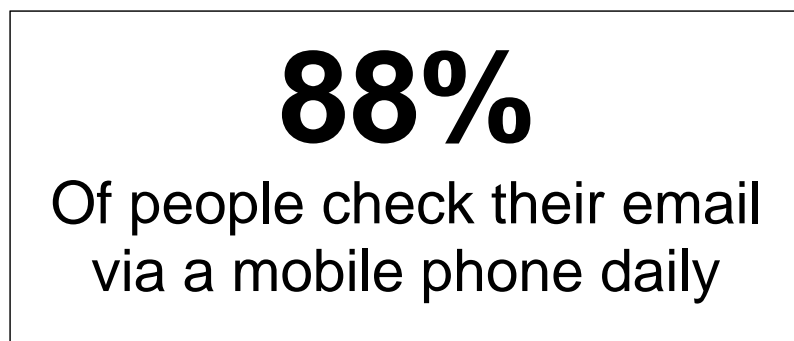
Source: Return Path., 2013.

SMARTPHONE PENETRATION ACROSS THE GLOBE



Source: Return Path., 2013.

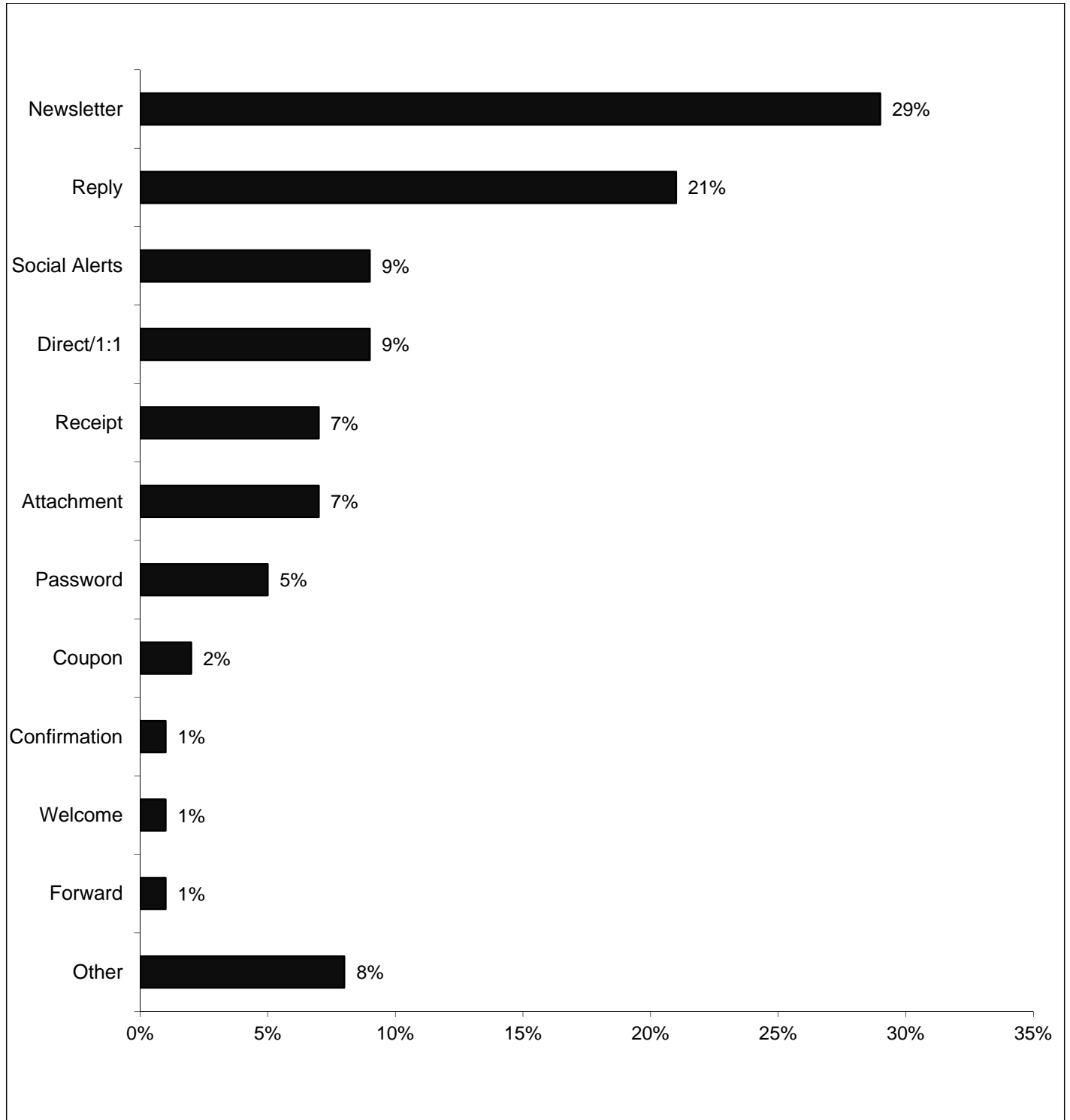
USE OF EMAIL VIA MOBILE PHONES



Source: Return Path., 2013.

PERCENTAGE OF EMAIL VOLUME

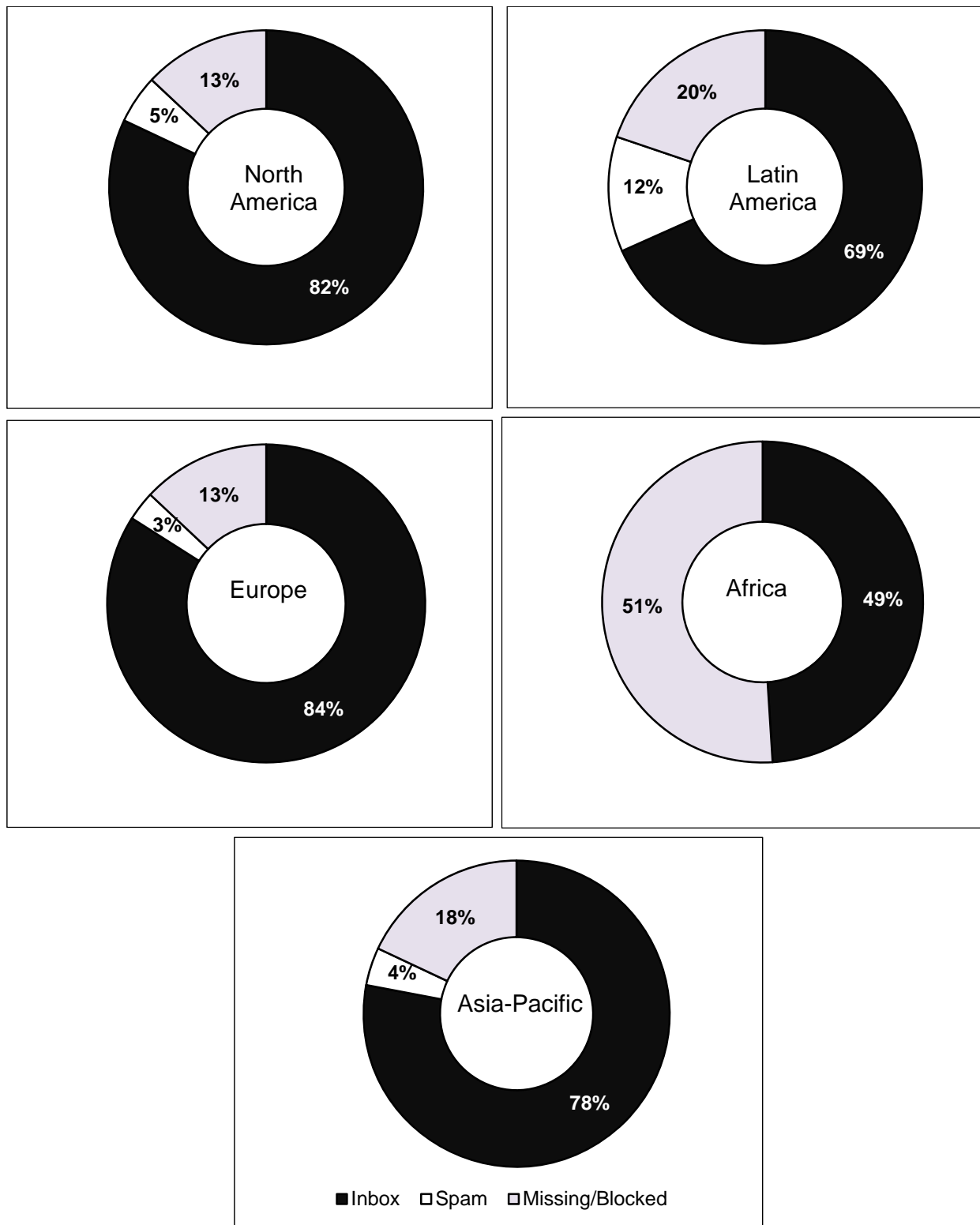
Marketers represent .03% of all unique domains seen by ISPs, but make up 18% of total email volume. Why so much email? There's one easy answer: Despite the talk of email overload and email being a productivity killer, consumers really do want it, and continue to sign up for email offers and mailing lists.



Source: Return Path, "Email Intelligence Report," Q3 2012.

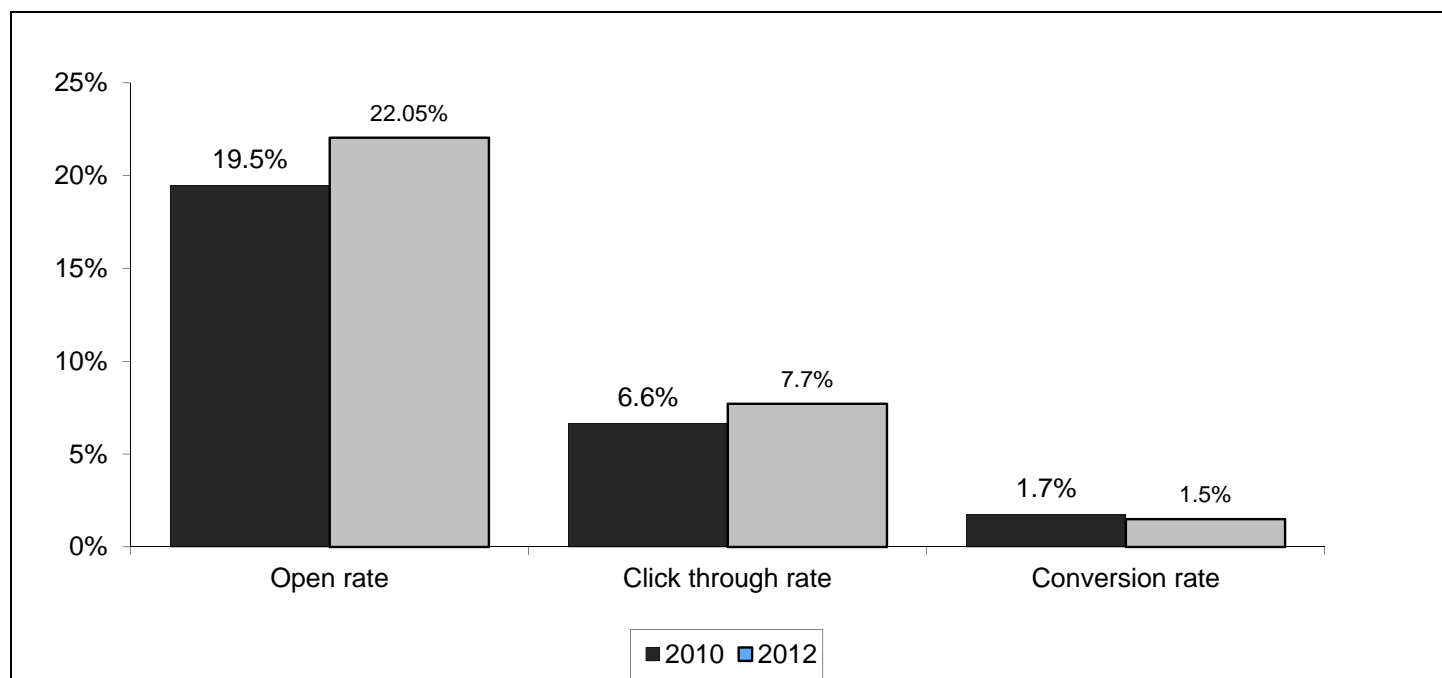
INBOX PLACEMENT BENCHMARK, Q3 2012

Once a marketer's email has been reported as spam or is caught in spam traps, that marketer is on the way to an email sender reputation problem. That in turn will lead to deliverability problems. As can be seen below, those deliverability problems are keeping 16% or more of commercial email from reaching the inbox in every region of the globe, based on data from 241 ISPs.



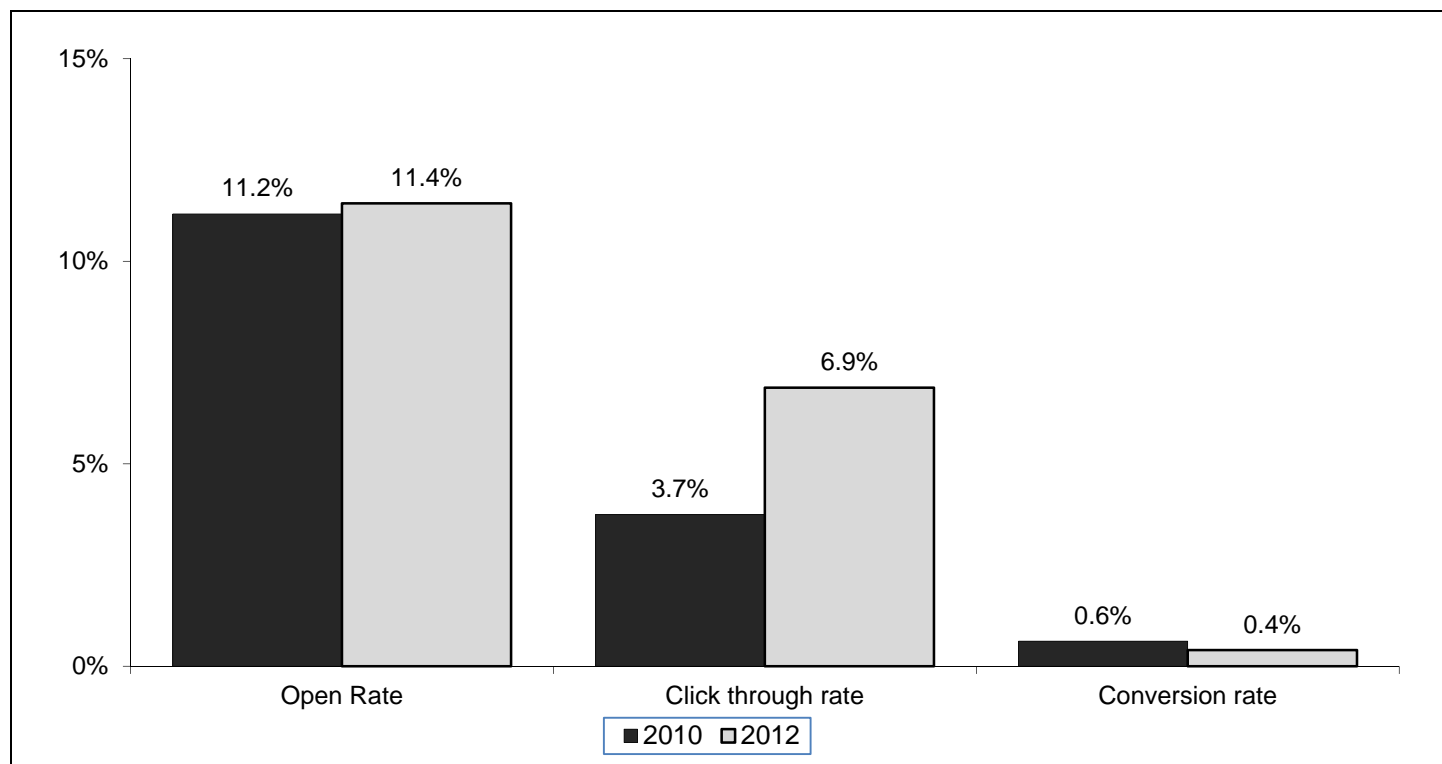
Source: Return Path, "Email Intelligence Report," Q3 2012.

EMAIL CONVERSION RATES 2010 & 2012 FOR HOUSE LISTS



Source: DMA "Response Rate 2012 Report."

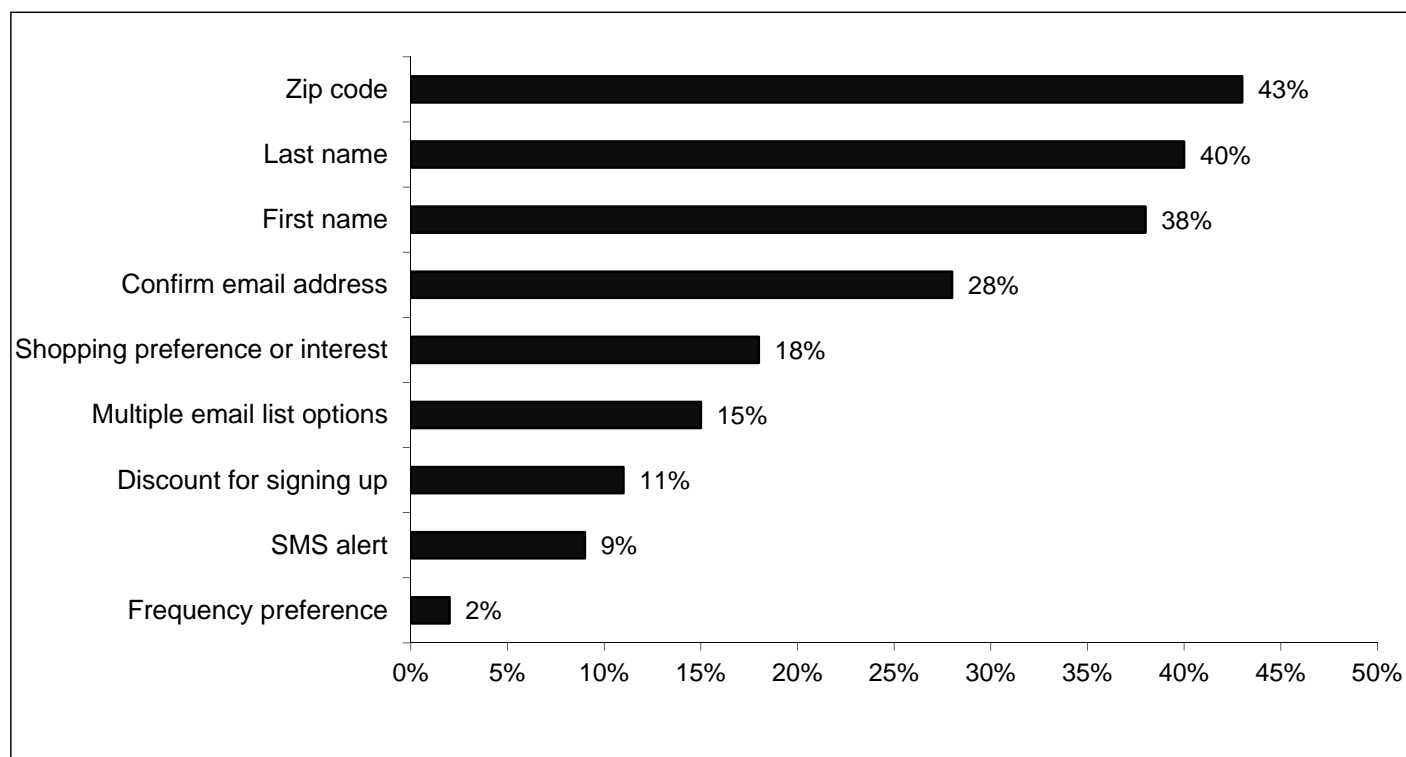
EMAIL CONVERSION RATES 2010 & 2012 FOR PROSPECT LISTS



Source: DMA "Response Rate 2012 Report."

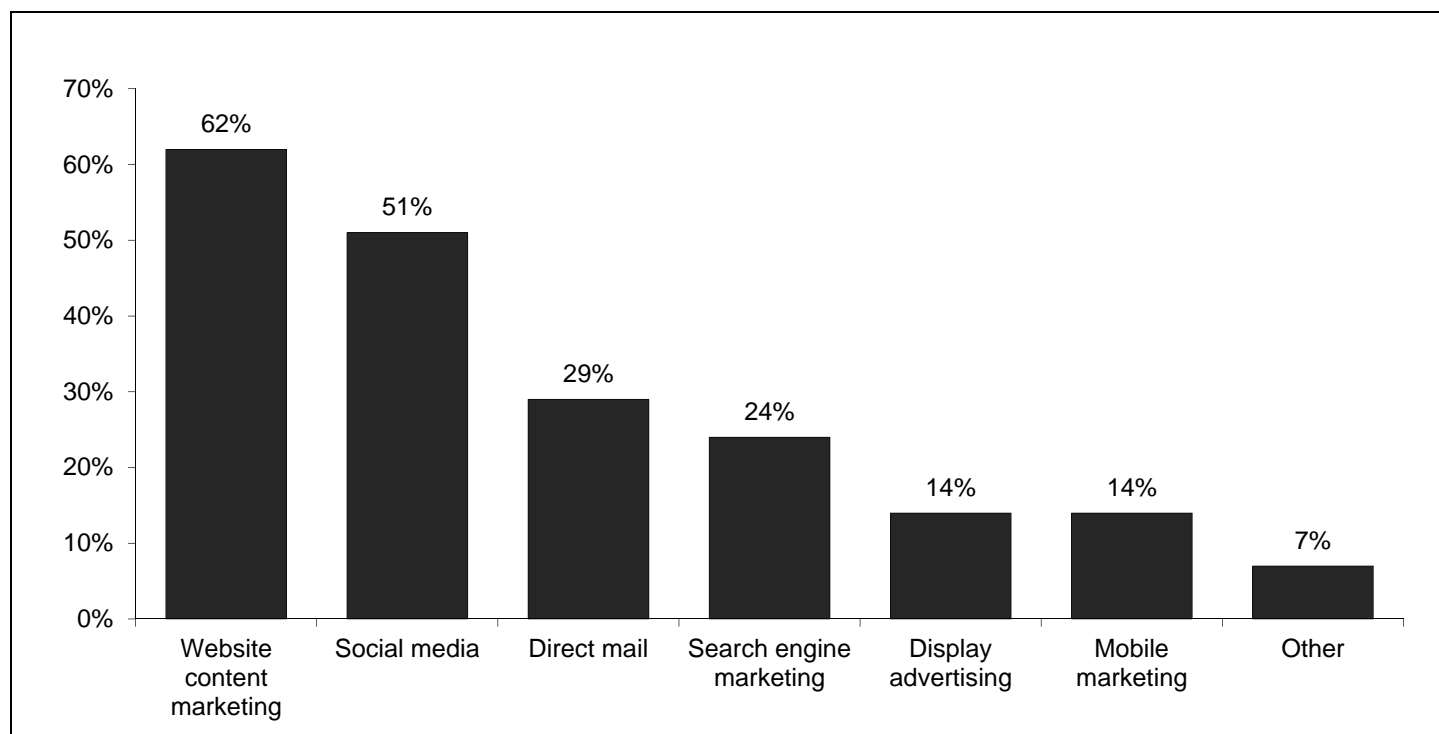
DATA REQUESTED

OF THE HOT 100 RETAILER'S EMAIL OPT-IN FORMS



Source: ExactTarget, "2012 Retail Touchpoints Exposed!".

INTEGRATION WITH EMAIL MARKETING



Source: Econsultancy / Responsys Cross-Channel Marketing Report, 2012.

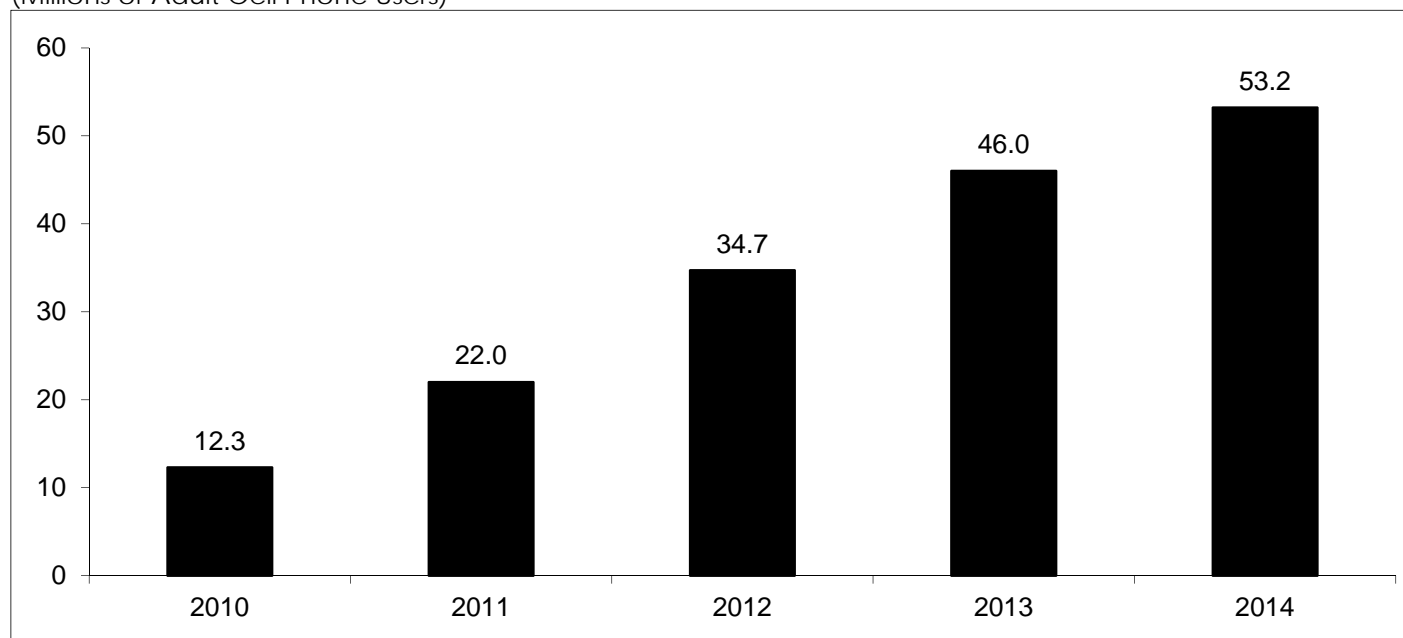
MOBILE MARKETING

CHAPTER HIGHLIGHTS

- US Retail M-commerce sales will reach \$38.4 billion in 2013.
- Nearly 46 million US adults will use mobile coupons this year.
- In 2012, 14.1% of smartphone audience also own a Tablet.
- 19.2% of consumers have used a Smartphone to find a store's location.
- 21% of consumers have used a Smartphone to access a coupon in an email.
- 26% of American adults own an e-reader.

US ADULT MOBILE COUPON USERS, 2010–2014

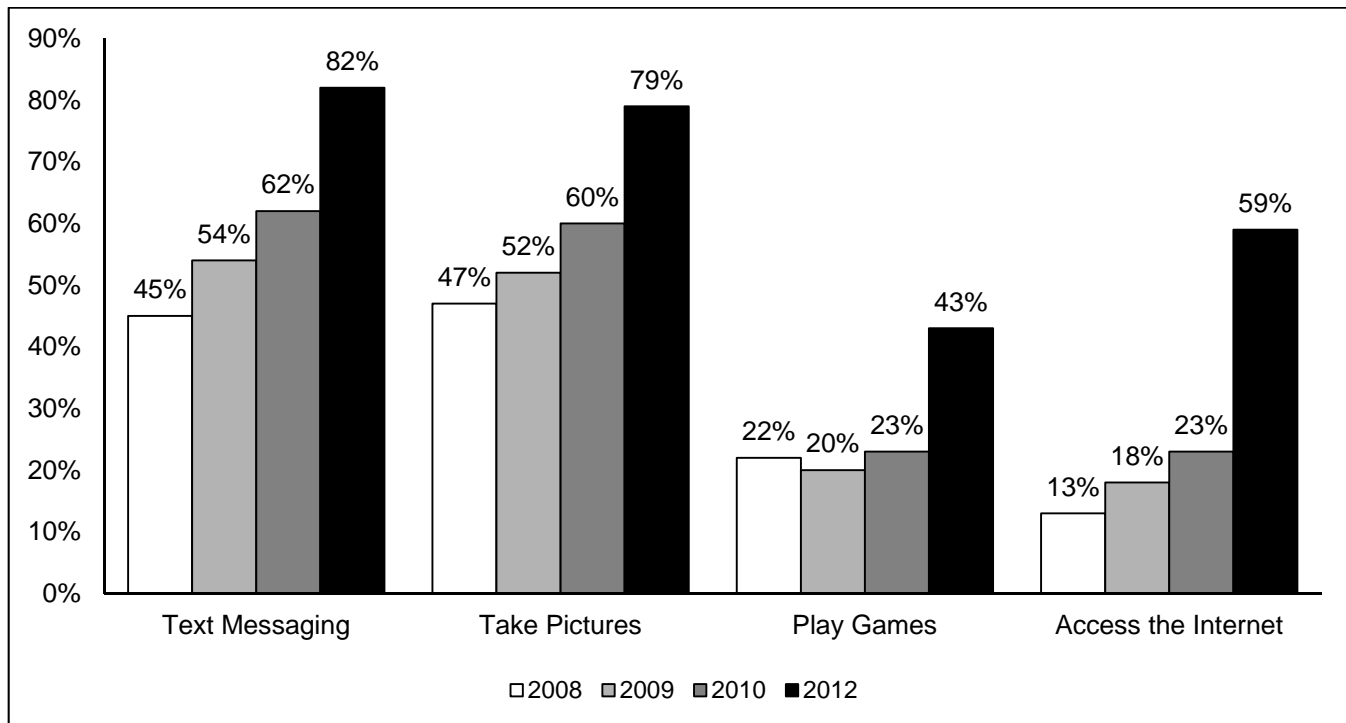
(Millions of Adult Cell Phone Users)



Note: Age 18+; used mobile phone (includes smartphones) in the past year to redeem coupon/code obtained from SMS, application, mobile Internet, and /or QR code for online or offline shopping; includes group-buying coupons purchased via mobile phone.

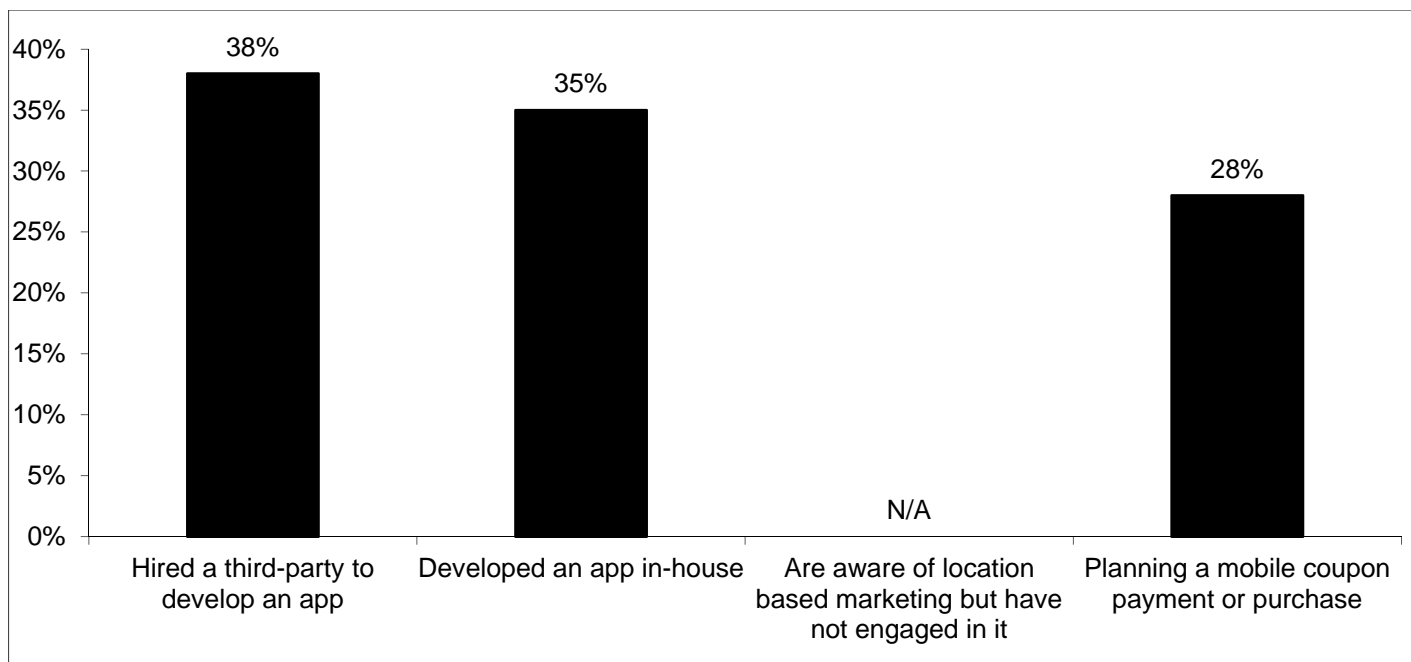
Source: eMarketer, December 2012.

USE OF CELL PHONE FUNCTIONS



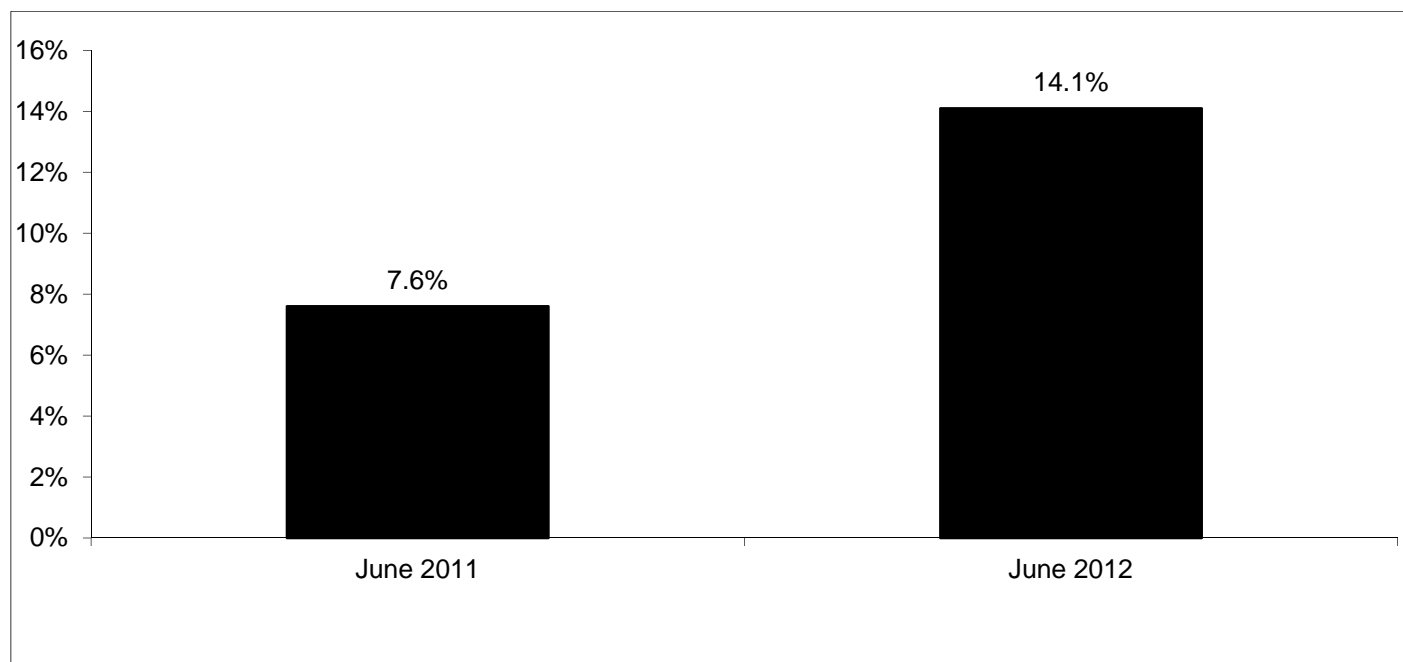
Source: USC Annenberg School Center for the Digital Future, “The 2013 Digital Future Report.”

MOBILE MARKETING – USAGE CONTEXT



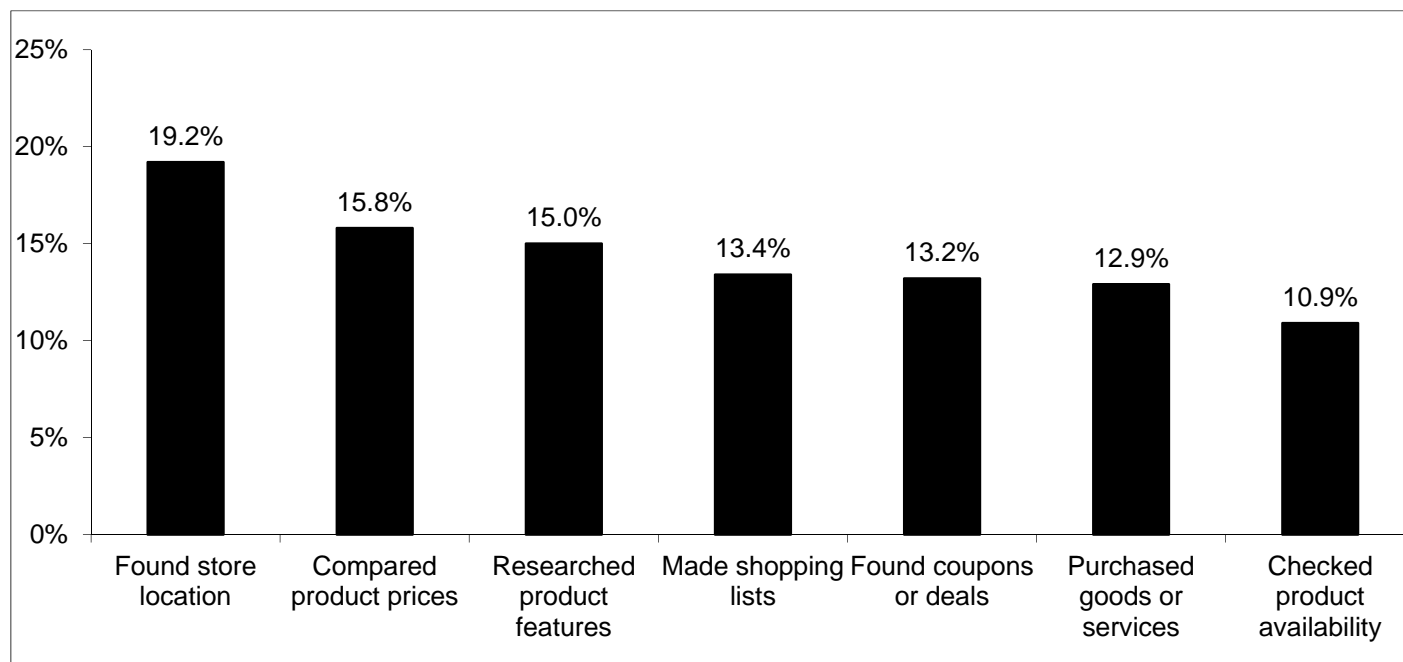
Source: DMA/Ipsos, “Digital Marketing: Navigating the Digital Labyrinth”, 2012.

PERCENTAGE OF SMARTPHONE AUDIENCE ALSO OWNING A TABLET



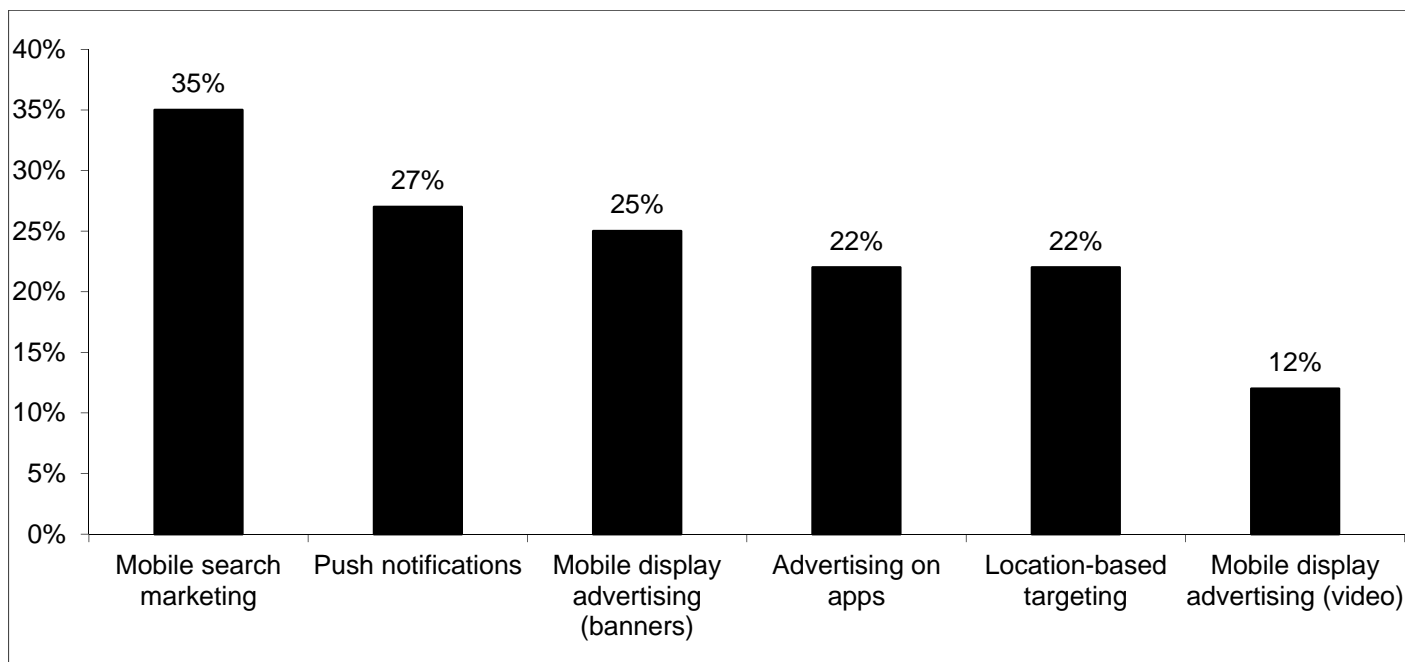
Source: comScore, Inc., “Looking at the Numbers – Digital in 10 Minutes”, 2012.

SHOPPING ACTIVITIES WITH SMARTPHONE



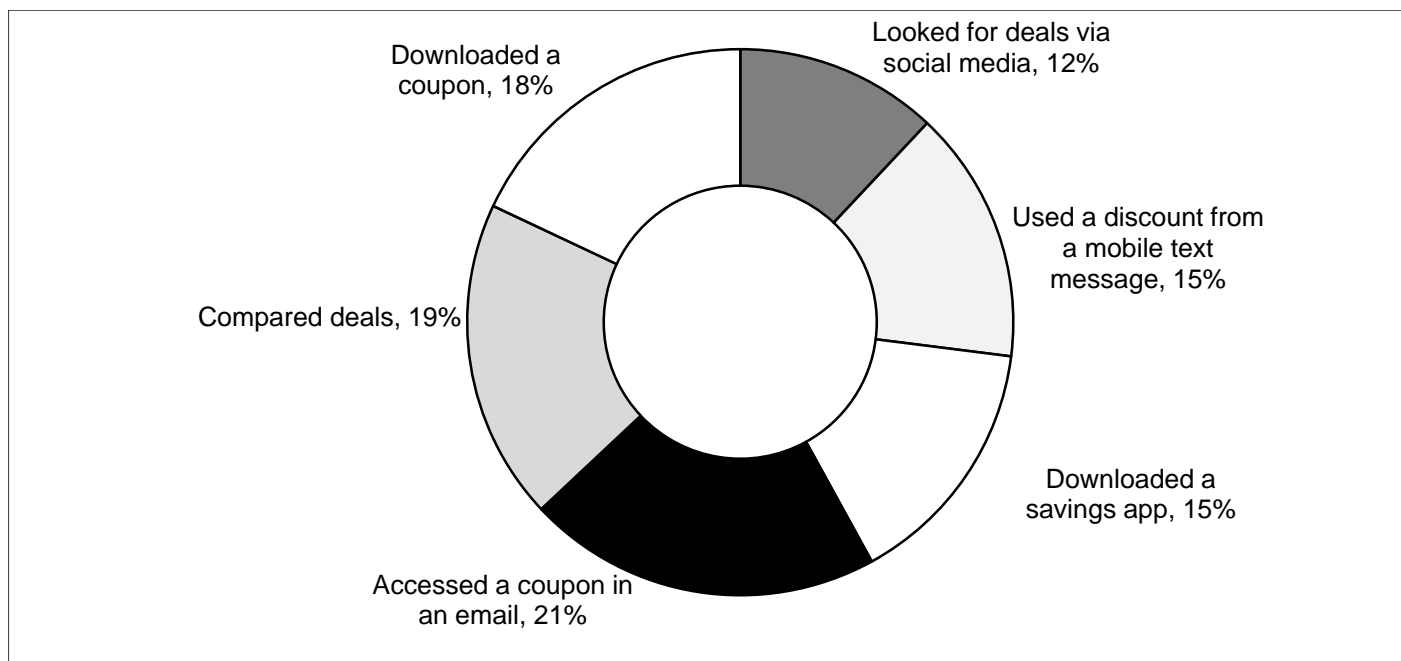
Source: comScore, Inc., “Looking at the Numbers – Digital in 10 Minutes,” 2012.

WHAT TYPES OF MOBILE ADVERTISING IS YOUR COMPANY ENGAGED IN?



Source: Econsultancy / Responsys Cross-Channel Marketing Report, 2012.

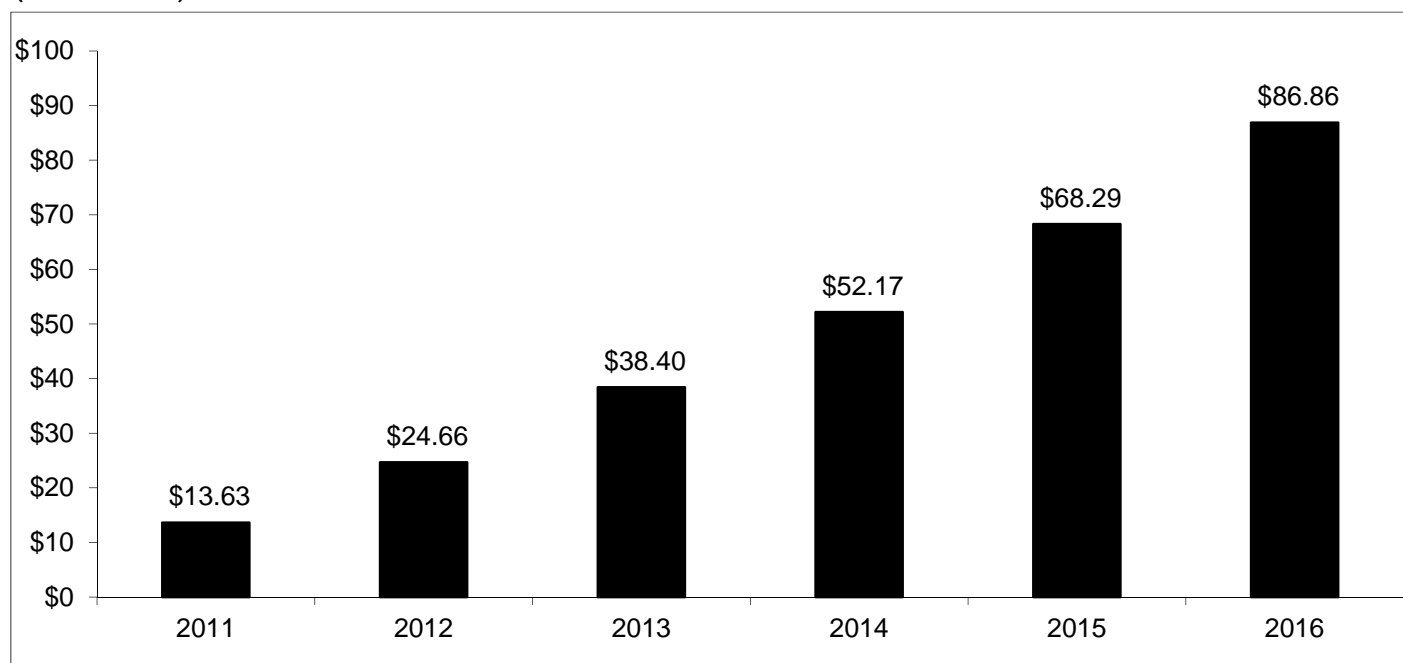
HOW ARE CONSUMERS USING THEIR SMARTPHONES FOR SAVINGS?



Source –Valassis / RedPlum Purse String Study, 2012.

US RETAIL M-COMMERCE SALES, 2011-2016

(IN BILLIONS)



Source: eMarketer, January 2013.

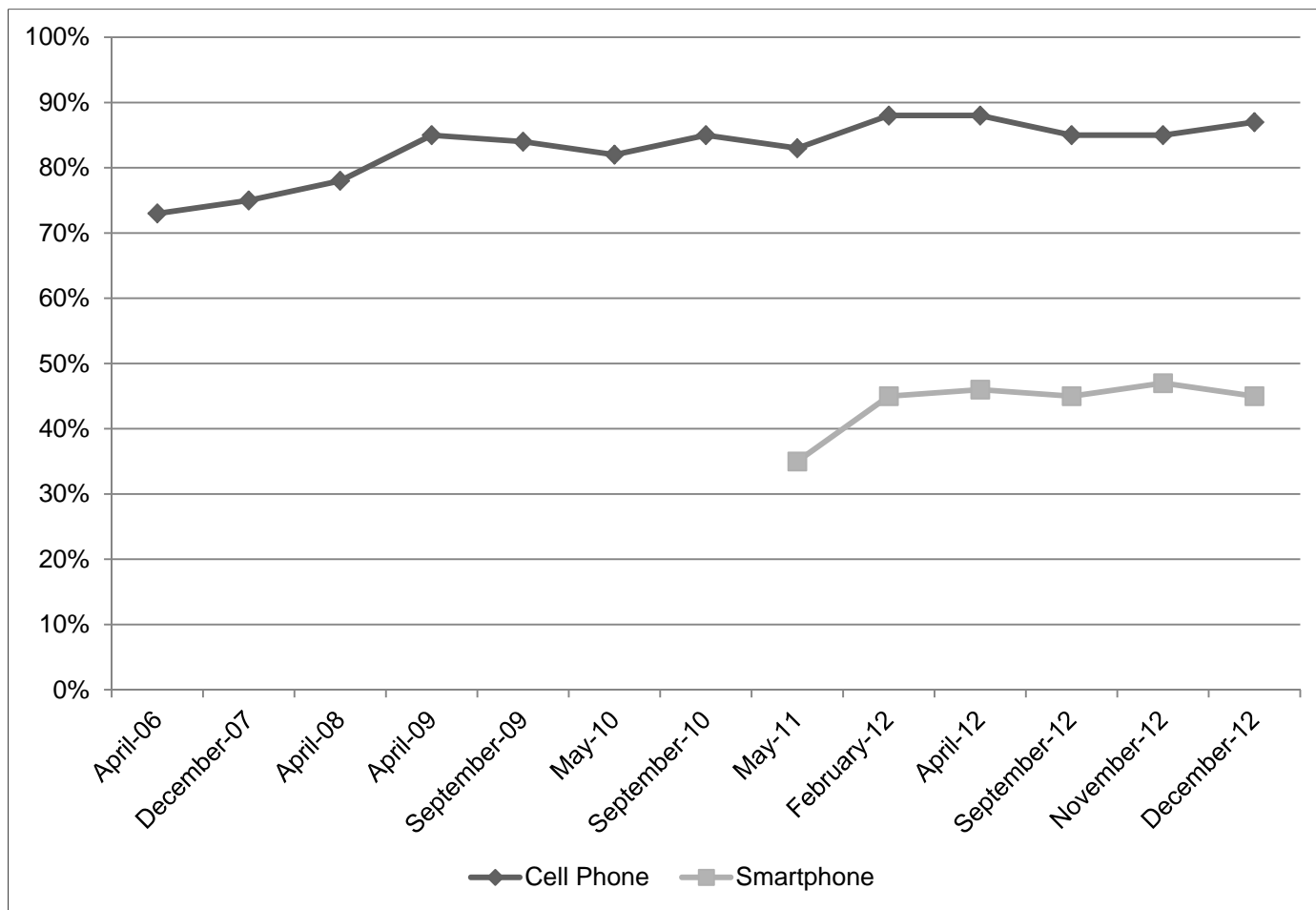
US RETAIL M-COMMERCE SALES, BY DEVICE, 2011-2016

	2011	2012	2013	2014	2015	2016
Tablet	\$5.45	\$13.86	\$24.00	\$34.33	\$46.44	\$61.06
-- % change	348.1%	154.2%	73.2%	43.0%	35.3%	31.5%
Smartphone	\$7.50	\$9.86	\$13.44	\$16.69	\$20.49	\$24.32
-- % change	117.5%	31.6%	36.3%	24.2%	22.7%	18.7
Other mobile devices	\$0.68	\$0.94	\$0.96	\$1.15	\$1.37	\$1.48
-- % change	68.0%	37.5%	2.5%	19.5%	19.0%	8.1%
Total	\$13.63	\$24.66	\$38.40	\$52.17	\$68.29	\$86.86
-- % change	168.9%	81.0%	55.7%	35.8%	30.9%	27.2%

Source: eMarketer, January 2013.

CELL PHONE AND SMARTPHONE OWNERSHIP, OVER TIME

(% OF AMERICAN ADULTS WHO OWN A CELL PHONE OR SMARTPHONE)



Source: Pew Research Center's Internet & American Life Project, 2013.

CELL PHONE AND SMARTPHONE OWNERSHIP

(% of American adults within each group who own a cell phone and the % who own a smartphone)

	Cell Phone	Smartphone
All Adults	87%	45%
GENDER		
Male	87	48
Female	86	42
RACE/ETHNICITY		
White, Non-Hispanic	87	43
Black, Non-Hispanic	86	48
Hispanic	83	44
AGE		
18–29	93	65
30–49	93	59
50–64	85	32
65+	68	12
EDUCATION ATTAINMENT		
No high school diploma	71	22
High school grad	86	38
Some college	89	49
College+	92	61
HOUSEHOLD INCOME		
Less than \$30,000/year	82	31
\$30,000 - \$49,999	88	46
\$50,000 - \$74,999	91	56
\$75,000+	94	68
URBANITY		
Urban	87	49
Suburban	85	46
Rural	88	36

Source: Pew Research Center's Internet & American Life Project survey conducted from November 14 – December 9, 2012. N = 2,261, composed of adults 18 and older.

E-READER AND TABLET OWNERSHIP

26%Of American Adults Own an
E-Reader**31%**Of American Adults Own a
Tablet Computer

Source: Pew Research Center's Internet & American Life Project.

HOW AMERICANS USE THEIR CELL PHONES

(% of adults in each group who use their cell phone to do the following activities)

	% <u>ever do this</u>		% <u>ever do this on a typical day</u>	
	All Cell Phone Owners	Smartphone Owners	All Cell Phone Owners	Smartphone Owners
Check weather reports and forecasts	45%	77%	28%	52%
Use a social networking site	40	68	28	50
Get turn-by-turn navigation or directions while driving	37	65	8	15
Get news online	37	64	19	36
Play a game	36	64	20	37
Upload photos online so that others can see them	34	58	8	15
Listen to an online radio or music service, such as Pandora or Spotify	29	53	11	22
Check your bank balance or do any online banking	24	44	11	21
Visit a local, state or federal government website	17	31	3	6
Get coupons on deals to use at local businesses	14	24	3	5
Use Twitter	9	16	5	10
Watch movies or TV shows through a paid subscription service, like Netflix or Hulu Plus	8	15	2	4

Source: Pew Research Center's Internet & American Life Project survey conducted from March 15- April 3, 2012. N = 2,254, composed of adults 18 and older.

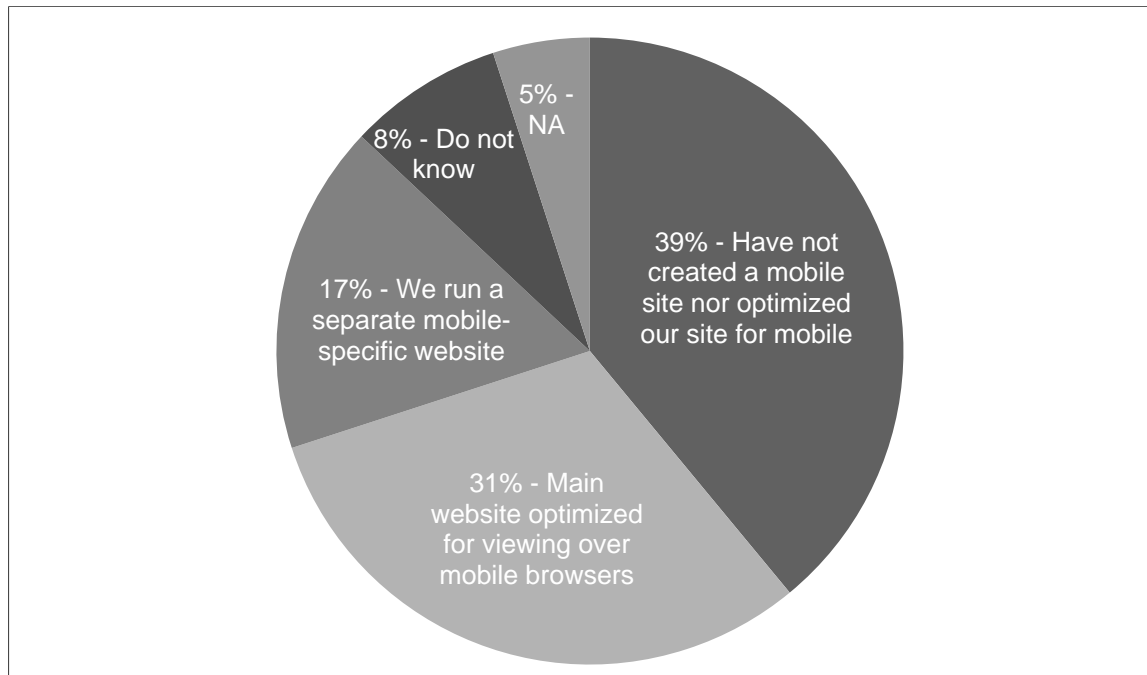
CELL PHONE ACTIVITIES – SOCIAL NETWORKING SITES

(% of cell owners in each group who use their phone to use social networking sites such as Facebook, LinkedIn or Google+)

All Adult cell owners	40%
GENDER	
Male	39
Female	41
RACE/ETHNICITY	
White, Non-Hispanic	36
Black, Non-Hispanic	48
Hispanic	49
AGE	
18–29	67
30–49	50
50–64	18
65+	5
EDUCATION ATTAINMENT	
No high school diploma	33
High school grad	37
Some college	42
College+	43
HOUSEHOLD INCOME	
Less than \$30,000/year	38
\$30,000 - \$49,999	40
\$50,000 - \$74,999	48
\$75,000+	45
URBANITY	
Urban	44
Suburban	40
Rural	32

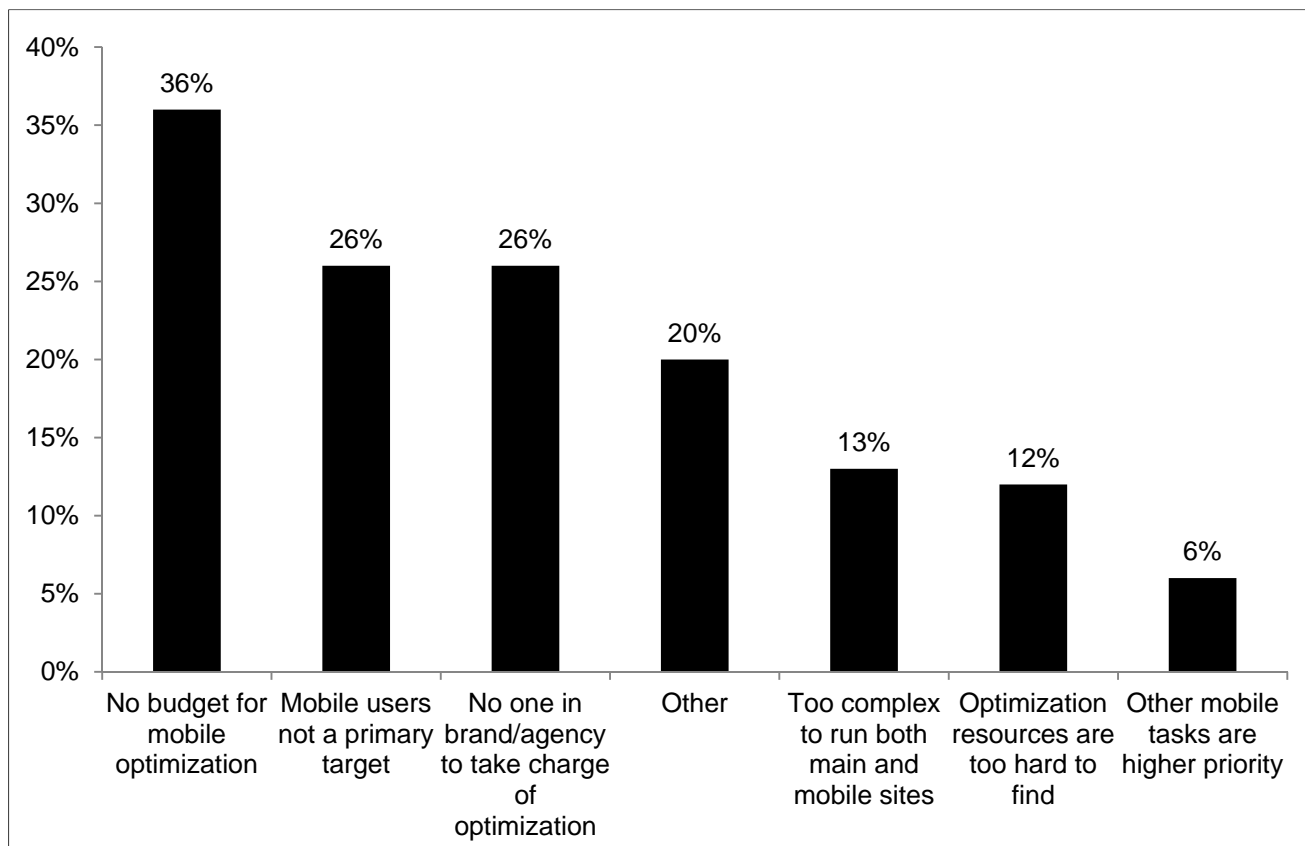
Source: Pew Research Center's Internet & American Life Project survey conducted from March 15–April 3, 2012. N = 2,254, composed of adults 18 and older.

DO YOU OPERATE A SITE OPTIMIZED FOR MOBILE?



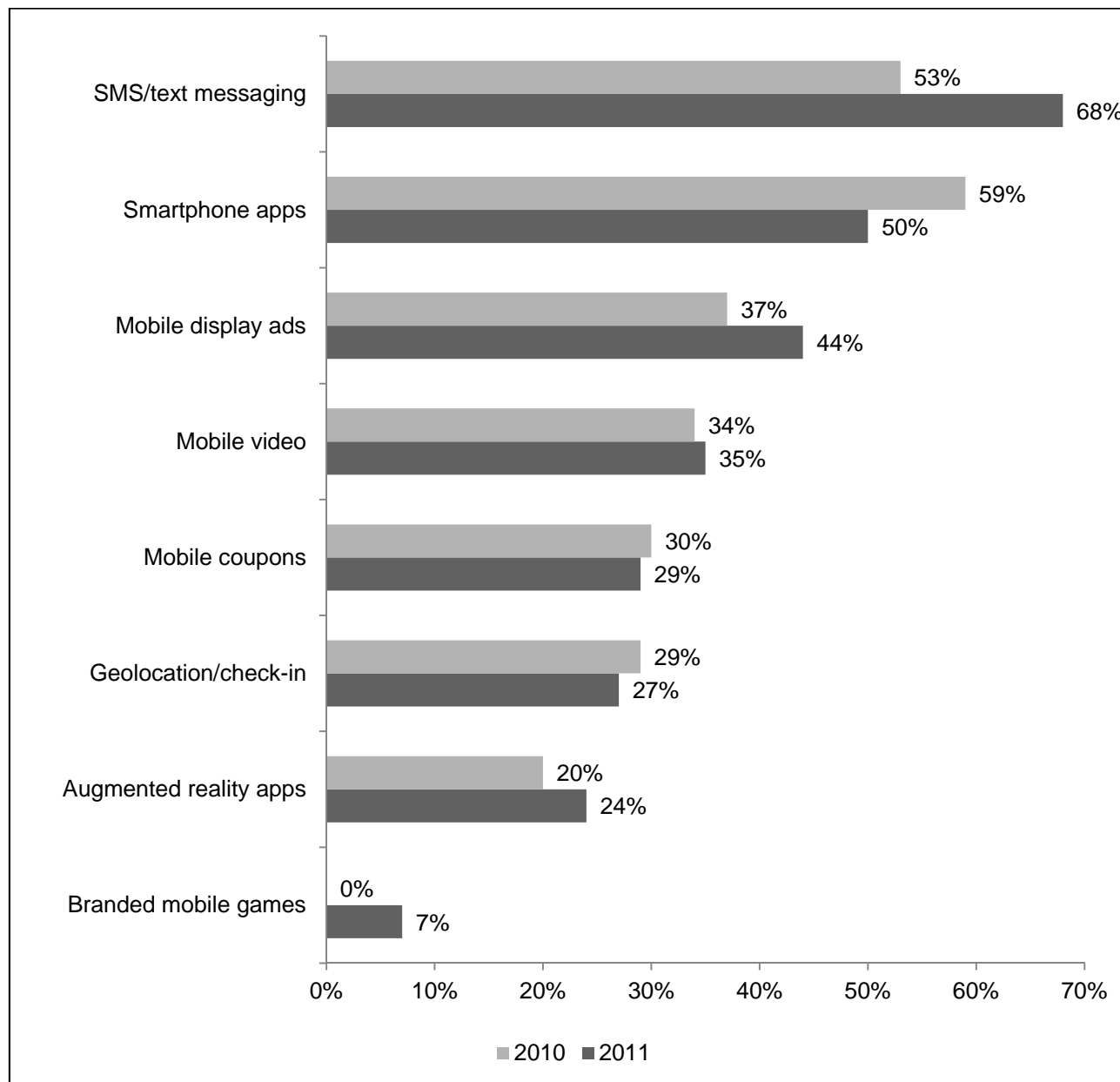
Source: ChiefMarketer.com, 2012.

WHY IS YOUR SITE NOT OPTIMIZED FOR MOBILE?



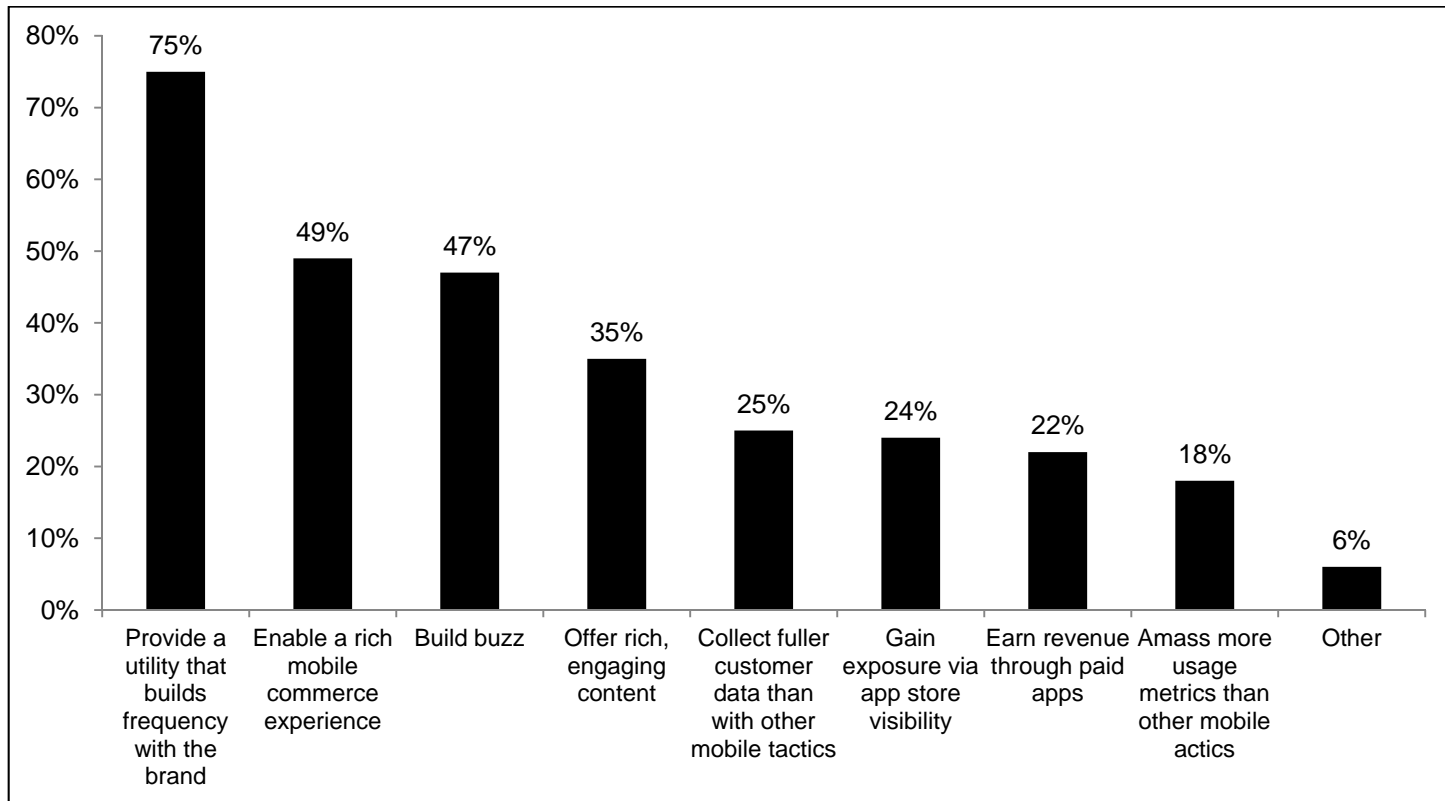
Source: ChiefMarketer.com, 2012.

WHAT MOBILE TACTICS DID YOU USE LAST YEAR?



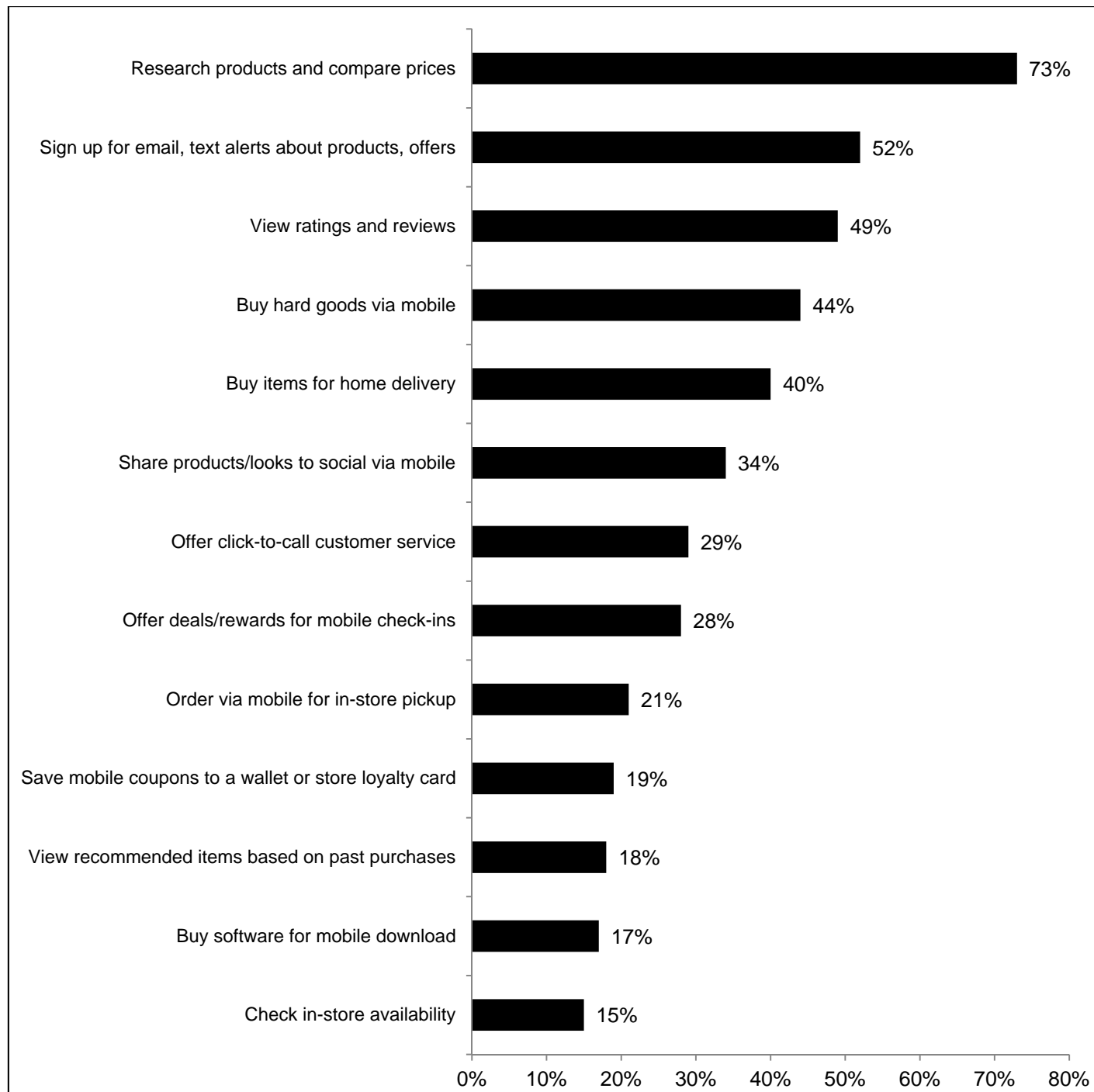
Source: ChiefMarketer.com, 2012.

WHAT ARE YOUR AIMS FOR YOUR SMARTPHONE APP?



Source: ChiefMarketer.com, 2012.

WHAT PATH-TO-PURCHASE FEATURES DO YOU ENABLE IN MOBILE?



Source: ChiefMarketer.com, 2012.

SOCIAL MEDIA

CHAPTER HIGHLIGHTS

- 49% of social media users in 2012 report that they will buy a product based on a positive social media post, up from 24% in 2010.
- 84% of consumers like to see a company offer coupons on social networking sites.
- 13% of Hispanics are more likely to purchase products they see advertised on social networking sites, compared to 9% of non-Hispanics.
- 20% of marketers are using social media components in all of their campaigns.
- One in five minutes spent online are spent on Facebook.
- Almost 85% of B2B marketers use LinkedIn to distribute content in 2012.
- Almost half (45%) of B2B marketers will be increasing their content marketing spending in the next 12 months.
- Two-thirds of CEOs are providing content to distribute through social media.

SOCIAL MEDIA'S INFLUENCE ON PURCHASING DECISIONS

	Overall 2010	Overall 2011	Overall 2012
Continue your regular purchasing habits regardless of social media posts	61%	32%	34%
Buy a product after seeing a positive post	24%	57%	49%
Buy less of a product or stop buying all together after seeing a negative post	15%	18%	17%

Source: The Center for Client Retention, "Social Media Benchmarking Study," 2012.

VISITING SOCIAL MEDIA OR FILE-SHARING NETWORKING SITES

Question	Response	2009	2010	2011	2012
Do you visit social media or file sharing networking sites such as Facebook, Twitter, and YouTube?	Yes	60%	59%	66%	66%
	No	40%	41%	44%	34%

Source: The Center for Client Retention, "Social Media Benchmarking Study," 2012.

SOCIAL MEDIA'S INFLUENCE ON PURCHASING DECISIONS

	2009	2010	2011	2012
Keep in touch with friends/family	55%	61%	64%	63%
Search for information	22%	29%	30%	37%
For entertainment	20%	19%	23%	25%
Give feedback on products and services	--	12%	16%	20%
Keep in touch with business network	10%	12%	13%	14%

Source: The Center for Client Retention, "Social Media Benchmarking Study," 2012.

INFORMATION CONSUMERS LIKE TO SEE A COMPANY/BRAND OFFER ON SOCIAL NETWORKING SITES

(Multiple Responses Allowed)

Types	% of Respondents
Coupons	84%
Testing/sampling of new products	69%
Special perks, like free shipping	61%
Sneak peek at products	53%
Opportunity to participate in focus groups	30%
Special bulk rate deals	22%
Other	5%

Source: The Center for Client Retention, "Social Media Benchmarking Study," 2012.

EXPECTATIONS OF COMPANIES RESPONDING TO SOCIAL MEDIA POSTS

		2011	2012
If you were to post one of the following about a company/brand on their social networking page, would you expect a response from them? – Yes responses	Complaint and/or issue	85%	85%
	Compliment	63%	63%
	Inquiry/Question	89%	90%

Source: The Center for Client Retention, “Social Media Benchmarking Study,” 2012.

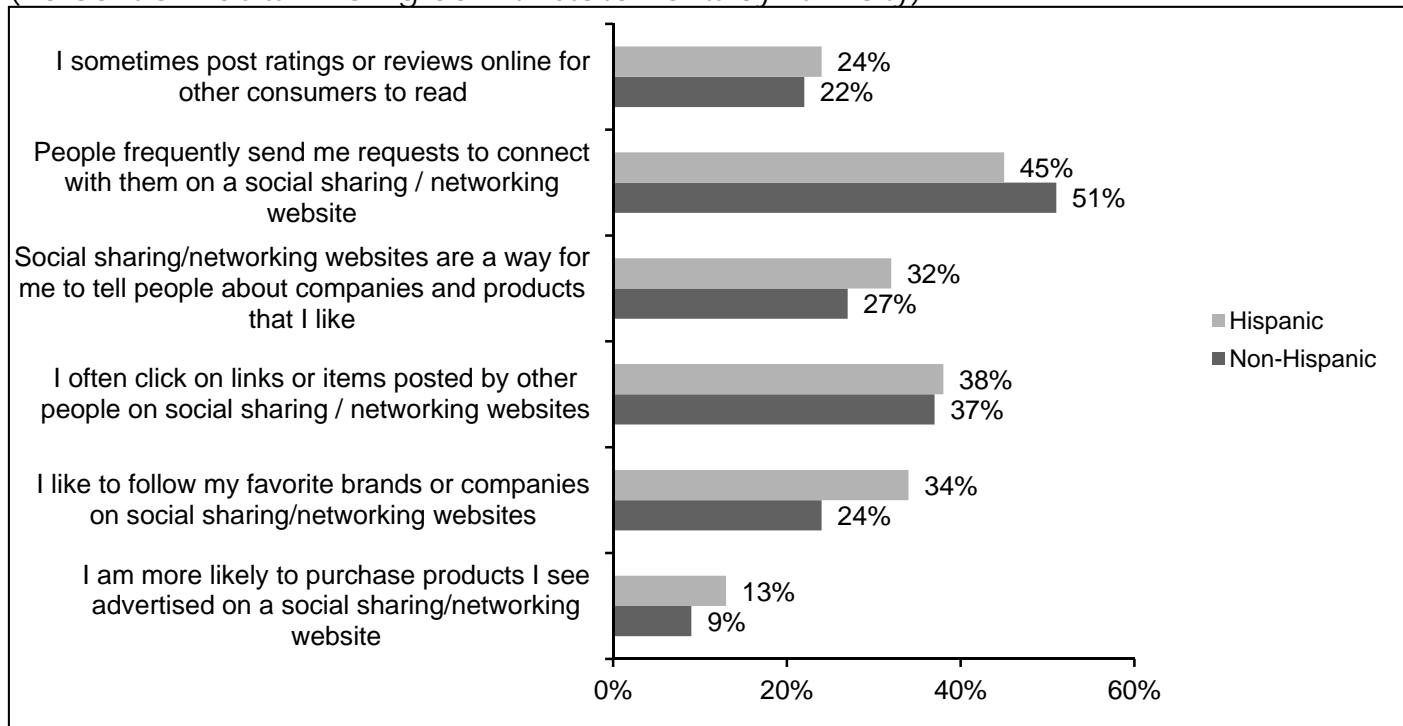
SOCIAL MEDIA SITES WITH ACCOUNTS

		2009	2010	2011	2012
On which of the social media networking sites do you personally have an account?	Facebook	85%	95%	91%	89%
	Youtube	20%	50%	31%	32%
	Pinterest	0%	0%	0%	28%
	Twitter	23%	36%	24%	27%
	LinkedIn	14%	34%	23%	24%
	Myspace	30%	34%	16%	13%
	G+	0%	0%	4%	6%
	Tumblr	0%	0%	2%	4%
	StumbleUpon	0%	0%	3%	4%
	MemoryLane/Class mates	15%	33%	4%	3%
	Other	9%	42%	25%	23%

Source: The Center for Client Retention, “Social Media Benchmarking Study,” 2012.

USE OF SOCIAL MEDIA: HISPANIC VS. NON-HISPANIC

(Percent of Adults Who Agree with Statements by Ethnicity)

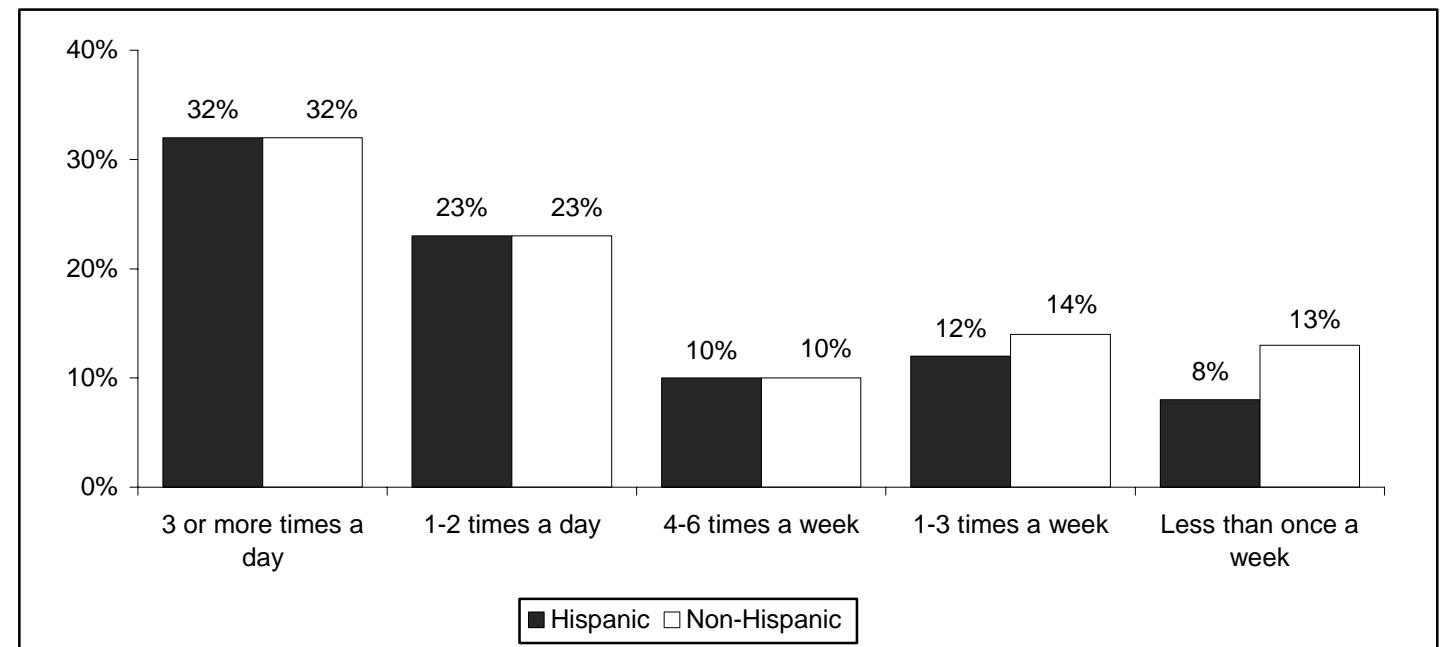


Note: Base adults who access social sharing/networking sites.

Source: Experian Simmons, 2012.

FREQUENCY OF SOCIAL MEDIA USAGE: HISPANIC VS. NON-HISPANIC

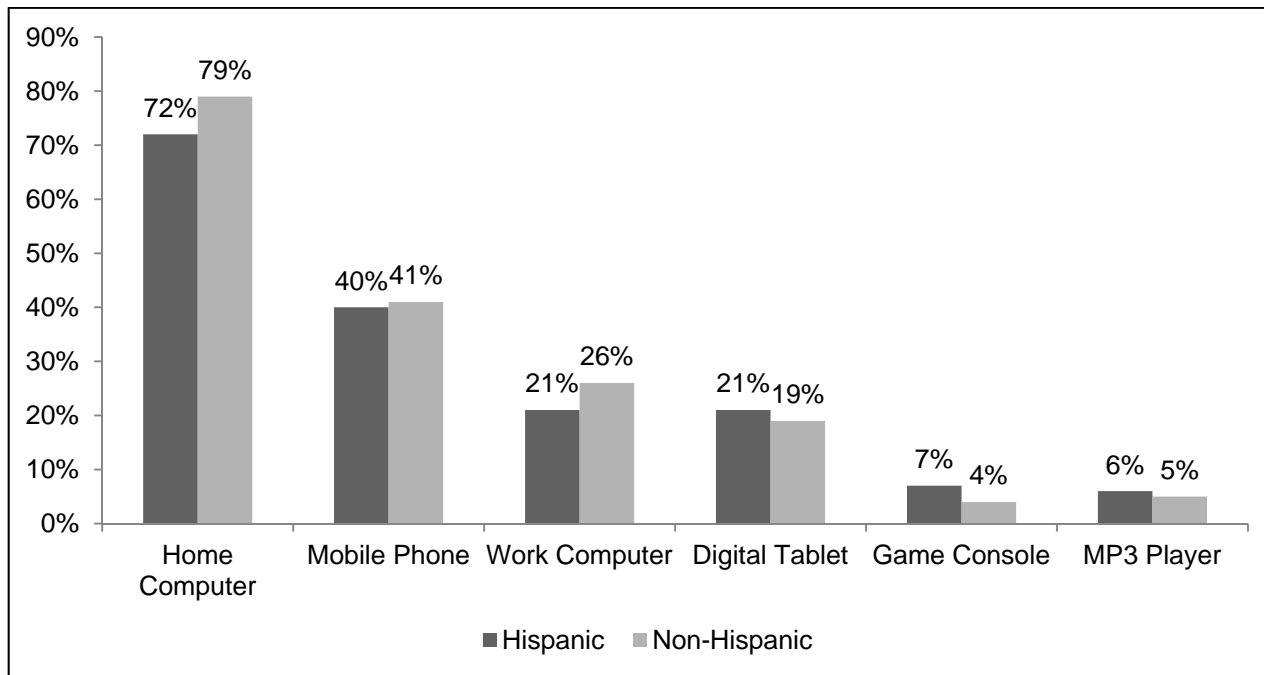
(Percent of Adults Who Agree with Statements by Ethnicity)



Source: Experian Simmons, 2012.

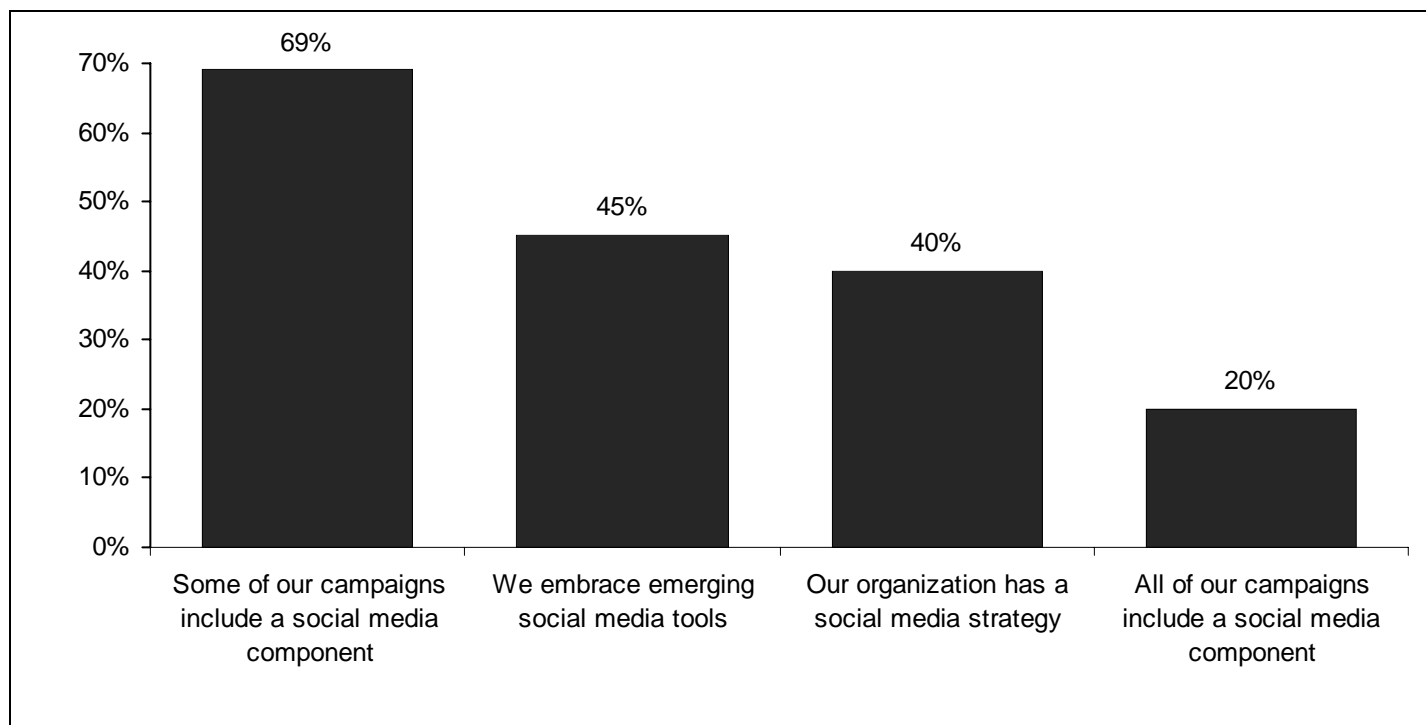
DEVICES USED TO ACCESS SOCIAL NETWORKING IN THE LAST 7 DAYS

(Adults who accessed social networking sites from any device in the last 7 days)



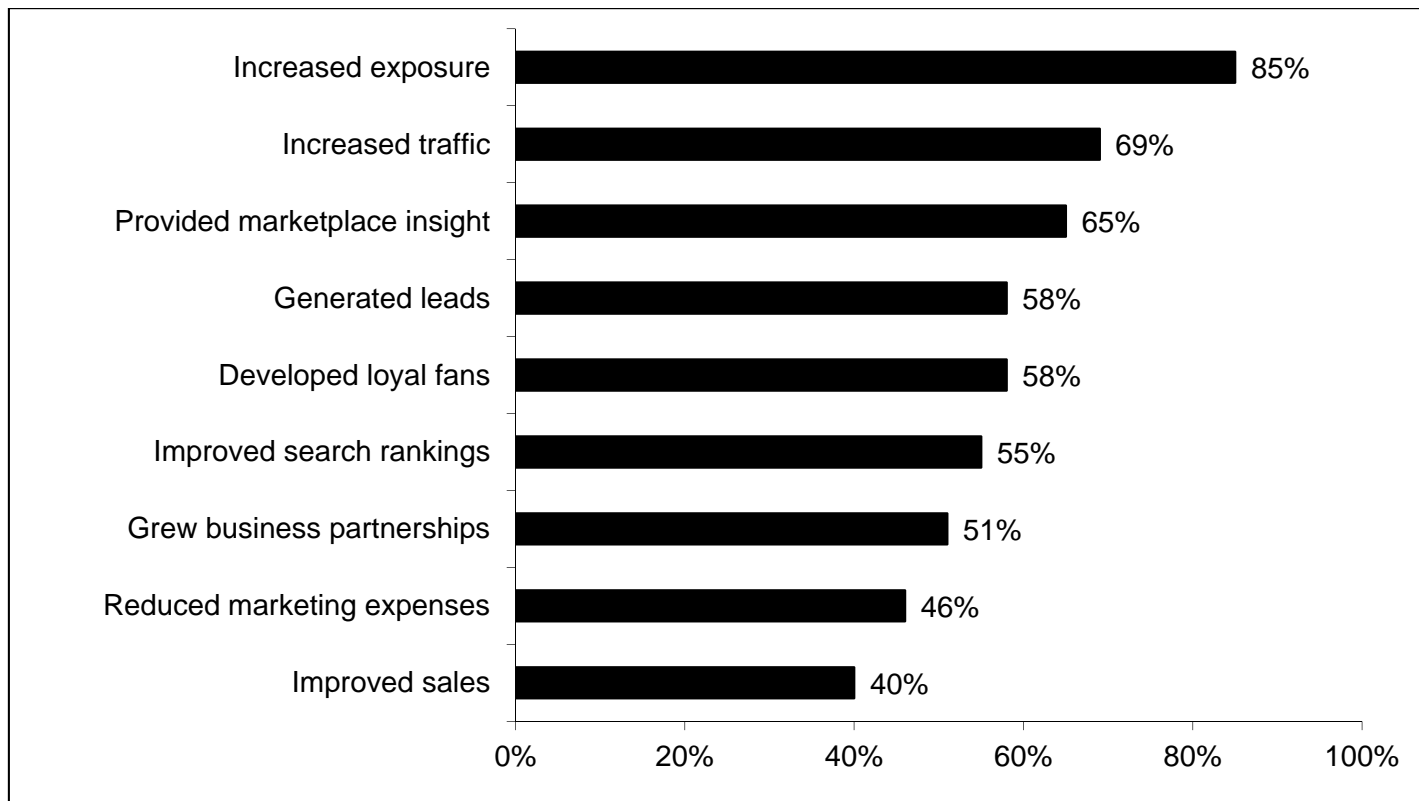
Source: Experian Marketing Services' Simmons Connect Spring 2012 Study.

SOCIAL MEDIA – USAGE CONTEXT



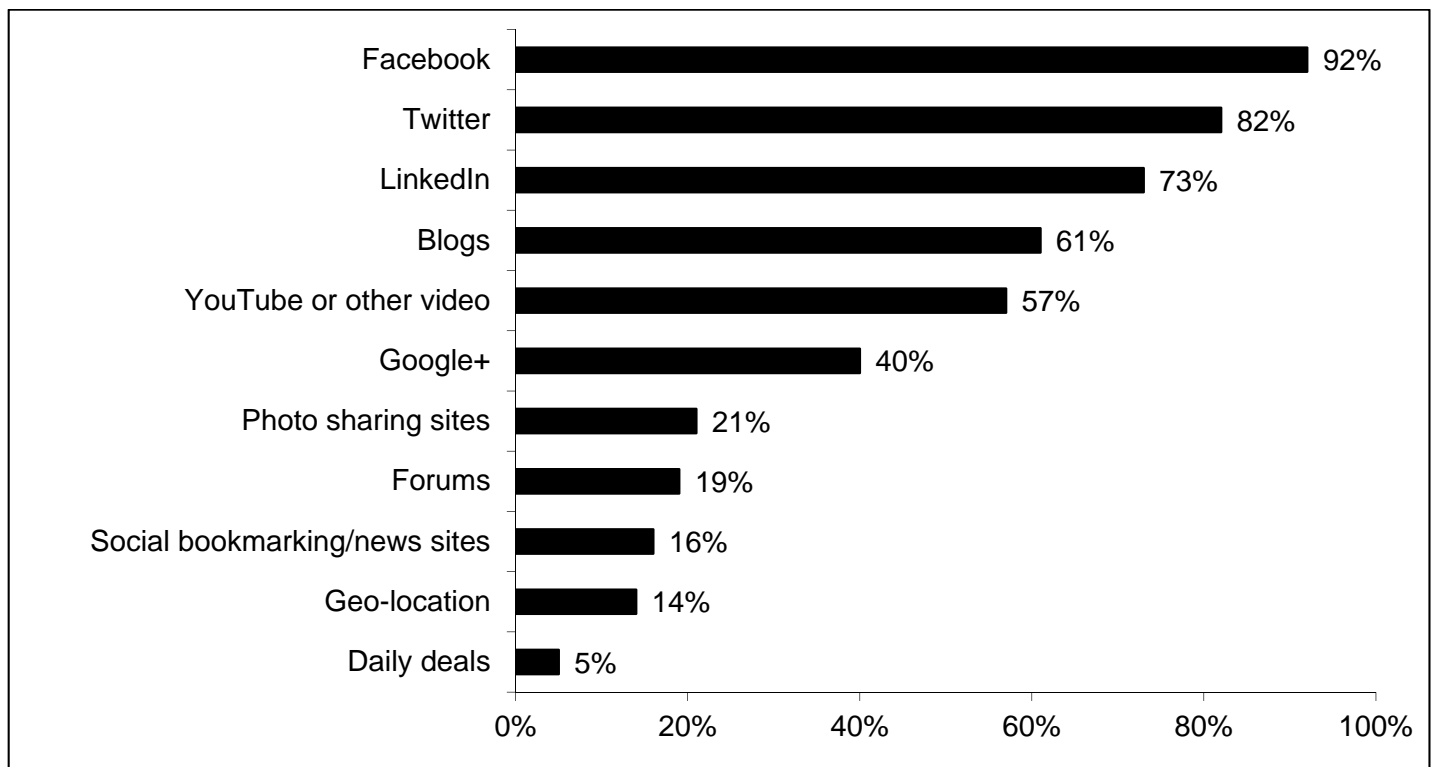
Source: DMA/Ipsos, "Digital Marketing: Navigating the Digital Labyrinth", 2012.

BENEFITS OF SOCIAL MEDIA MARKETING



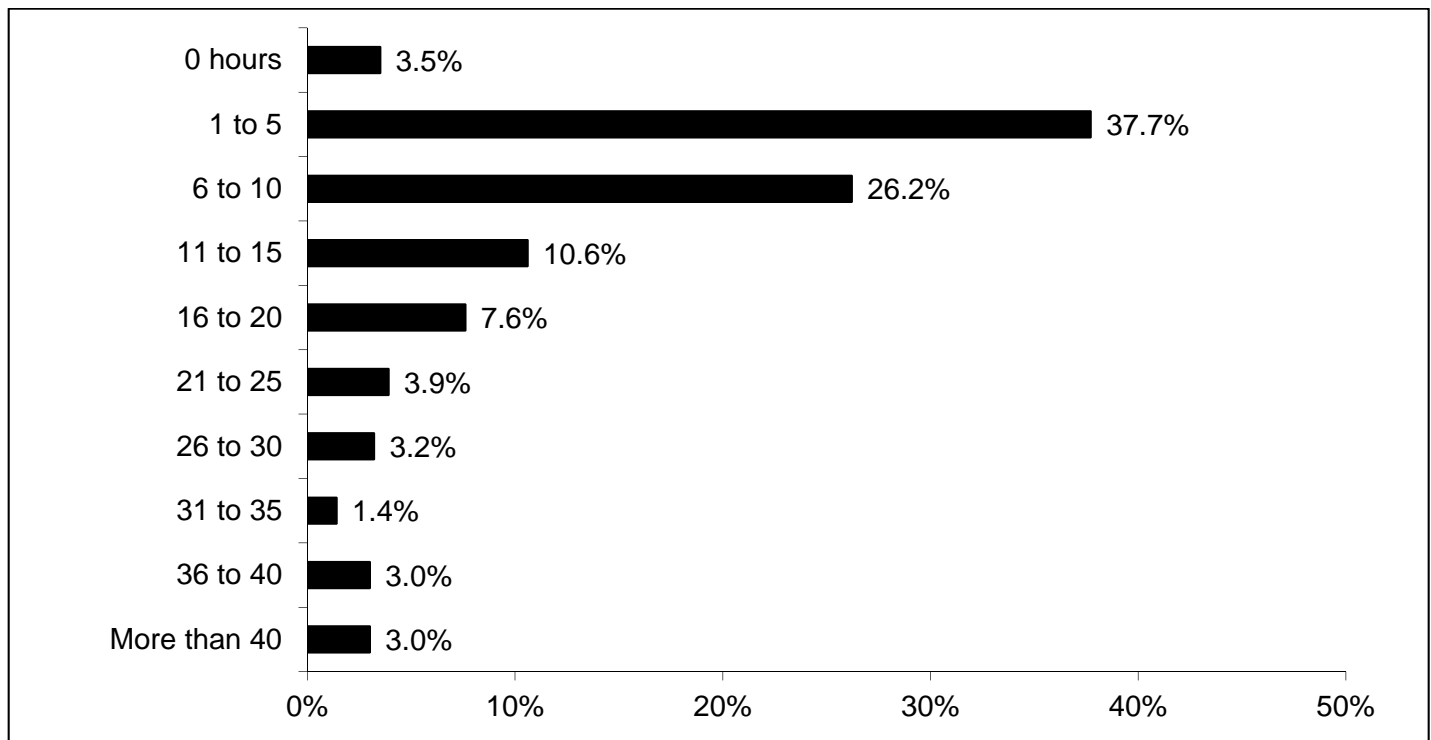
Source: Social Media Examiner, "2012 Social Media Marketing Industry Report."

COMMONLY USED SOCIAL MEDIA TOOLS



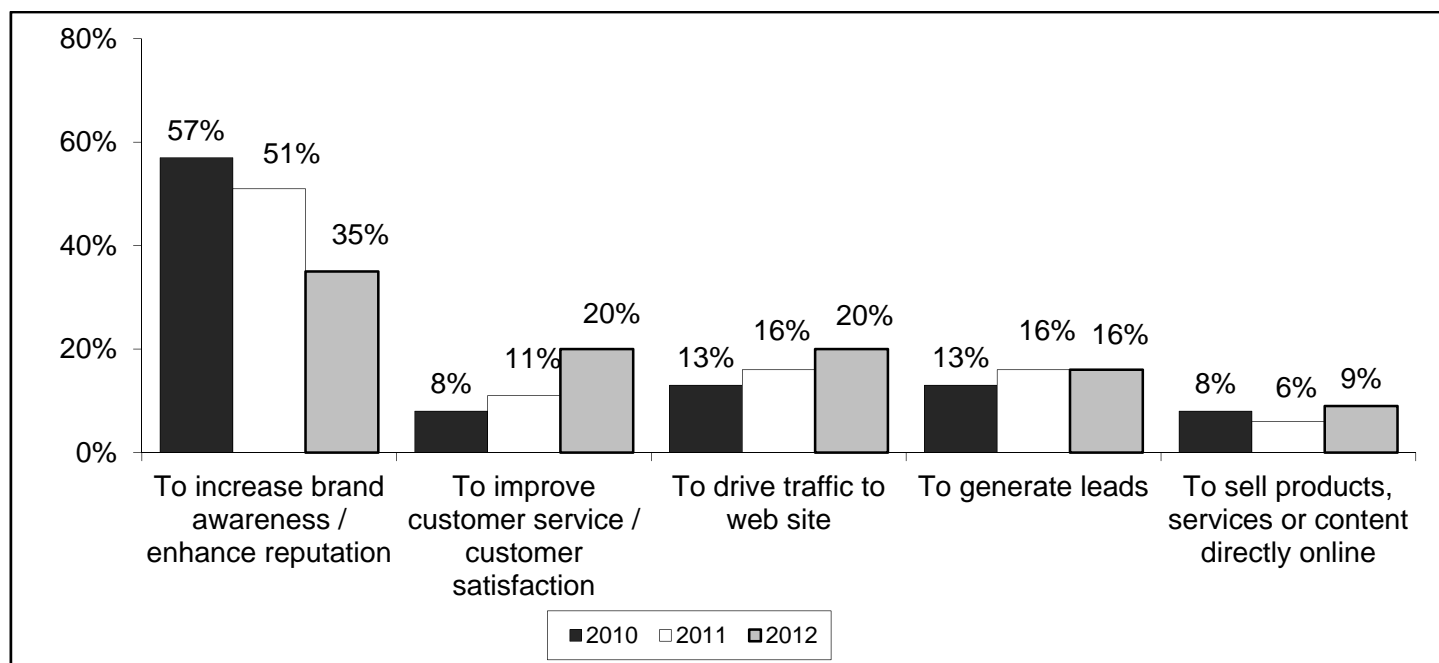
Source: Social Media Examiner, "2012 Social Media Marketing Industry Report."

WEEKLY TIME COMMITMENT FOR SOCIAL MEDIA MARKETING



Source: Social Media Examiner, "2012 Social Media Marketing Industry Report."

WHAT IS THE MOST IMPORTANT OBJECTIVE YOUR CLIENTS ARE TRYING TO ACHIEVE THROUGH SOCIAL MEDIA MARKETING?



Source: SEMPO, "2012 State of Search Report."

SOCIAL LINKS ON RETAILER'S HOME PAGE (OF THE HOT 100 RETAILERS WITH WEBSITES)

Facebook icon	87%
Twitter icon	84%
YouTube icon	40%
Blog icon	34%
Facebook "Like" button	24%
RSS icon	15%
Pinterest icon	7%
Share This (aggregate social icon)	7%
Google+ icon	6%
Flickr icon	2%
Myspace icon	1%
Foursquare icon	1%

Source: ExactTarget, "2012 Retail Touchpoints Exposed!"

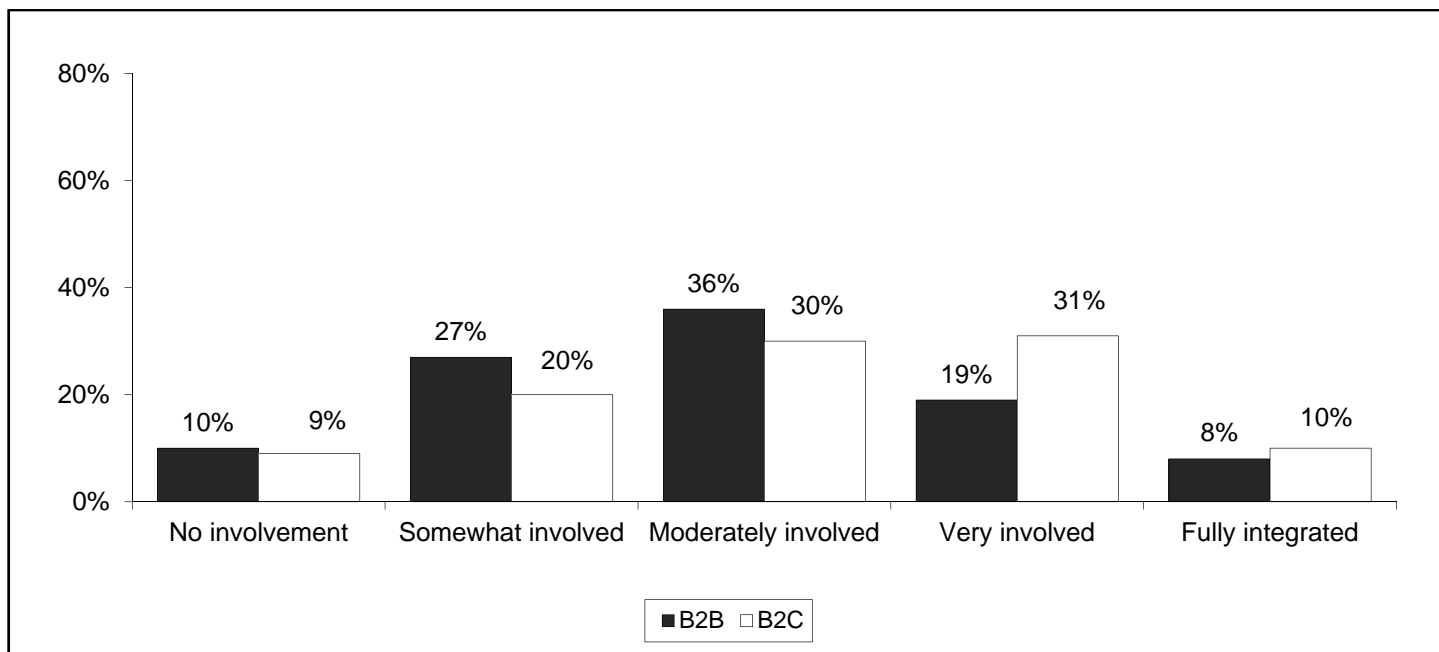
FACEBOOK PAGE FEATURES

(94 OF THE HOT 100 RETAILERS WITH FACEBOOK PAGES)

Run contests	48%
Promote Twitter and YouTube content	37%
Promote their email list	36%
Include a store locator	28%
Offer Facebook only coupon	23%
Promote careers	19%
Promote SMS campaign	16%
Utilize fCommerce	5%

Source: ExactTarget, “2012 Retail Touchpoints Exposed!”.

SOCIAL MEDIA ENGAGEMENT



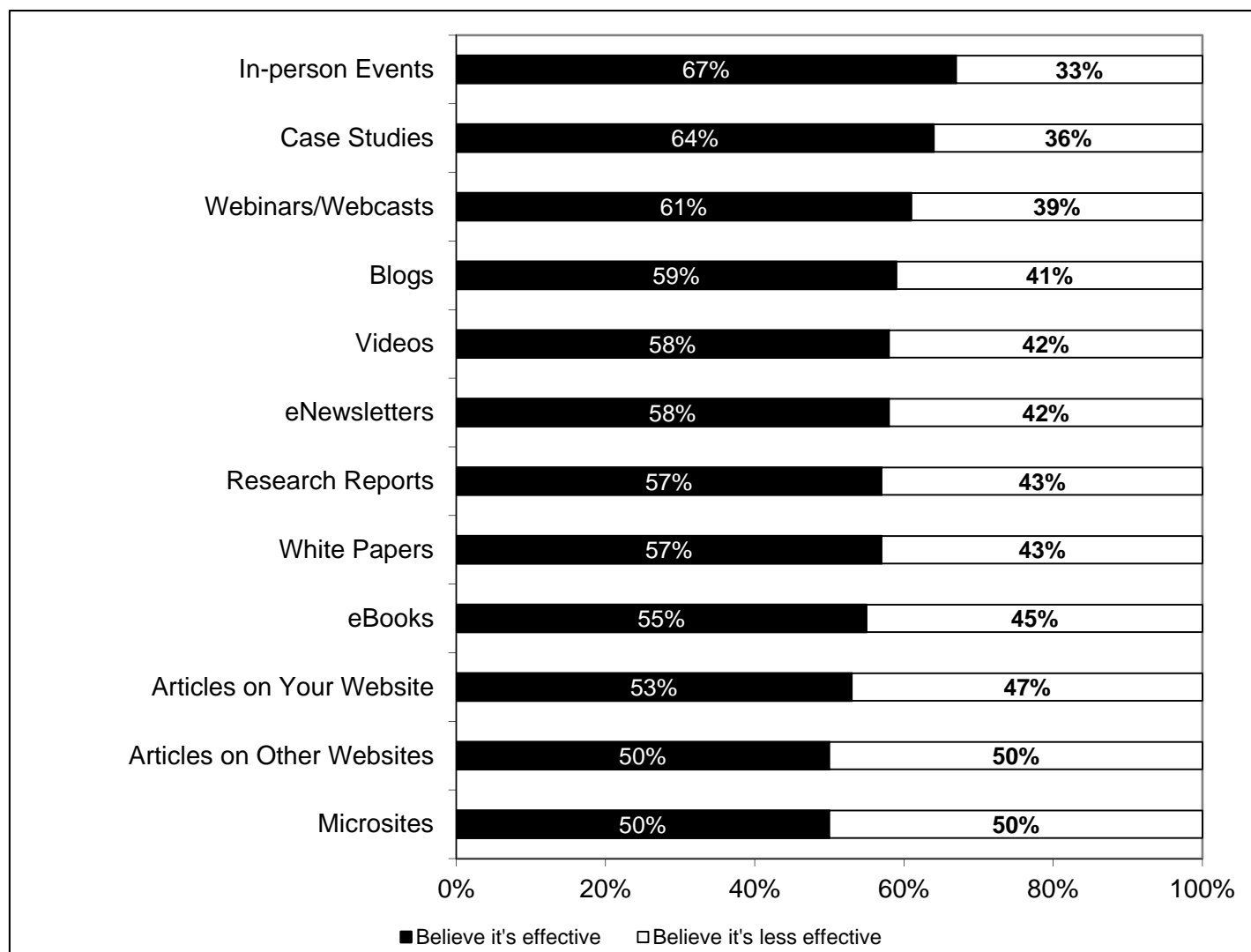
Source: Webmarketing123, “2012 State of Digital Marketing Report,

TIME SPENT ON FACEBOOK

1 in 5
minutes spent online
are spent on Facebook

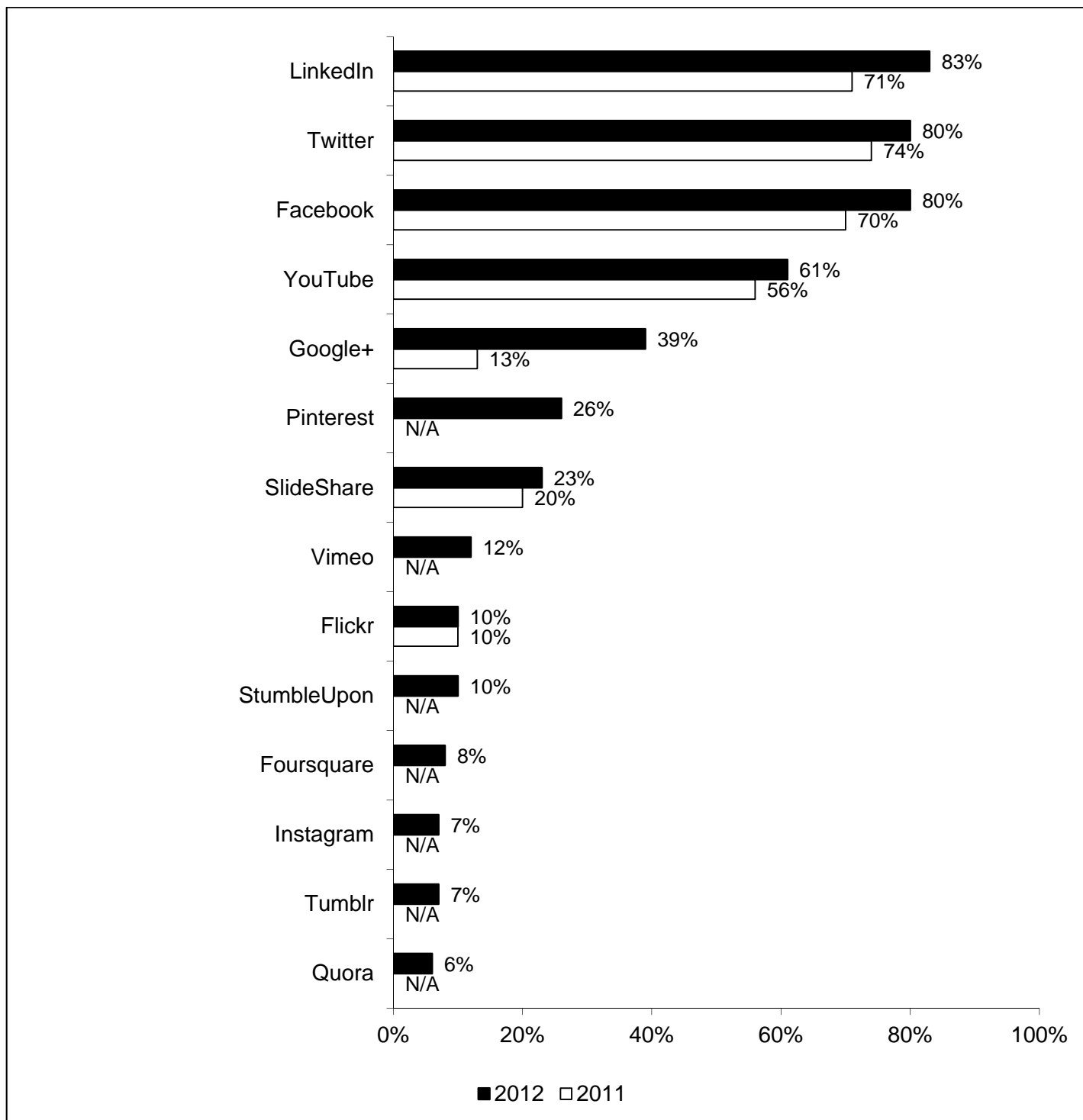
Source: comScore, "Changing How the World sees Digital Advertising," 2012.

EFFECTIVE RATINGS OF TACTICS AMONG B2B USERS



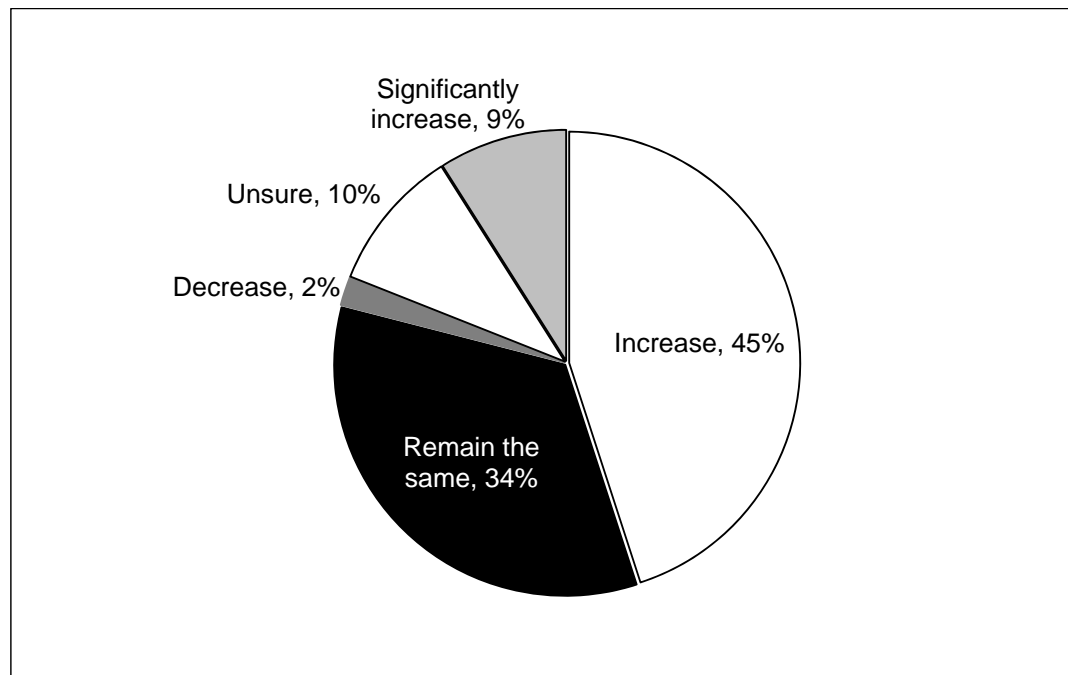
Source: Content Marketing Institute, "2013 B2B Content Marketing Benchmarks, Budgets and Trends."

PERCENTAGE OF B2B MARKETERS WHO USE VARIOUS SOCIAL MEDIA SITES TO DISTRIBUTE CONTENT



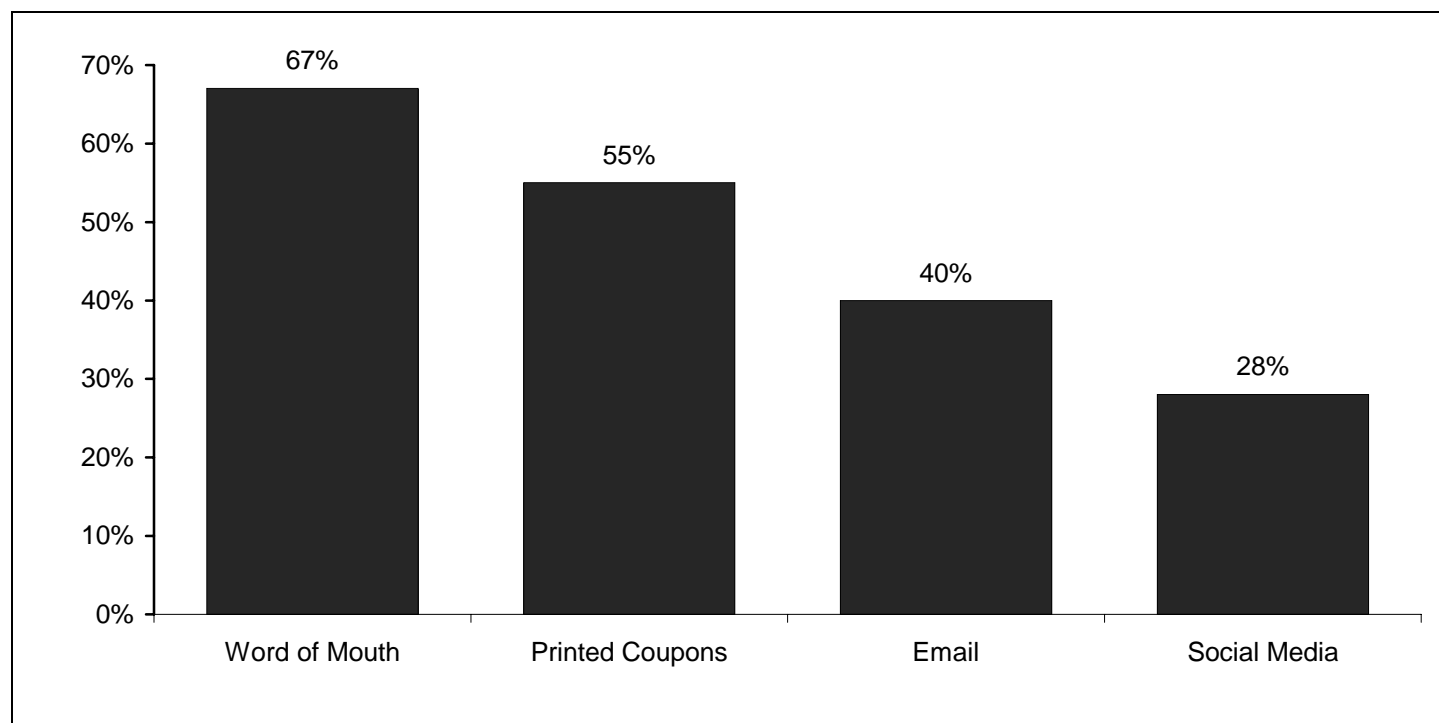
Source: Content Marketing Institute, “2013 B2B Content Marketing Benchmarks, Budgets and Trends.”

B2B CONTENT MARKETING SPENDING (OVER NEXT 12 MONTHS)



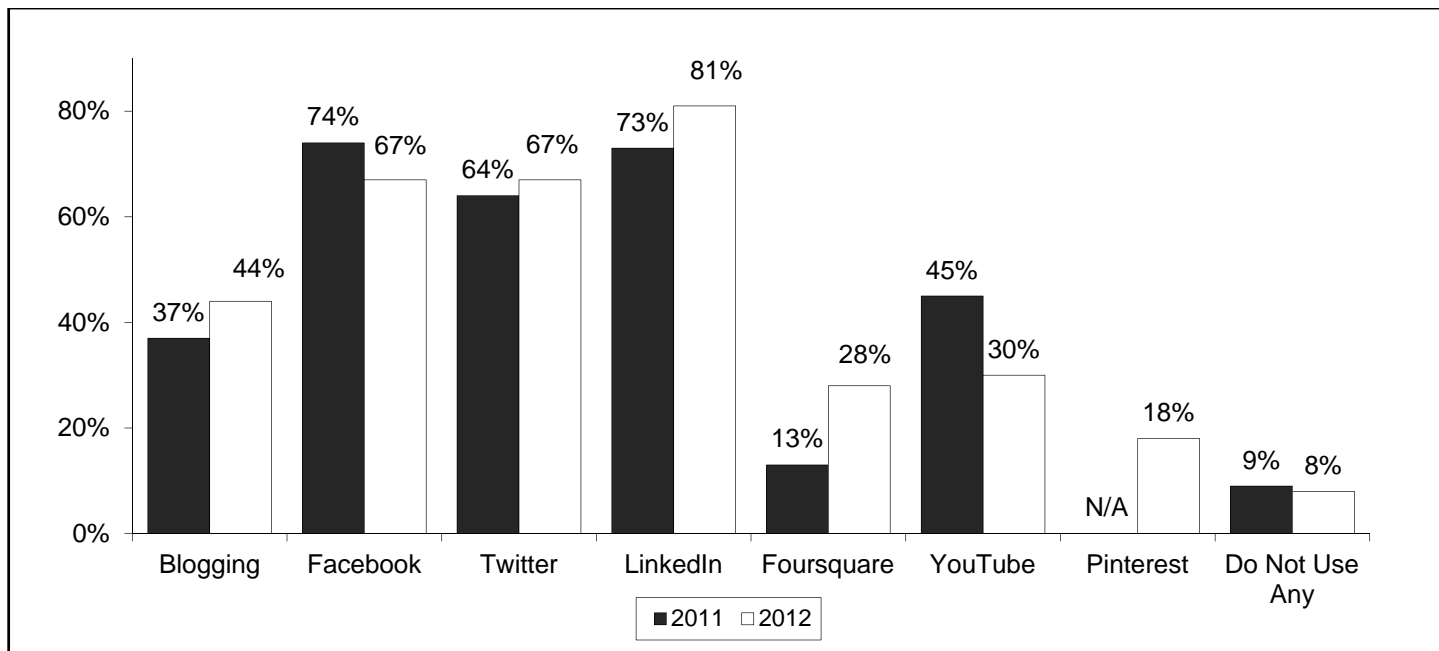
Source: Content Marketing Institute, “2013 B2B Content Marketing Benchmarks, Budgets and Trends.”

HOW CONSUMERS ARE SHARING DEALS



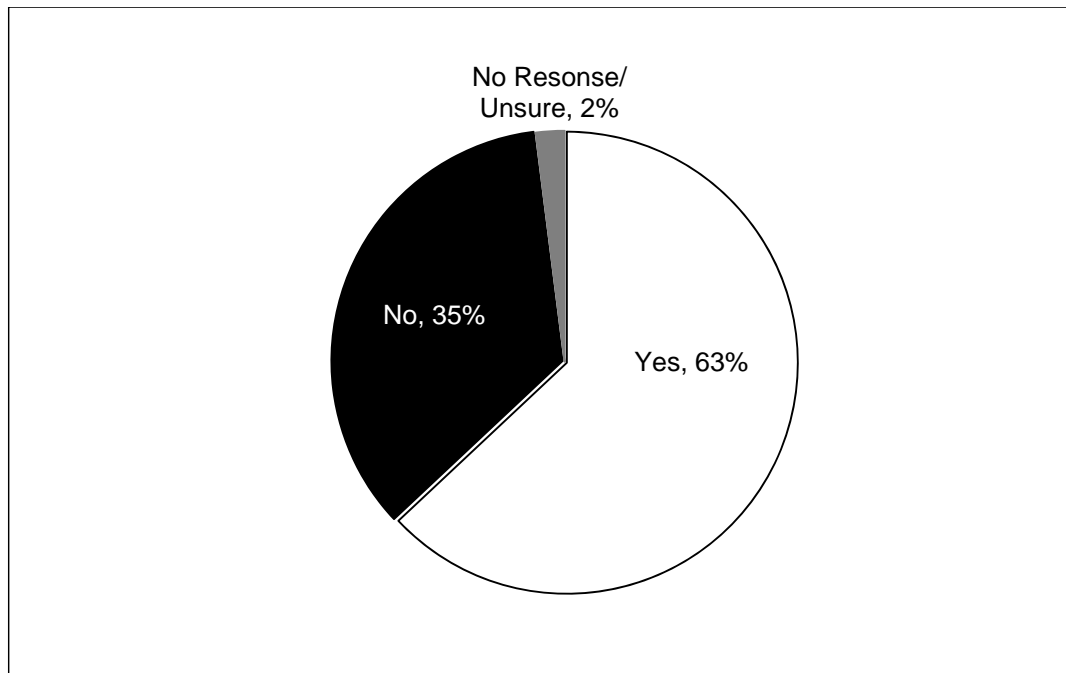
Source: Valassis/RedPlum Purse String Study, 2012.

GROWTH IN SOCIAL MEDIA TOOLS



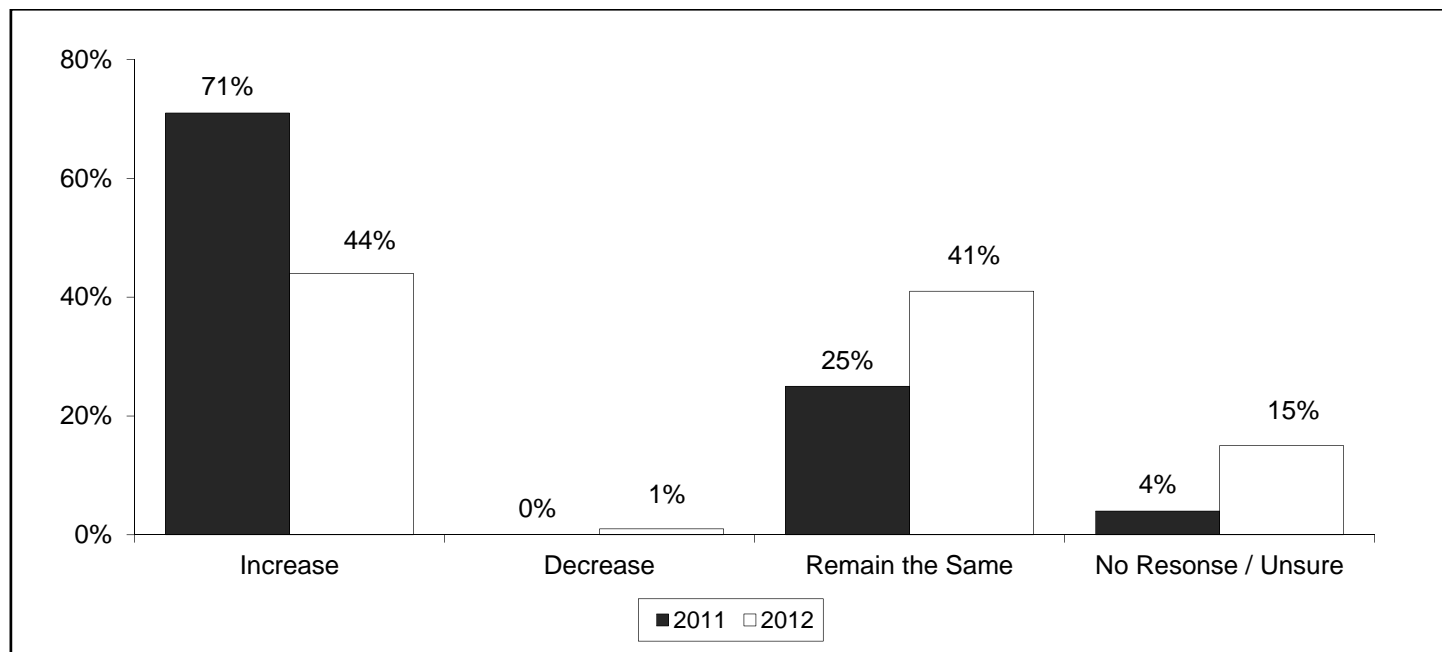
Source: University of Massachusetts Dartmouth, Center for Marketing Research, 2012.

DOES THE CEO OF YOUR COMPANY PROVIDE CONTENT FOR ANY OF YOUR SOCIAL MEDIA PORTALS?



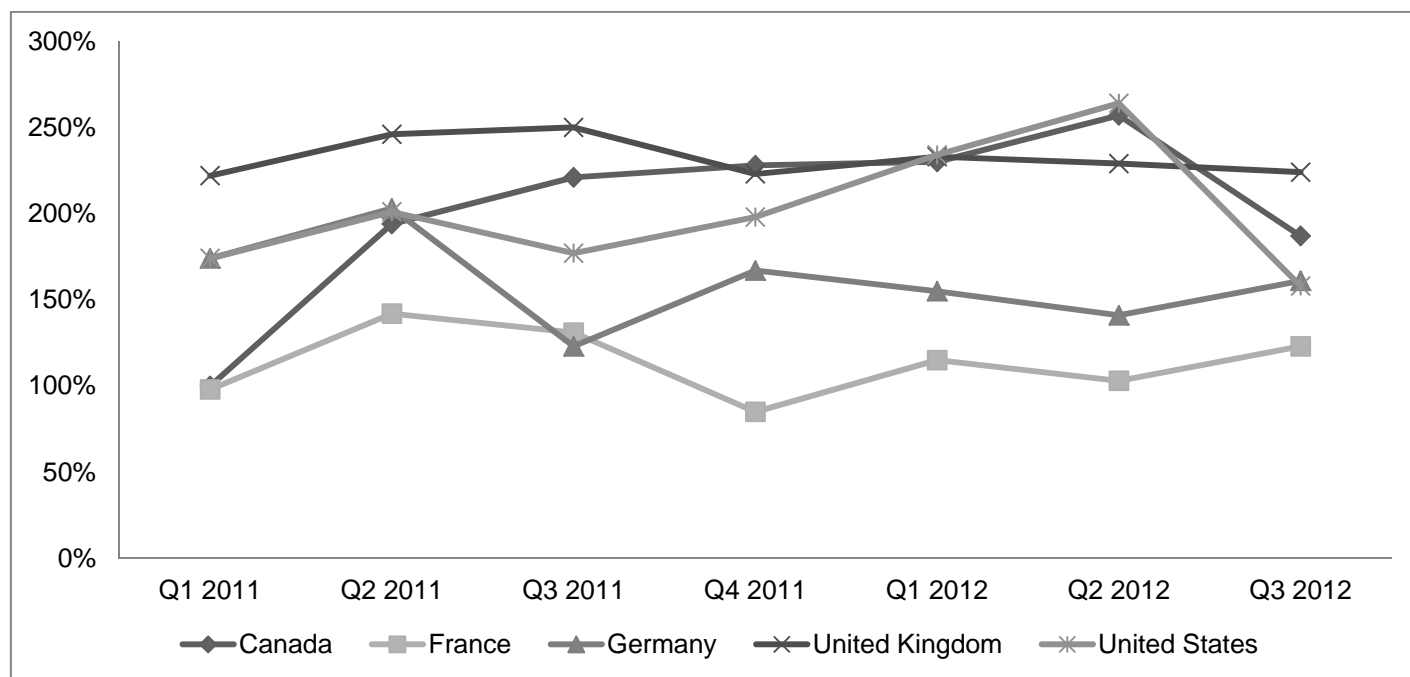
Source: University of Massachusetts Dartmouth, Center for Marketing Research, 2012.

WHAT ARE YOUR BUDGET PLANS FOR YOUR SOCIAL MEDIA INVESTMENTS FOR THE UPCOMING YEAR? (2011-2012)



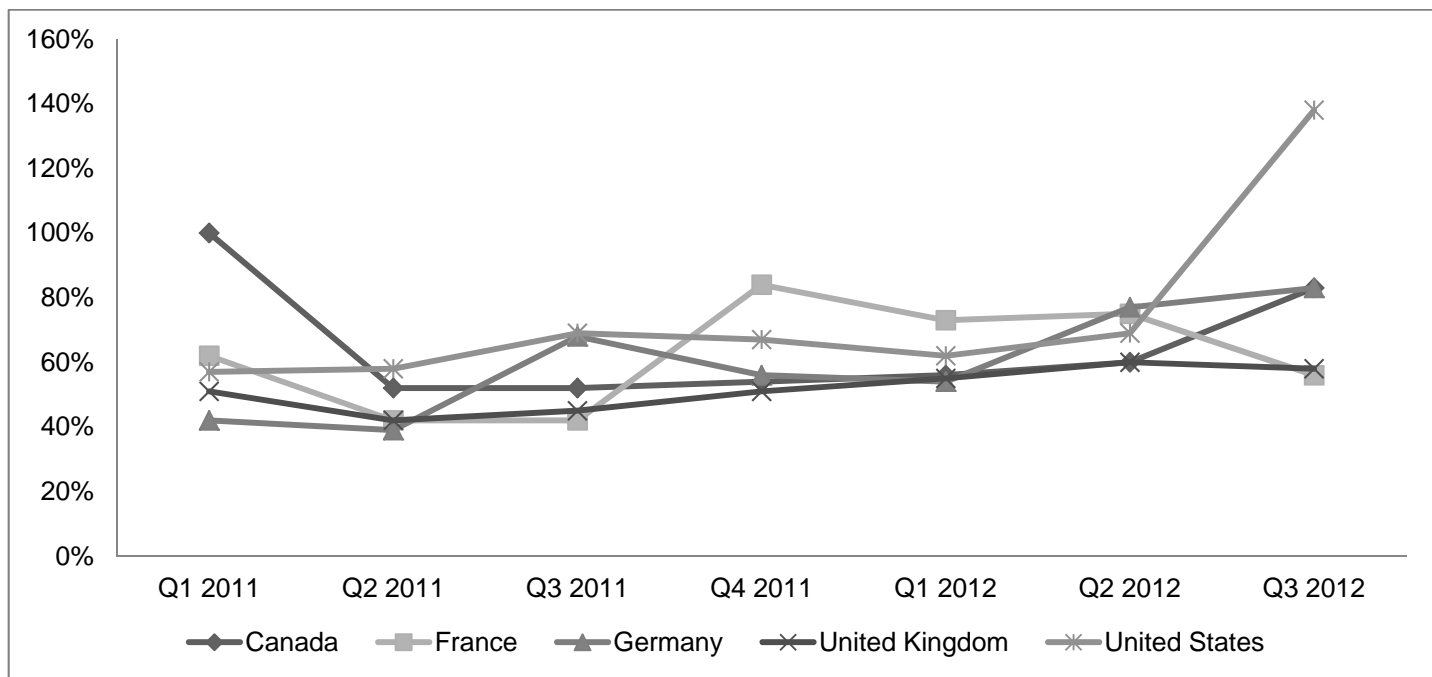
Source: University of Massachusetts Dartmouth, Center for Marketing Research, 2012.

INDEXED CPC RATES ACROSS FIVE MAJOR TERRITORIES



Source: TBG Digital, "Global Social Media Report, Q4 2012."

INDEXED CTR RATES ACROSS FIVE MAJOR TERRITORIES



Source: TBG Digital, "Global Social Media Report, Q4 2012."

SOCIAL NETWORKING SITES

(% of Internet users who use social networking sites)

	Use Social Networking Sites
All Internet Users	67%
GENDER	
Male	62
Female	71
RACE/ETHNICITY	
White, Non-Hispanic	65
Black, Non-Hispanic	68
Hispanic	72
AGE	
18–29	83
30–49	77
50–64	52
65+	32
EDUCATION ATTAINMENT	
Less than high school / High school grad	66
Some college	69
College+	65
HOUSEHOLD INCOME	
Less than \$30,000/year	72
\$30,000 - \$49,999	65
\$50,000 - \$74,999	66
\$75,000+	66
URBANITY	
Urban	70
Suburban	67
Rural	61

Source: Pew Research Center's Internet & American Life Project survey conducted from November 14 – December 9, 2012. N = 1,802, composed of adults 18 and older.

TWITTER

(% of Internet users who use Twitter)

	Use Twitter
All Internet Users	16%
GENDER	
Male	17
Female	15
RACE/ETHNICITY	
White, Non-Hispanic	14
Black, Non-Hispanic	26
Hispanic	19
AGE	
18–29	27
30–49	16
50–64	10
65+	2
EDUCATION ATTAINMENT	
Less than high school / High school grad	15
Some college	17
College+	15
HOUSEHOLD INCOME	
Less than \$30,000/year	16
\$30,000 - \$49,999	16
\$50,000 - \$74,999	14
\$75,000+	17
URBANITY	
Urban	20
Suburban	14
Rural	12

Source: Pew Research Center's Internet & American Life Project survey conducted from November 14 – December 9, 2012. N = 1,802, composed of adults 18 and older.

PINTEREST

(% of Internet users who use Pinterest)

	Use Pinterest
All Internet Users	15%
GENDER	
Male	5
Female	25
RACE/ETHNICITY	
White, Non-Hispanic	18
Black, Non-Hispanic	8
Hispanic	10
AGE	
18–29	19
30–49	19
50–64	12
65+	4
EDUCATION ATTAINMENT	
Less than high school / High school grad	11
Some college	16
College+	20
HOUSEHOLD INCOME	
Less than \$30,000/year	10
\$30,000 - \$49,999	15
\$50,000 - \$74,999	23
\$75,000+	18
URBANITY	
Urban	13
Suburban	16
Rural	18

Source: Pew Research Center's Internet & American Life Project survey conducted from November 14 – December 9, 2012. N = 1,802, composed of adults 18 and older.

INSTAGRAM

(% of Internet users who use Instagram)

	Use Instagram
All Internet Users	13%
GENDER	
Male	10
Female	16
RACE/ETHNICITY	
White, Non-Hispanic	11
Black, Non-Hispanic	23
Hispanic	18
AGE	
18–29	28
30–49	14
50–64	3
65+	2
EDUCATION ATTAINMENT	
Less than high school / High school grad	12
Some college	15
College+	12
HOUSEHOLD INCOME	
Less than \$30,000/year	15
\$30,000 - \$49,999	14
\$50,000 - \$74,999	12
\$75,000+	12
URBANITY	
Urban	17
Suburban	11
Rural	11

Source: Pew Research Center's Internet & American Life Project survey conducted from November 14 – December 9, 2012. N = 1,802, composed of adults 18 and older.

TUMBLR

(% of Internet users who use Tumblr)

	Use Tumblr
All Internet Users	6%
GENDER	
Male	6
Female	6
RACE/ETHNICITY	
White, Non-Hispanic	6
Black, Non-Hispanic	5
Hispanic	8
AGE	
18–29	13
30–49	5
50–64	3
65+	1
EDUCATION ATTAINMENT	
Less than high school / High school grad	5
Some college	6
College+	7
HOUSEHOLD INCOME	
Less than \$30,000/year	6
\$30,000 - \$49,999	3
\$50,000 - \$74,999	5
\$75,000+	8
URBANITY	
Urban	7
Suburban	5
Rural	6

Source: Pew Research Center's Internet & American Life Project survey conducted from November 14 – December 9, 2012. N = 1,802, composed of adults 18 and older.

FACEBOOK

(% of Internet users who use Facebook)

	Use Facebook
All Internet Users	67%
GENDER	
Male	62
Female	72
AGE	
18–29	86
30–49	73
50–64	57
65+	35
EDUCATION ATTAINMENT	
Less than high school / High school grad	60
Some college	73
College+	68
HOUSEHOLD INCOME	
Less than \$30,000/year	68
\$30,000 - \$49,999	62
\$50,000 - \$74,999	69
\$75,000+	73
URBANITY	
Urban	72
Suburban	65
Rural	63

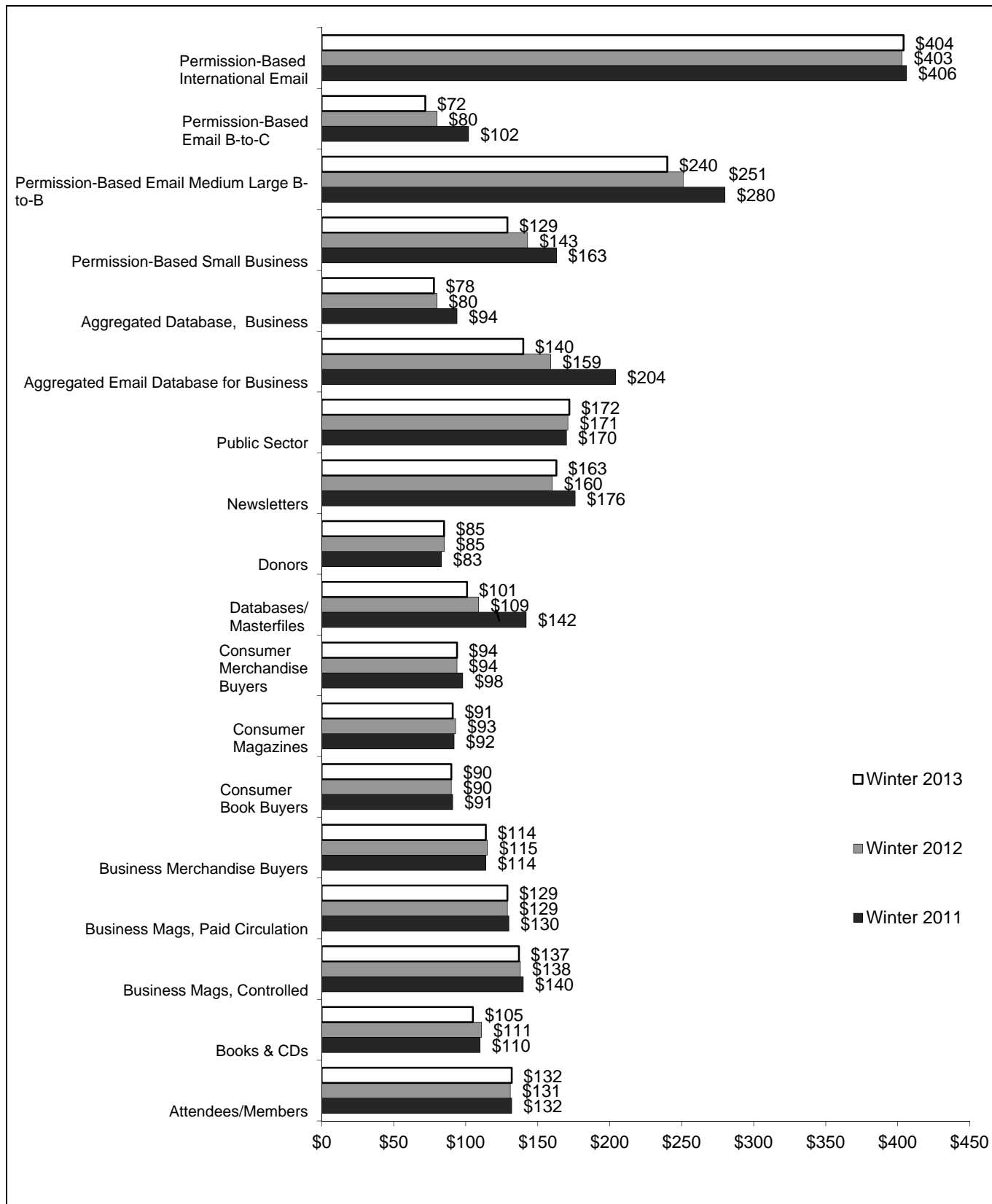
Source: Pew Research Center's Internet & American Life Project survey conducted from December 13–16, 2012. N = 860 internet users, composed of adults 18 and older.

DATA

CHAPTER HIGHLIGHTS

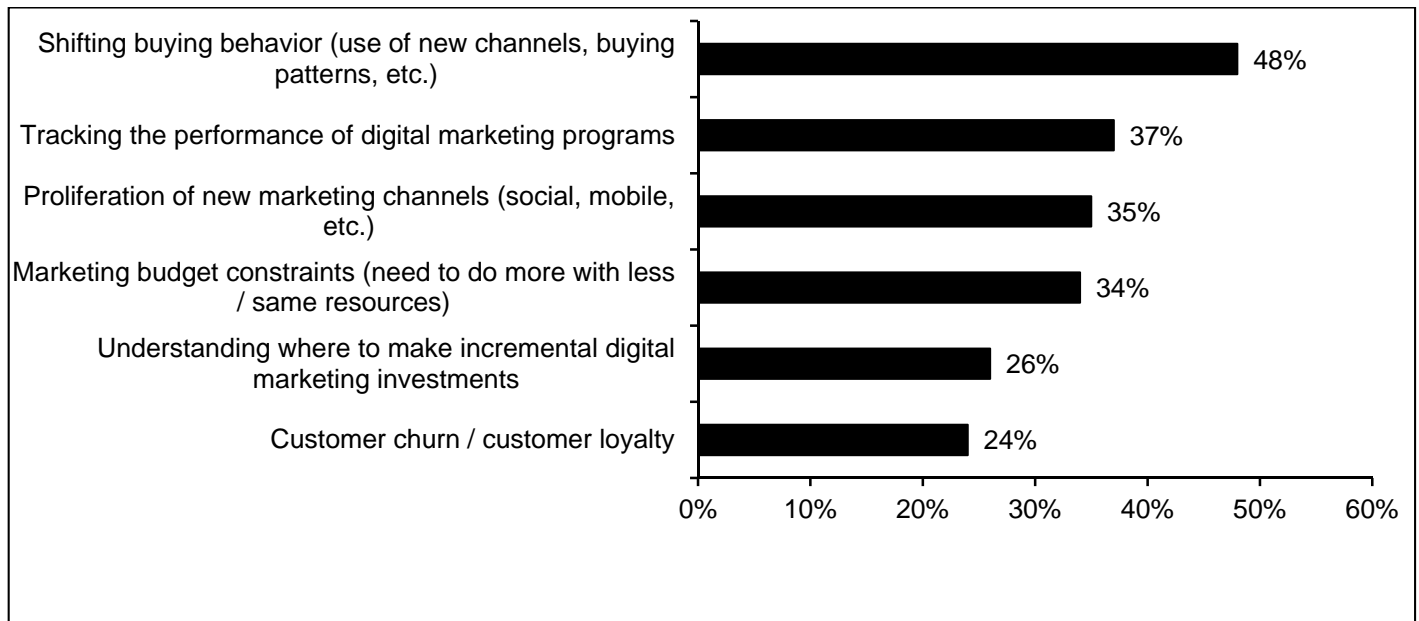
- Permission-based international email has a list price of \$406, by far the highest email list.
- Almost half of best in class marketers are applying behavior to customer scoring.
- The top barrier in marketing analytics is integrating multiple data sources.
- A quarter of marketers said that the biggest challenge they'll be facing in 2013 is analyzing data, followed by applying data.
- Almost 85% of marketers will be taking additional steps to protect customer data and privacy in 2013.
- Over a third of marketers are spending less than \$20 to obtain a qualified lead.

WORLDATA LIST PRICE INDEX



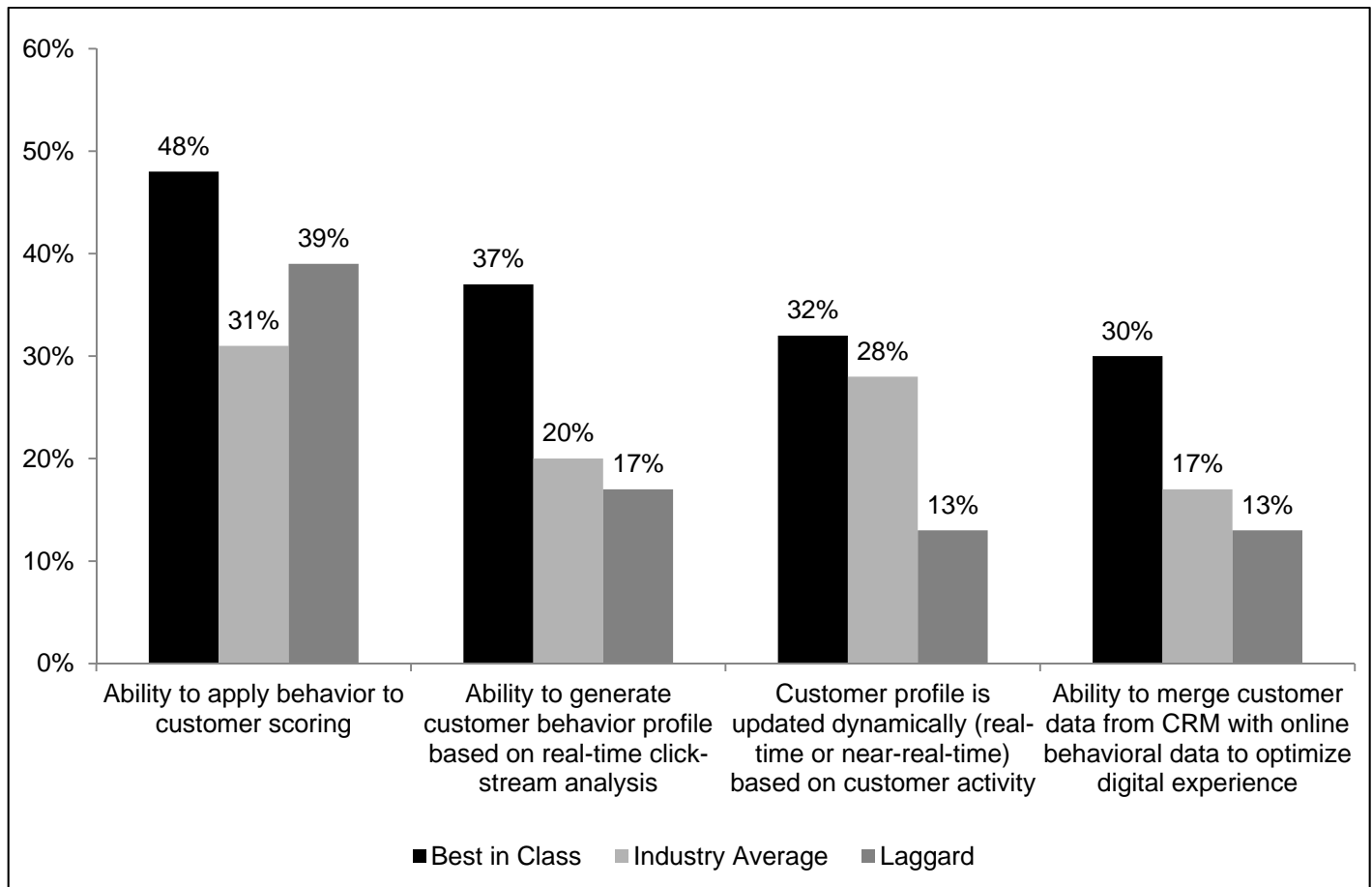
Source: Worldata Inc., 2013.

PRESSURES DRIVING MARKETING ANALYTICS



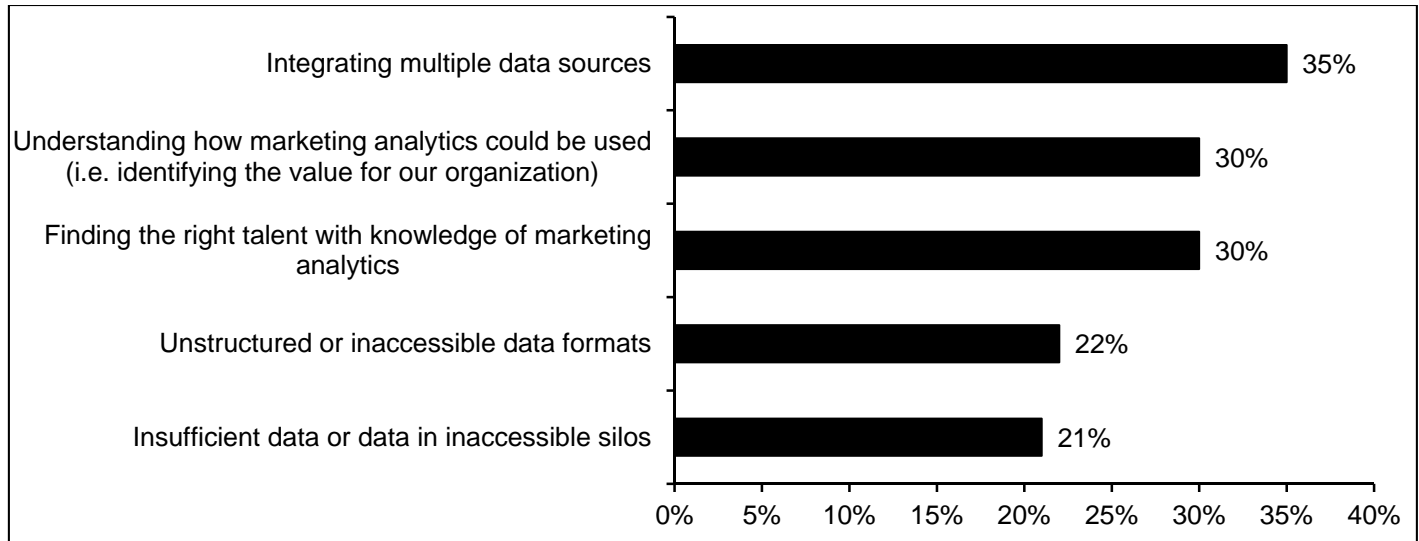
Source: Aberdeen Group, December 2012.

ADOPTION OF BEHAVIORAL ORIENTED CAPABILITIES



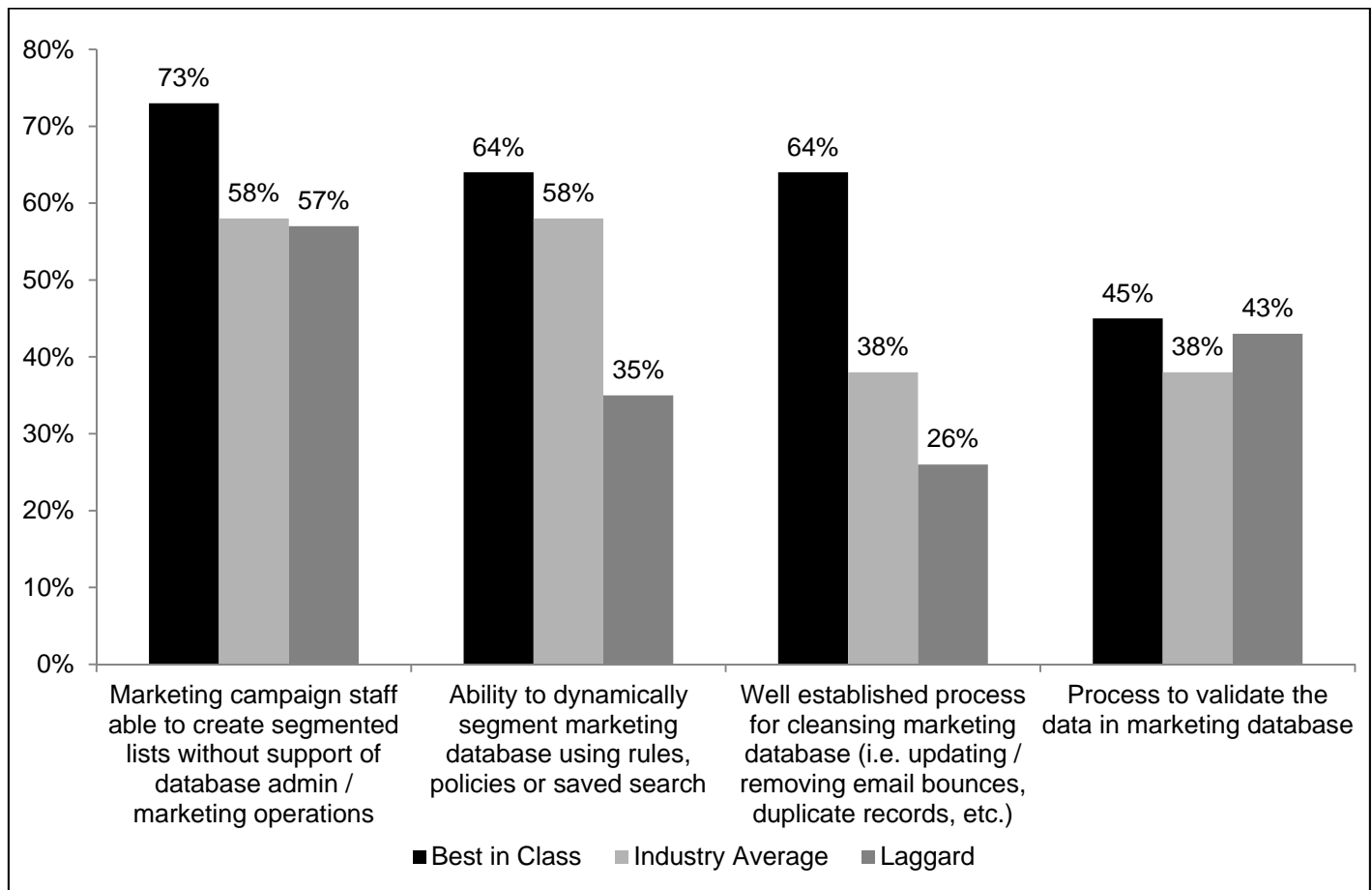
Source: Aberdeen Group, December 2012.

TOP BARRIERS TO MARKETING ANALYTICS ADOPTION



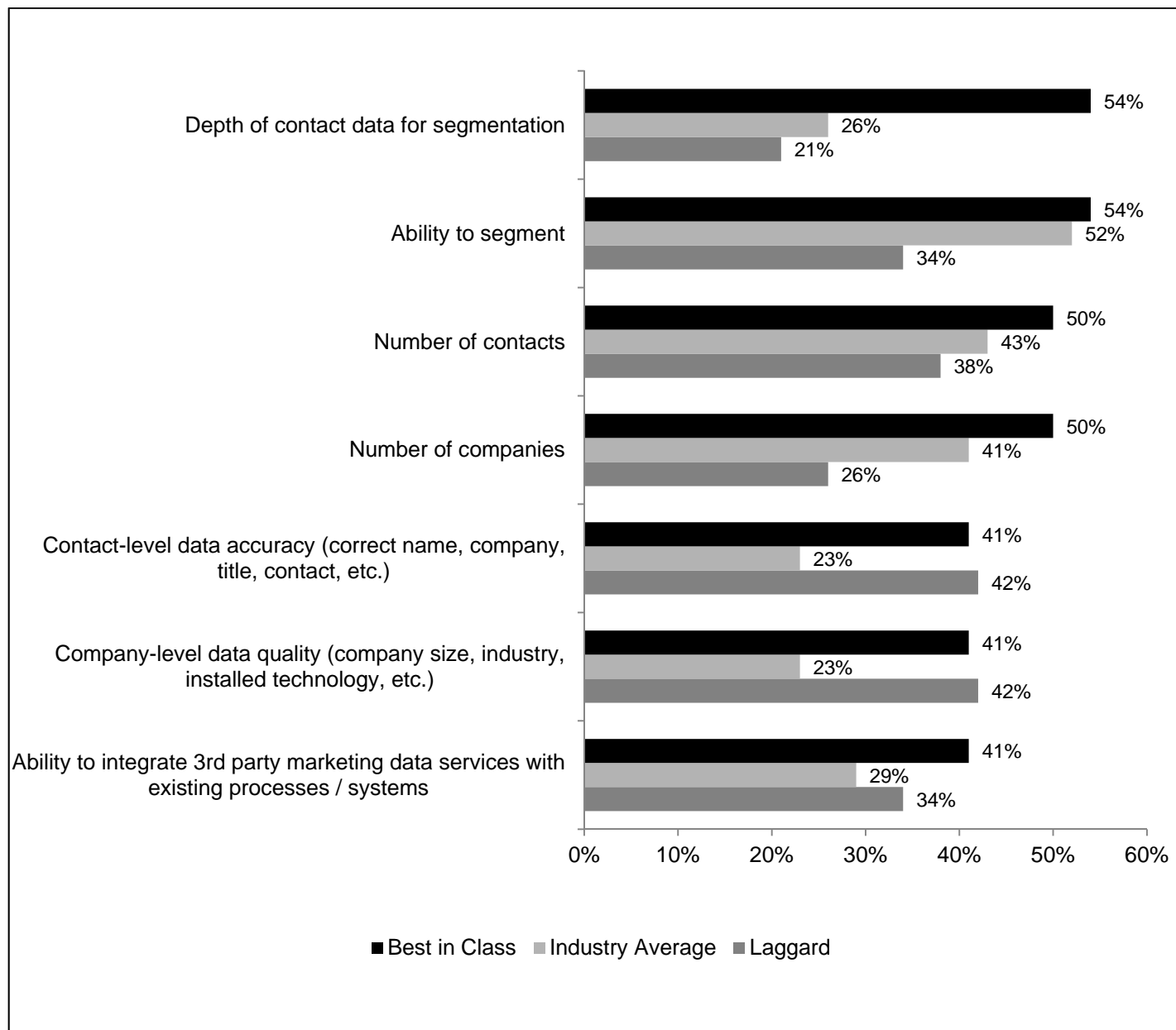
Source: Aberdeen Group, December 2012.

BEST-IN-CLASS SEGMENTATION PRACTICES



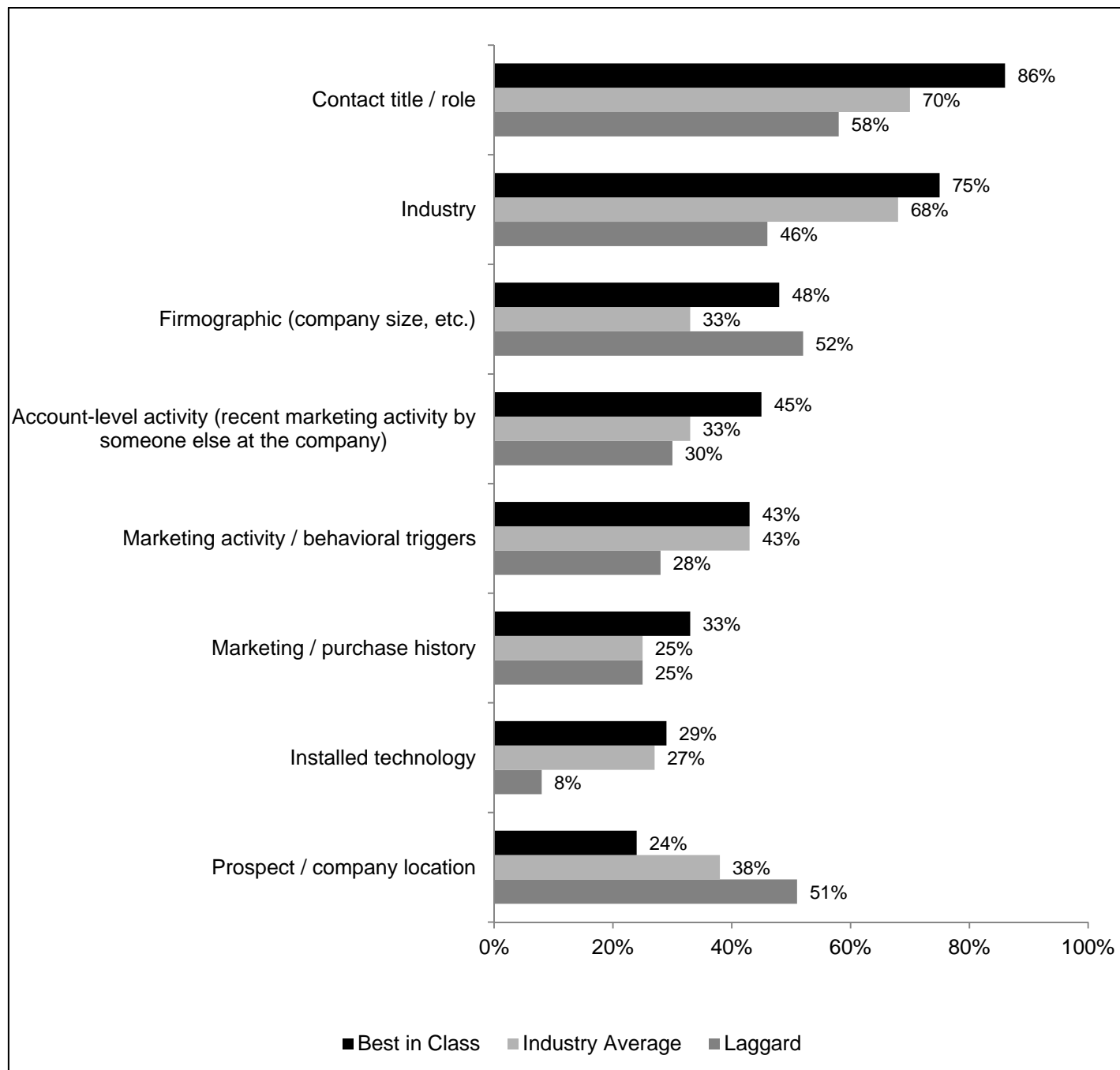
Source: Aberdeen Group, 2012.

MARKETING DATA MANAGEMENT SATISFACTION



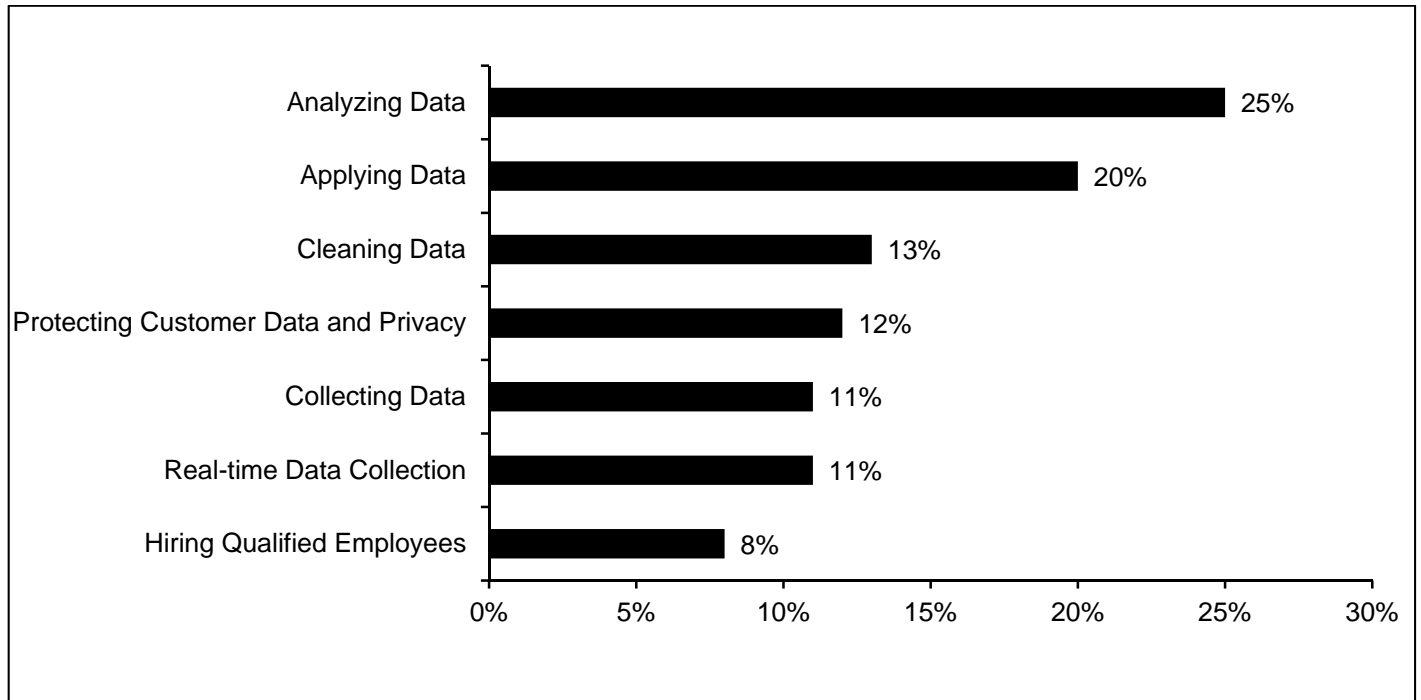
Source: Aberdeen Group, 2012.

THE VALUE OF CONTACT DATA



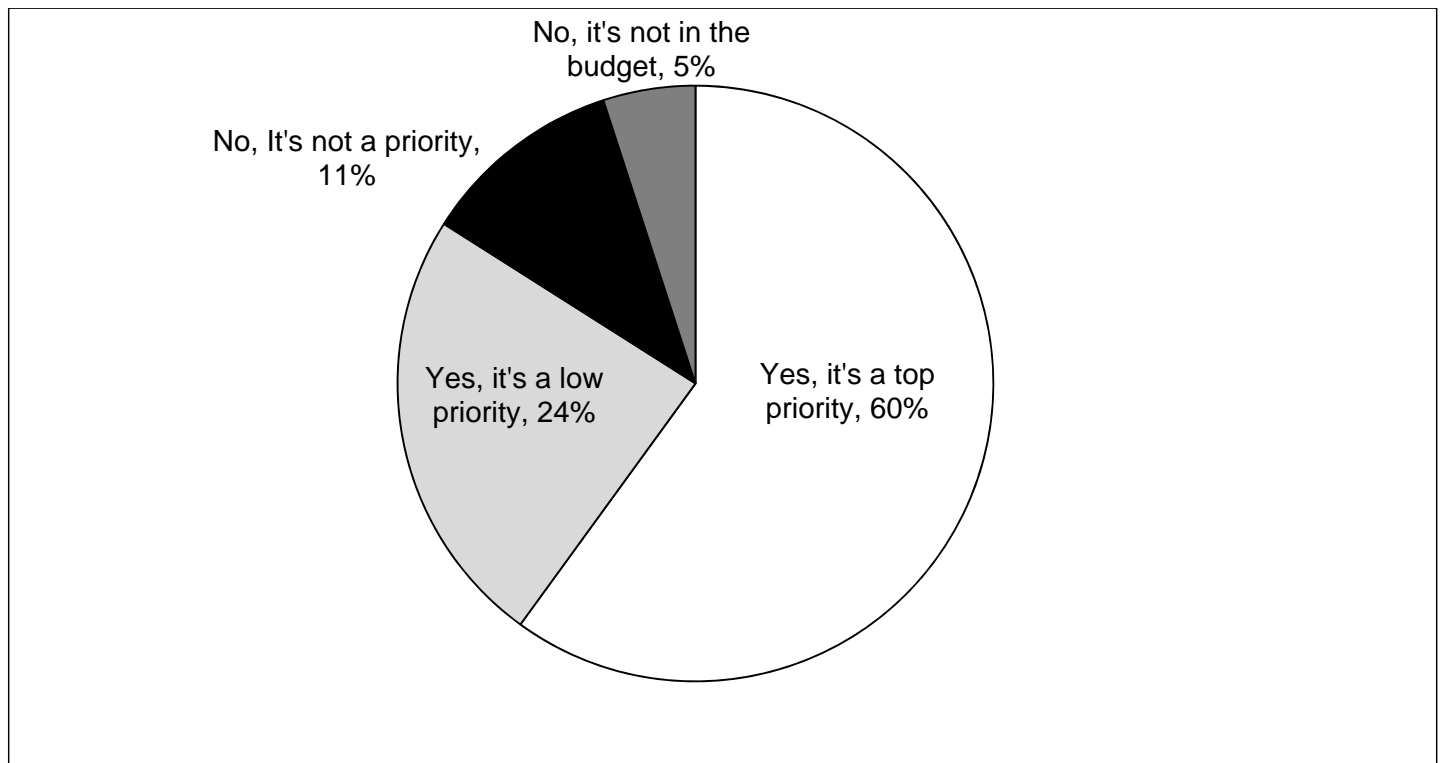
Source: Aberdeen Group, 2012.

BIGGEST CHALLENGES TO BE FACED BY MARKETERS IN 2013 AS IT RELATES TO THE USE OF DATA



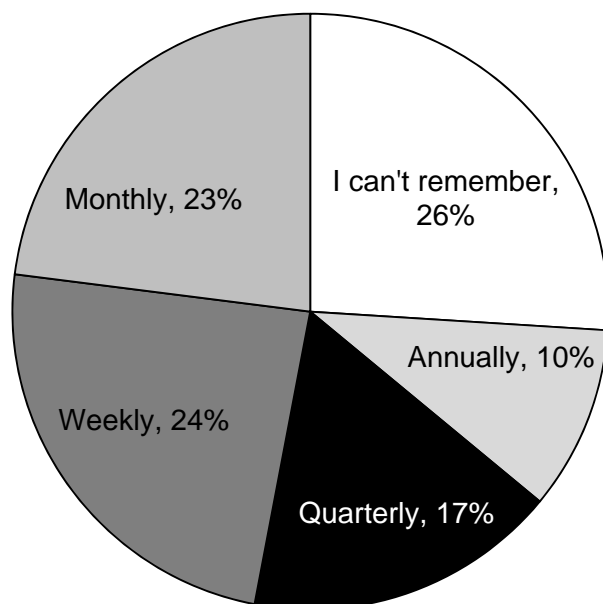
Source: Infogroup, “Data-Rich and Insight-Poor,” 2013.

WILL ADDITIONAL STEPS BE TAKEN TO PROTECT CUSTOMER DATA AND PRIVACY IN 2013?



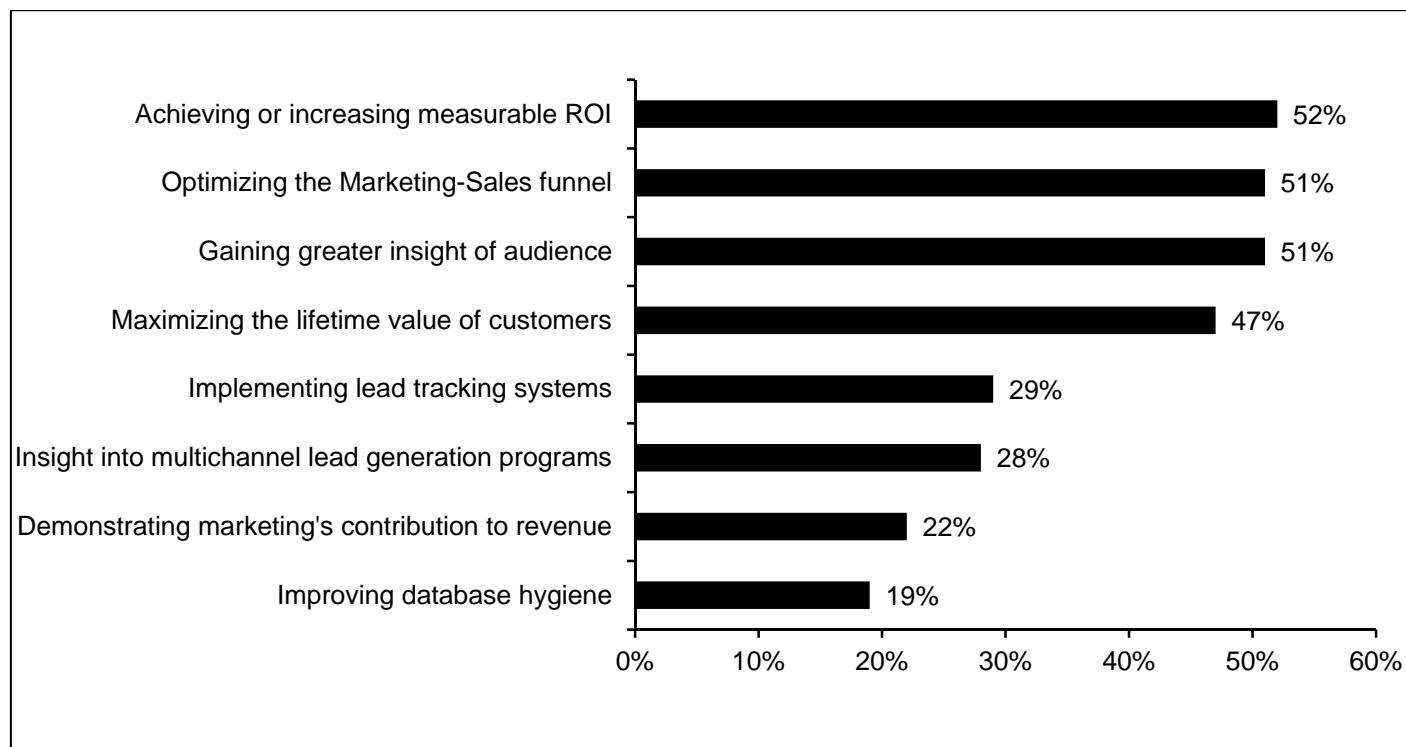
Source: Infogroup, “Data-Rich and Insight-Poor,” 2013.

HOW OFTEN DO YOU CLEAN YOUR CUSTOMER DATA?



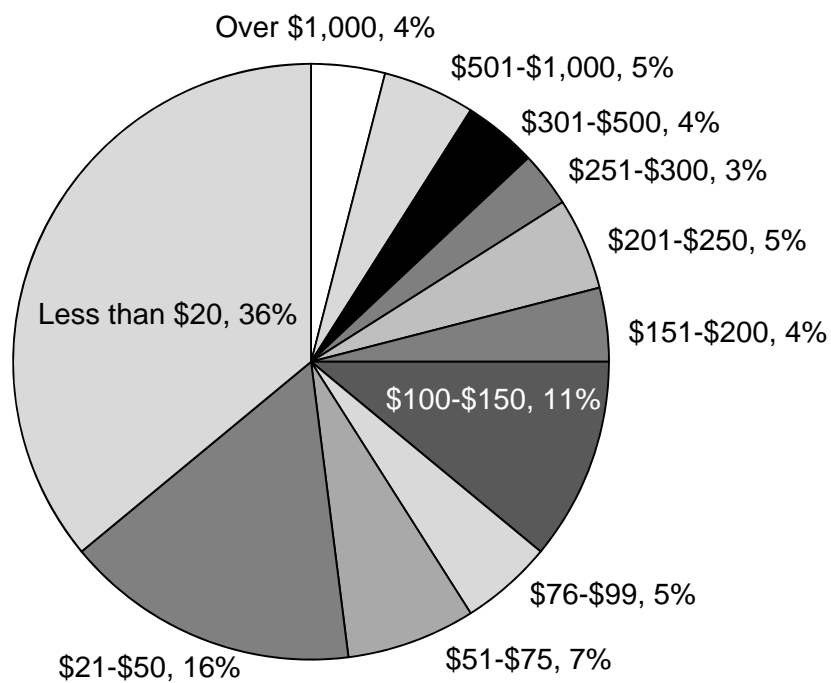
Source: Infogroup, “Data-Rich and Insight-Poor,” 2013.

CMOs TOP STRATEGIC PRIORITIES FOR LEAD GENERATION



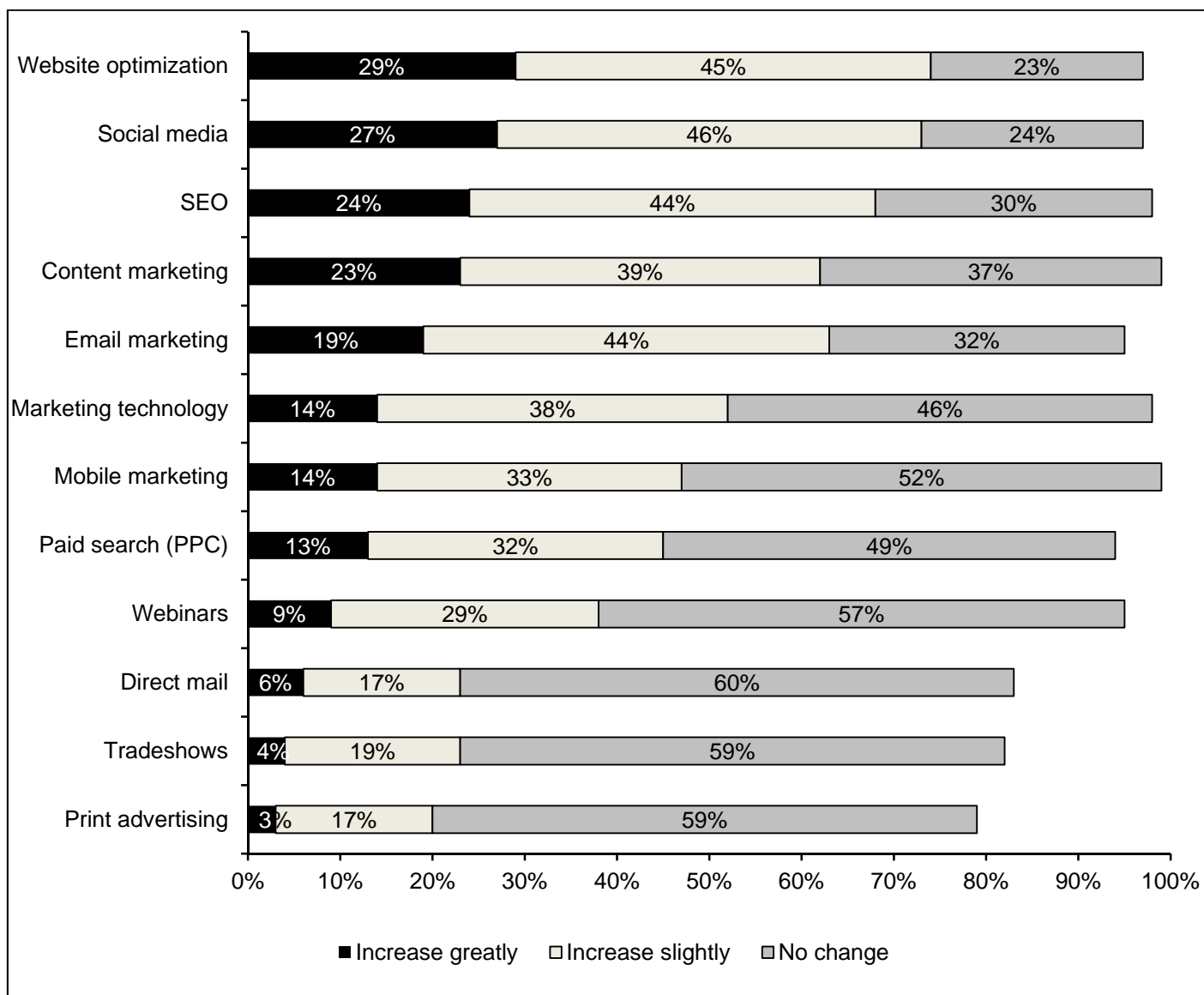
Source: MarketingSherpa, “Lead Generation Benchmark Survey,” 2012.

COST PER QUALIFIED LEAD



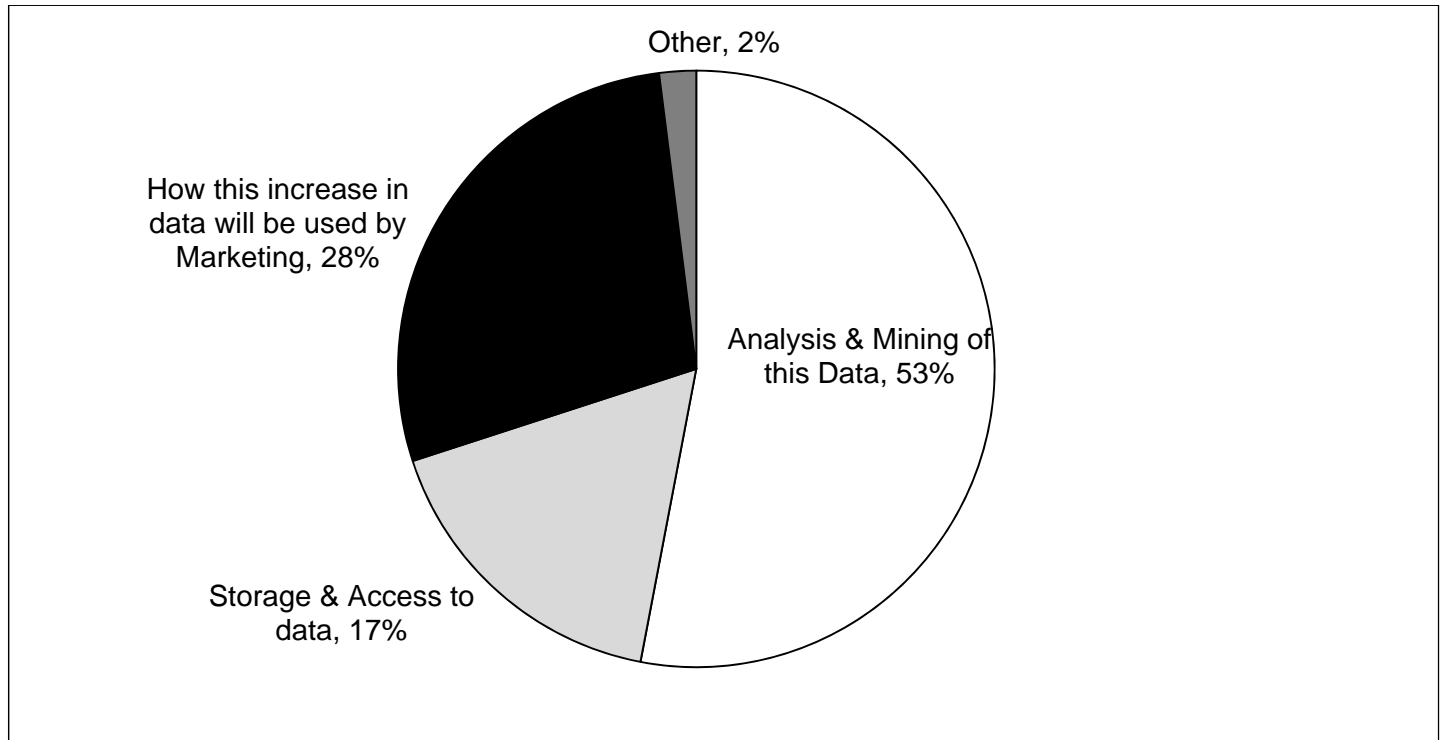
Source: MarketingSherpa, "Lead Generation Benchmark Survey," 2013.

CHANGES TO 2012 LEAD GENERATION BUDGETS



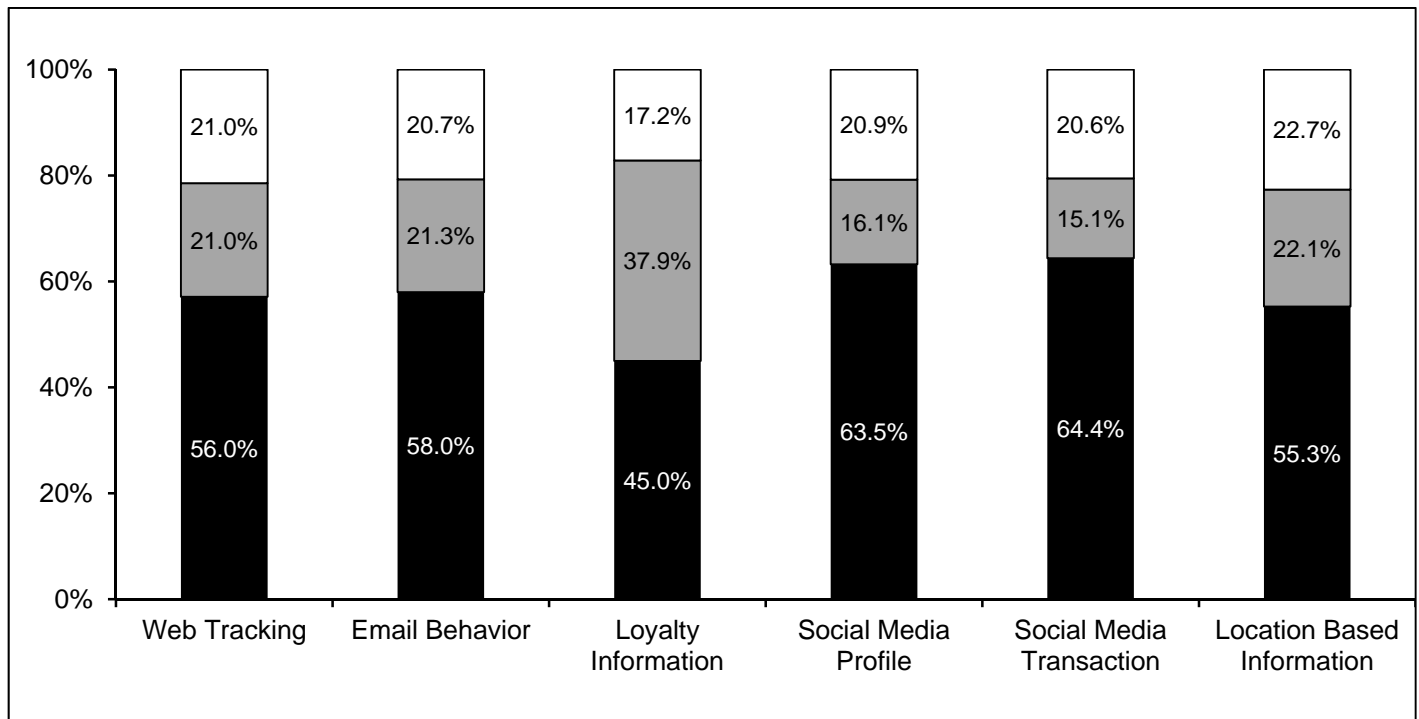
Source: MarketingSherpa, "Lead Generation Benchmark Survey," 2012.

WHAT CHALLENGES DO YOU FORESEE FOR YOU/YOUR COMPANY IN DEALING WITH THE INCREASE IN CUSTOMER DATA?



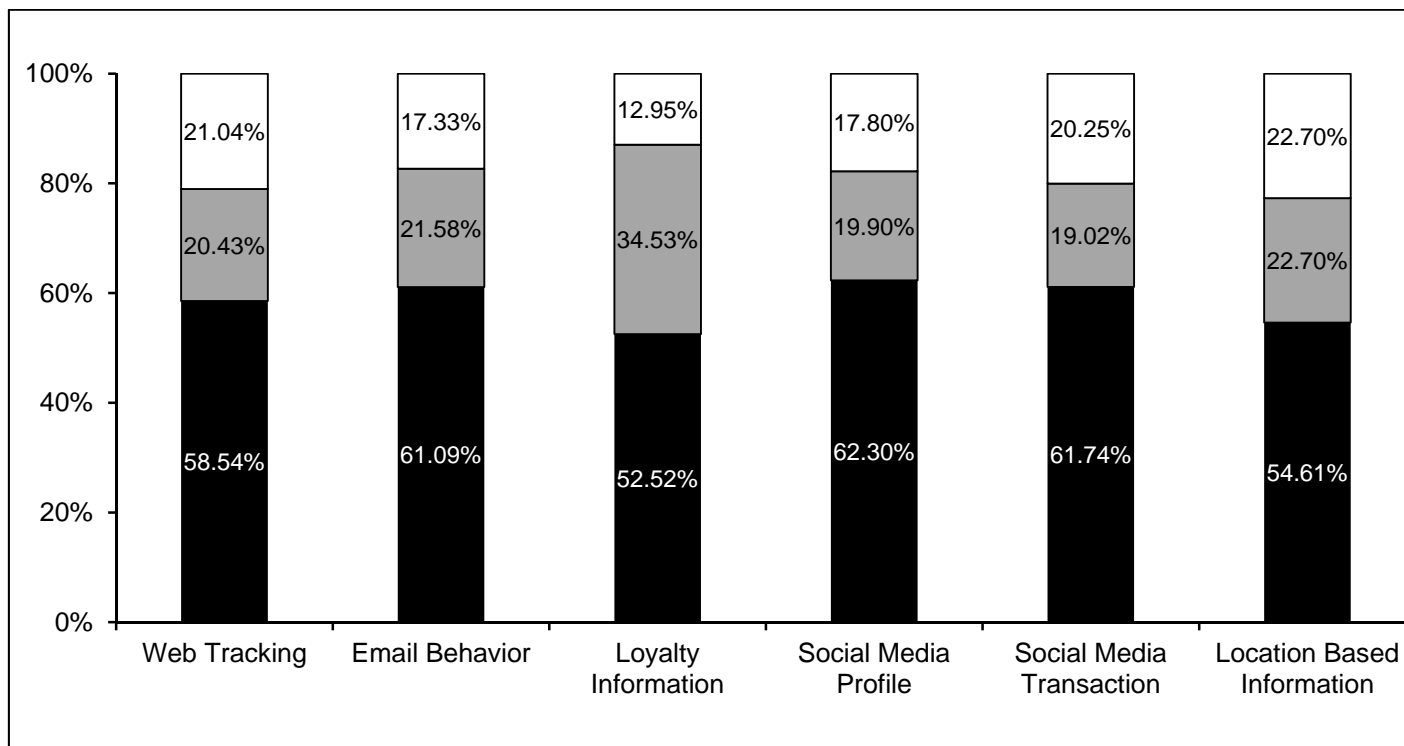
Source: Neolane, Inc. and DMA, “Big Data,” 2012.

ARE YOU COLLECTING THE FOLLOWING INFORMATION?



Source: Neolane, Inc. and DMA, “Big Data”, 2012.

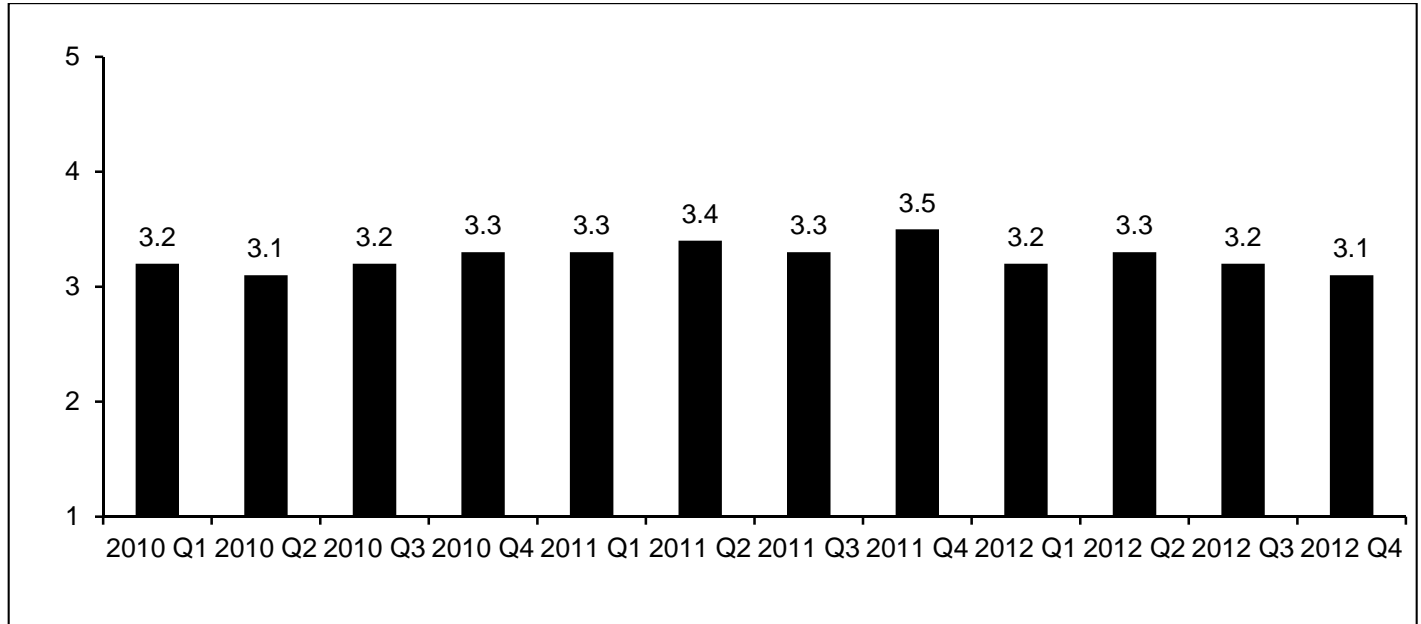
OF THE DATA YOU'RE COLLECTING, WHAT ARE YOU USING FOR MARKETING CAMPAIGNS?



Source: Neolane, Inc. and DMA, "Big Data," 2012.

SPENDING ON DATA-DRIVEN MARKETING, COMPARED TO PREVIOUS QUARTER

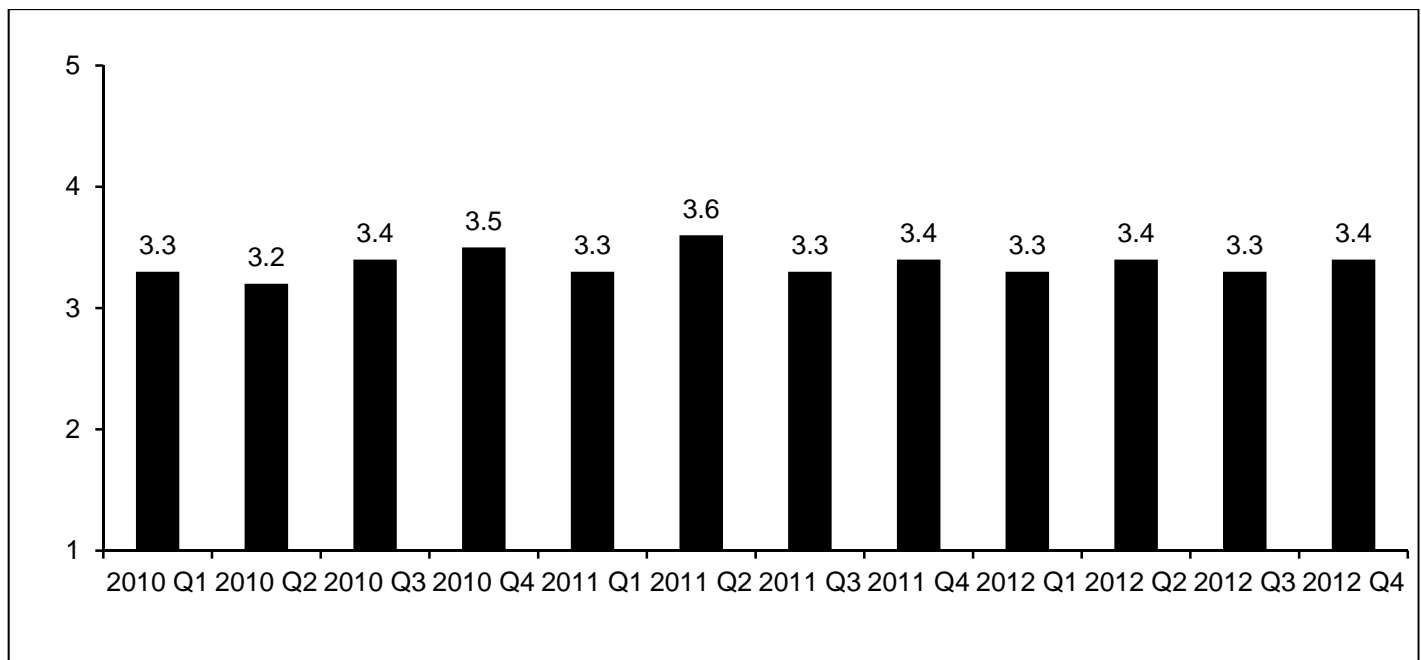
Scale of 1 to 5 where 1 indicates spending decreased significantly and 5 indicates spending increased significantly



Source: Winterberry Group/DMA Quarterly Business Review, Q4 2012.

REVENUE DERIVED FROM DATA-DRIVEN MARKETING, COMPARED TO PREVIOUS QUARTER

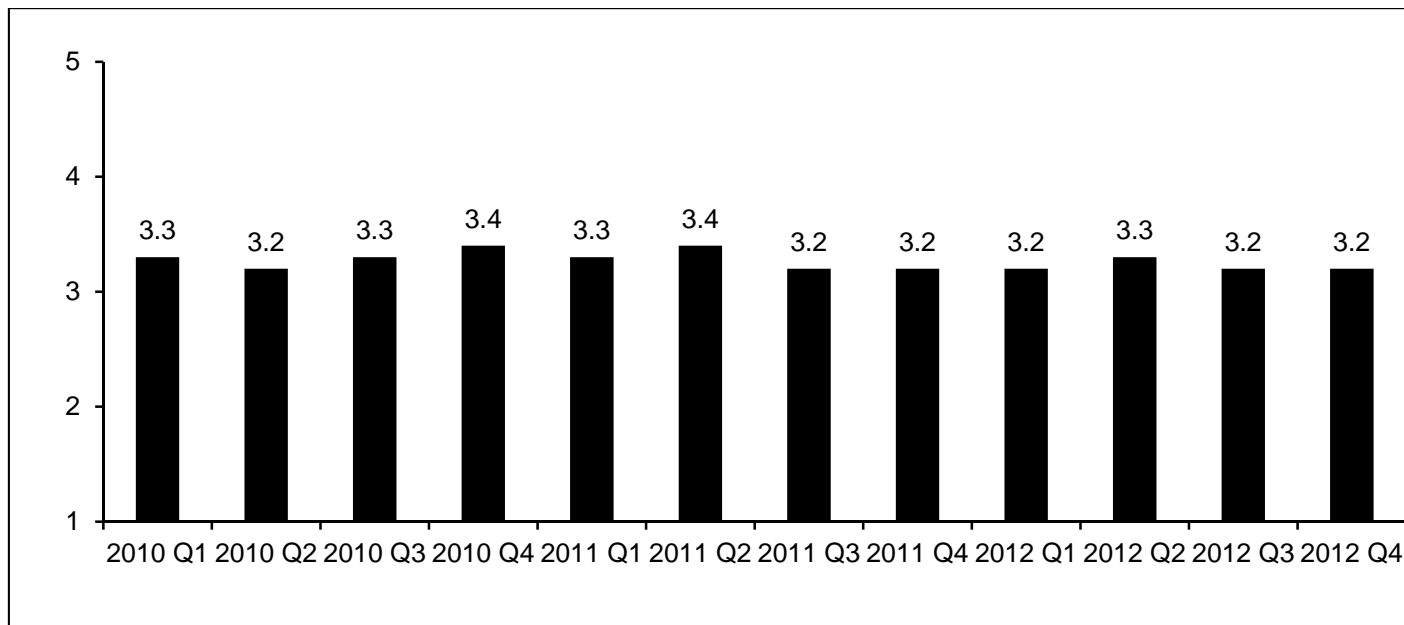
Scale of 1 to 5 where 1 indicates revenue decreased significantly and 5 indicates revenue increased significantly



Source: Winterberry Group/DMA Quarterly Business Review, Q4 2012.

PROFITABILITY DERIVED FROM DATA-DRIVEN MARKETING, COMPARED TO PREVIOUS QUARTER

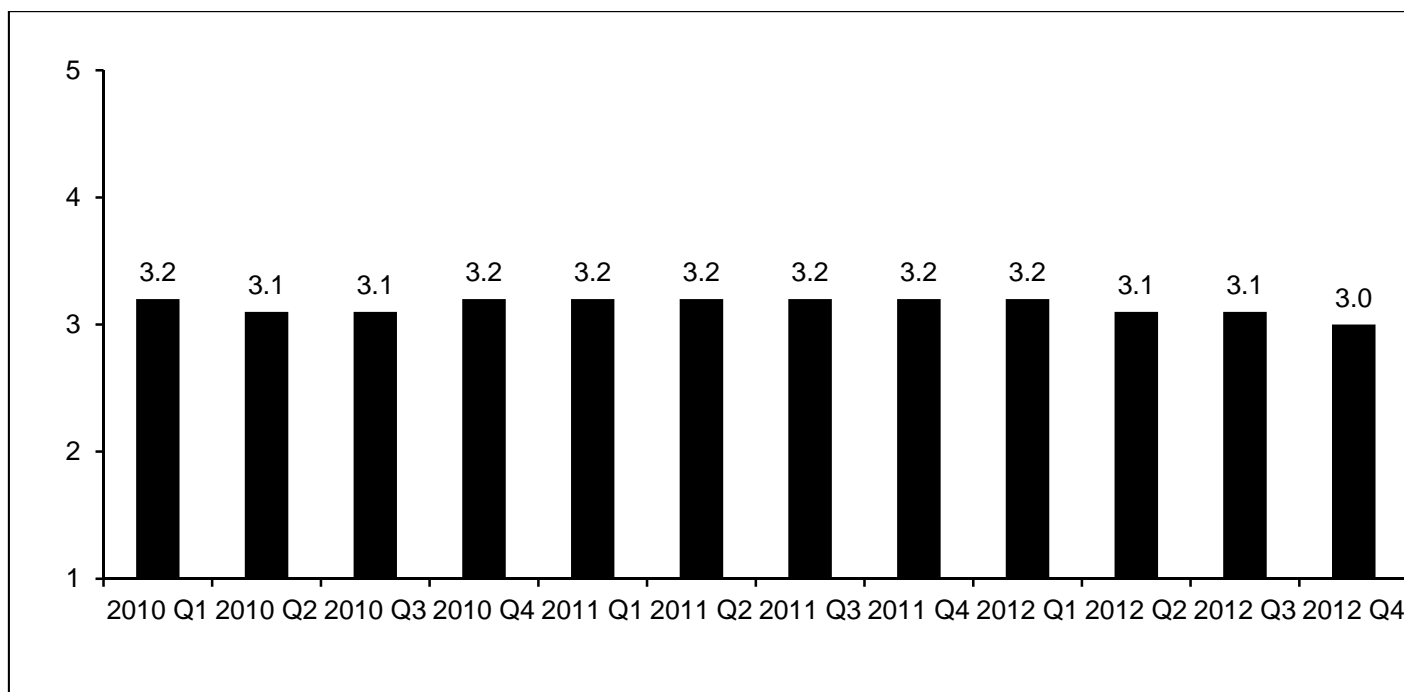
Scale of 1 to 5 where 1 indicates profitability decreased significantly and 5 indicates profitability increased significantly



Source: Winterberry Group/DMA Quarterly Business Review, Q4 2012.

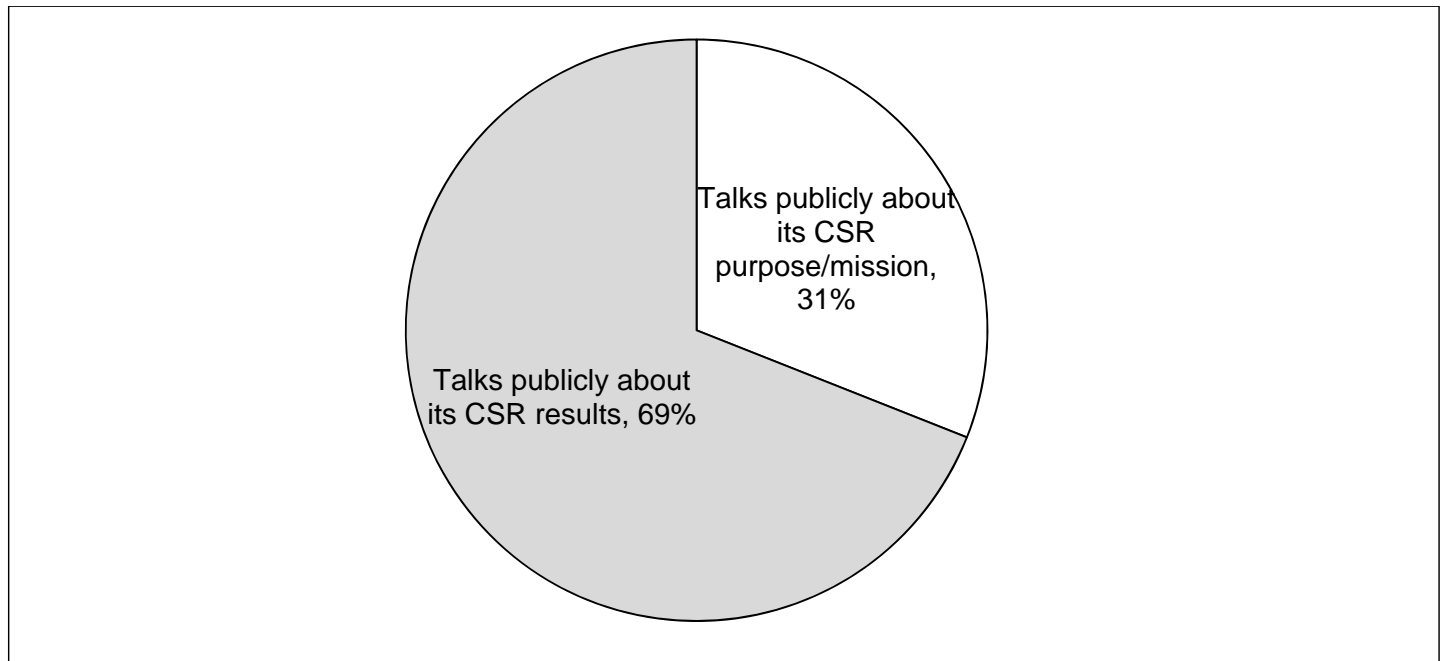
DATA-DRIVEN MARKETING STAFFING LEVELS, COMPARED TO PREVIOUS QUARTER

Scale of 1 to 5 where 1 indicates staffing decreased significantly and 5 indicates staffing increased significantly



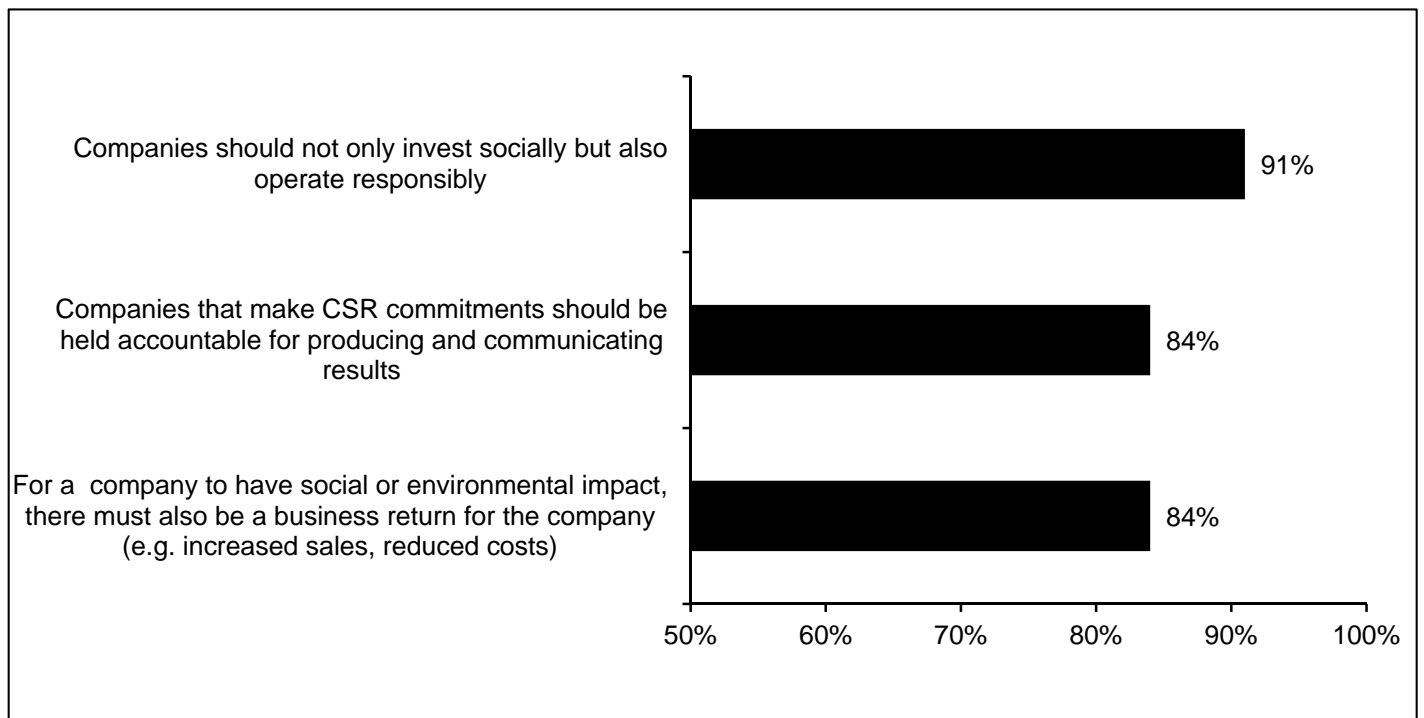
Source: Winterberry Group/DMA Quarterly Business Review, Q4 2012.

AMERICANS MORE LIKELY TO PURCHASE FROM A COMPANY THAT TALKS ABOUT CORPORATE SOCIAL RESPONSIBILITY (CSR) RESULTS, NOT JUST PURPOSE



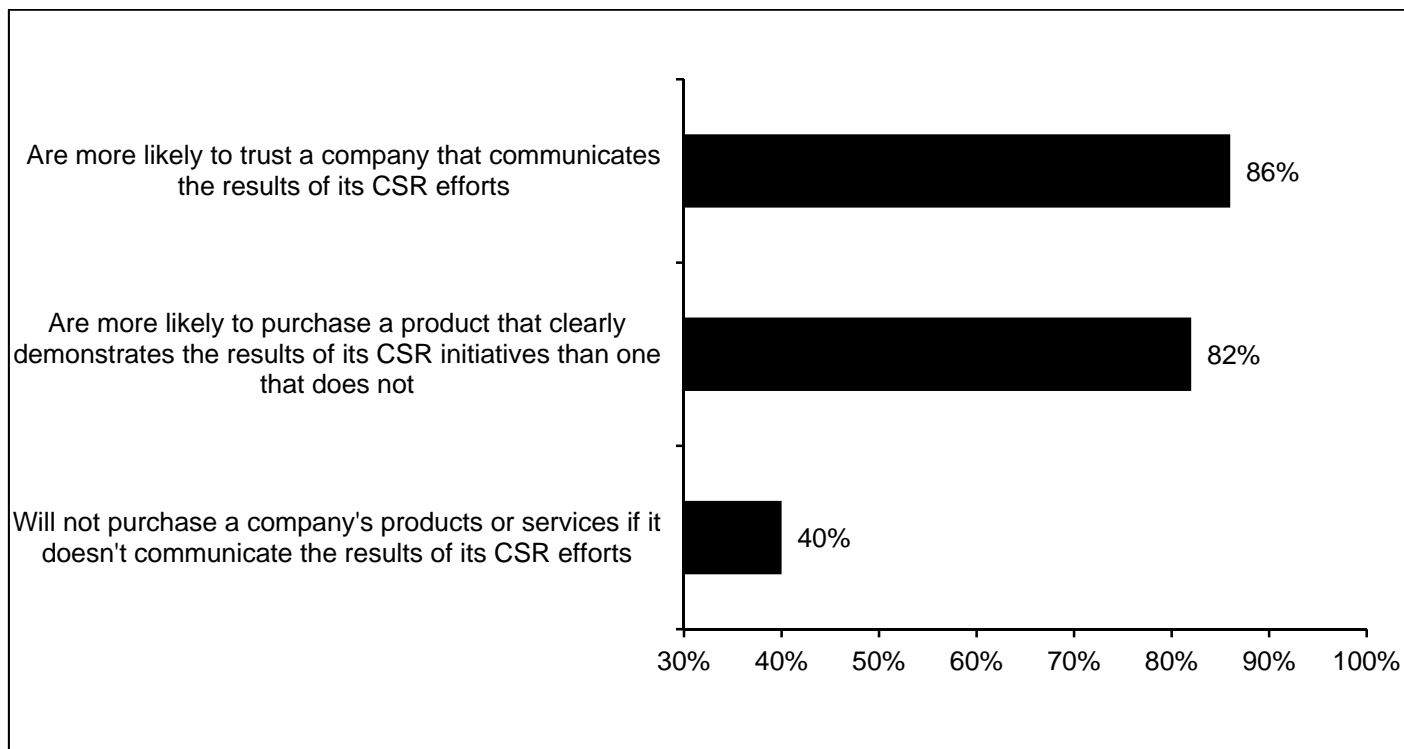
Source: 2012 Cone Communications Corporate Social Return Trend Tracker,

AMERICANS EXPECTATIONS OF A COMPANY'S CORPORATE SOCIAL RESPONSIBILITY (CSR) EFFORTS



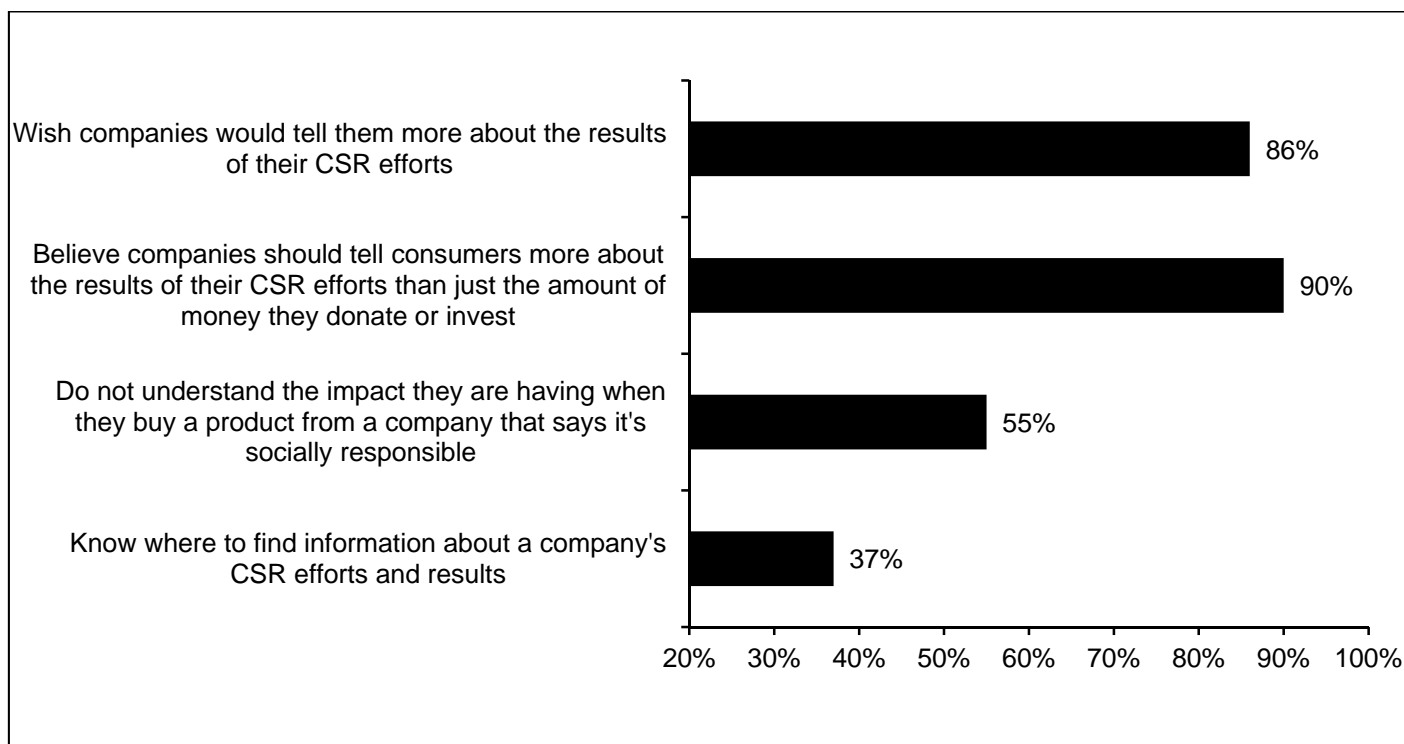
Source: 2012 Cone Communications Corporate Social Return Trend Tracker,

CONSUMER ACTION AND CSR RESULTS



Source: 2012 Cone Communications Corporate Social Return Trend Tracker,

COMMUNICATING CSR RESULTS



Source: 2012 Cone Communications Corporate Social Return Trend Tracker,”

CONSUMER DEMOGRAPHICS

CHAPTER HIGHLIGHTS

- There were over 310 million people in the US in 2010.
- The median income for all US adults in 2009 was \$49,777.
- Average expenditures by a US adult in 2008 were \$49,067.
- Bridgeport-Stamford-Norwalk has the highest per capita income of any metropolitan area, with the average person earning nearly \$75,000. Of large cities, San Francisco-Oakland-Fremont has the highest at nearly \$60,000.
- DC, Connecticut, Massachusetts, and New Jersey were the only states/districts with per capita incomes above \$50,000.

TOTAL POPULATION BY SEX AND RACE: 2010

(In Thousands)

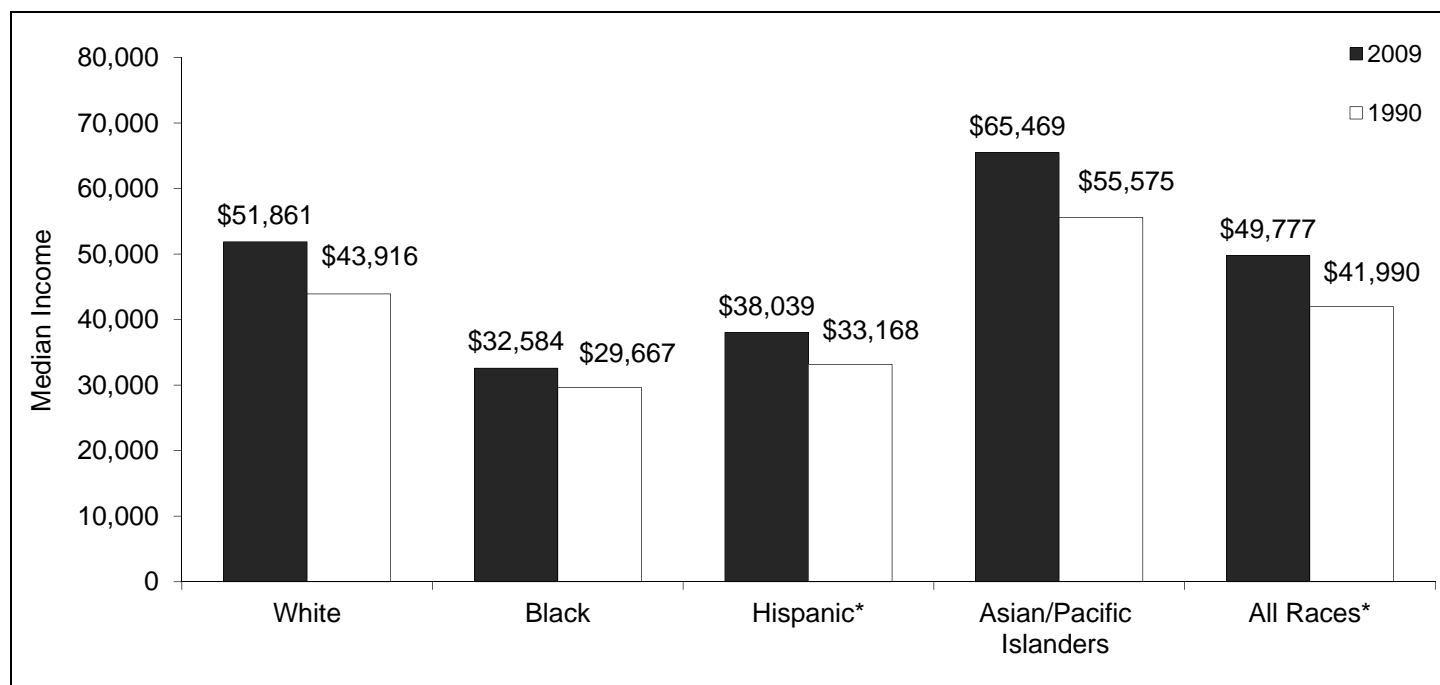
Total	Male	Female	White	Black	Asian	Other*
310,233	152,753	157,479	246,630	39,909	14,415	3,780

*Note: Other includes American Indian, Alaska Native, Native Hawaiian, and Other Pacific Islander.

Source: US Bureau of Labor Statistics, "Statistical Abstract of the US," 2012.

MEDIAN INCOME BY RACE: 2009

(In Dollars)



*Persons of Hispanic origin may be of any race.

**Includes other races not shown separately.

Source: US Bureau of Labor Statistics, "Statistical Abstract of the US," 2012.

AVERAGE ANNUAL EXPENDITURES BY AGE: 2009

	Total Pop.	<25 years	25–34 years	35–44 years	45–54 years	55–64 years	>65 years	65–74 years	>75 years
AVERAGE ANNUAL EXPENDITURES	\$49,067	\$28,119	\$46,494	\$57,301	\$58,708	\$52,463	\$37,562	\$42,957	\$31,676
Food	\$6,372	\$4,179	\$6,169	\$7,760	\$7,445	\$6,303	\$4,901	\$5,561	\$4,189
Housing	\$16,895	\$9,735	\$17,258	\$20,705	\$19,004	\$16,991	\$13,196	\$14,462	\$11,811
Shelter	\$10,075	\$6,306	\$10,856	\$12,753	\$11,356	\$9,749	\$7,173	\$7,828	\$6,454
Utilities, fuels, and public services	\$3,645	\$1,821	\$3,249	\$4,093	\$4,275	\$3,896	\$3,282	\$3,568	\$2,967
Apparel and services	\$1,725	\$1,396	\$1,871	\$2,346	\$1,885	\$1,591	\$1,068	\$1,322	\$793
Transportation	\$7,658	\$5,334	\$7,671	\$8,364	\$9,409	\$8,323	\$5,409	\$7,033	\$3,631
Vehicle purchases (net outlay)	\$2,657	\$2,319	\$2,820	\$2,761	\$3,233	\$2,752	\$1,862	\$2,597	\$1,055
Gasoline and motor oil	\$1,986	\$1,483	\$2,071	\$2,359	\$2,398	\$2,074	\$1,241	\$1,573	\$877
Other vehicle expenses	\$2,536	\$1,298	\$2,293	\$2,694	\$3,199	\$2,962	\$1,968	\$2,488	\$1,402
Health care	\$3,126	\$676	\$1,805	\$2,520	\$3,173	\$3,895	\$4,846	\$4,906	\$4,779
Entertainment	\$2,693	\$1,233	\$2,504	\$3,317	\$3,176	\$2,906	\$2,062	\$2,498	\$1,587
Personal insurance and pensions	\$5,471	\$1,988	\$5,303	\$7,122	\$7,654	\$6,793	\$1,856	\$2,669	\$964
PERSONAL TAXES	\$2,104	\$173	\$1,707	\$2,105	\$3,515	\$3,023	\$807	\$1,140	\$443

Source: US Bureau of Labor Statistics, "Statistical Abstract of the US," 2012.

PERSONAL INCOME PER CAPITA BY LARGE METROPOLITAN AREA: 2007–2009

Ranked by 2009 Population

Metropolitan Area	2007	2008	2009
United States	39,461	40,674	39,635
New York-Northern New Jersey-Long Island, NY-NJ-PA MSA	53,569	54,439	52,037
Los Angeles-Long Beach-Santa Ana, CA MSA	43,633	44,462	42,784
Chicago-Joliet-Naperville, IL-IN-WI MSA	44,914	46,124	44,379
Dallas-Fort Worth-Arlington, TX MSA	41,469	43,684	41,764
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA	45,255	46,700	46,075
Houston-Sugar Land-Baytown, TX MSA	44,623	48,937	46,570
Miami-Fort Lauderdale-Pompano Beach, FL MSA	43,600	44,515	42,764
Washington-Arlington-Alexandria, DC-VA-MD-WV MSA	55,986	57,784	56,984
Atlanta-Sandy Springs-Marietta, GA MSA	38,731	38,915	37,101
Boston-Cambridge-Quincy, MA-NH MSA	54,092	55,400	53,553
Detroit-Warren-Livonia, MI MSA	38,512	39,562	37,927
Phoenix-Mesa-Glendale, AZ MSA	36,658	36,169	34,452
San Francisco-Oakland-Fremont, CA MSA	61,737	62,427	59,993
Riverside-San Bernardino-Ontario, CA MSA	30,390	30,547	29,680
Seattle-Tacoma-Bellevue, WA MSA	49,945	51,636	50,378
Minneapolis-St. Paul-Bloomington, MN-WI MSA	46,797	47,696	45,811
San Diego-Carlsbad-San Marcos, CA MSA	45,769	47,021	45,706
St. Louis, MO-IL MSA	40,266	42,262	40,728
Tampa-St. Petersburg-Clearwater, FL MSA	37,775	38,445	37,632
Baltimore-Towson, MD MSA	46,779	48,296	48,201
Denver-Aurora-Broomfield, CO MSA	47,333	48,595	46,611
Pittsburgh, PA MSA	40,936	42,573	42,298
Portland-South Portland-Biddeford, ME MSA	39,428	40,376	39,206
Cincinnati-Middletown, OH-KY-IN MSA	38,134	38,950	37,967
Sacramento-Arden-Arcade-Roseville, CA MSA	40,518	41,347	40,306
Cleveland-Elyria-Mentor, OH MSA	39,394	40,378	39,451
Orlando-Kissimmee-Sanford, FL MSA	36,078	36,620	35,279
San Antonio-New Braunfels, TX MSA	34,718	36,548	36,285
Kansas City, MO-KS MSA	40,125	41,340	40,438
Las Vegas-Paradise, NV MSA	39,725	39,249	36,711
San Jose-Sunnyvale-Santa Clara, CA MSA	59,306	58,351	55,169
Columbus, OH MSA	38,059	38,642	37,999
Charlotte-Gastonia-Rock Hill, NC-SC MSA	40,114	40,223	38,034
Indianapolis-Carmel, IN MSA	38,788	39,829	38,532
Austin-Round Rock-San Marcos, TX MSA	37,581	38,941	37,544
Virginia Beach-Norfolk-Newport News, VA-NC MSA	38,387	39,790	39,518
Providence-New Bedford-Fall River, RI-MA MSA	39,866	41,228	40,829
Nashville-Davidson-Murfreesboro-Franklin, TN MSA	39,522	40,246	38,656
Milwaukee-Waukesha-West Allis, WI MSA	41,839	43,001	42,303
Jacksonville, FL MSA	40,286	40,547	39,376
Memphis, TN-MS-AR MSA	37,961	38,676	37,623

(Continues on following page)

PERSONAL INCOME PER CAPITA BY LARGE METROPOLITAN AREA: 2007–2009

(Continued)

Metropolitan Area	2007	2008	2009
Louisville-Jefferson County, KY-IN MSA	37,476	38,242	37,688
Richmond, VA MSA	41,661	42,377	41,161
Oklahoma City, OK MSA	37,388	39,971	38,742
Hartford-West Hartford-East Hartford, CT MSA	50,492	51,744	50,675
New Orleans-Metairie-Kenner, LA MSA	44,656	44,439	42,705
Birmingham-Hoover, AL MSA	39,151	39,949	38,592
Salt Lake City, UT MSA	37,984	38,552	37,500
Raleigh-Cary, NC MSA	40,039	39,728	38,007
Buffalo-Niagara Falls, NY MSA	35,977	37,345	37,469
Rochester, NY MSA	38,022	39,387	39,036
Tucson, AZ MSA	33,183	34,578	33,833
Tulsa, OK MSA	39,499	42,122	40,402
Fresno, CA MSA	30,536	31,111	30,646
Honolulu, HI MSA	43,874	45,625	45,496
Bridgeport-Stamford-Norwalk, CT MSA	80,899	79,642	74,767
Albuquerque, NM MSA	34,528	35,608	35,329
Albany-Schenectady-Troy, NY MSA	40,363	42,147	42,206
Omaha-Council Bluffs, NE-IA MSA	42,505	43,999	42,982
New Haven-Milford, CT MSA	46,518	48,169	47,387
Dayton, OH MSA	34,864	35,445	35,251
Allentown-Bethlehem-Easton, PA-NJ MSA	37,820	38,967	38,505
Bakersfield-Delano, CA MSA	29,412	30,081	29,630
Worcester, MA MSA	41,572	42,777	42,021
Oxnard-Thousand Oaks-Ventura, CA MSA	47,246	47,130	45,908
Baton Rouge, LA MSA	34,981	37,872	38,107
Grand Rapids-Wyoming, MI MSA	32,981	33,488	32,445
El Paso, TX MSA	27,004	28,865	29,381
Columbia, SC MSA	34,951	36,063	35,473
McAllen-Edinburg-Mission, TX MSA	19,183	20,336	20,509
Greensboro-High Point, NC MSA	35,261	35,659	34,948
Akron, OH MSA	37,321	37,874	37,066
Knoxville, TN MSA	34,172	34,862	33,912
Springfield, MA MSA	36,508	37,955	37,888
North Port-Bradenton-Sarasota, FL MSA	49,419	49,962	48,521
Little Rock-North Little Rock-Conway, AR MSA	38,900	39,511	39,431
Poughkeepsie-Newburgh-Middletown, NY MSA	38,899	39,936	39,070
Stockton, CA MSA	31,144	31,584	31,071
Toledo, OH MSA	32,944	33,523	33,178
Charleston-North Charleston-Summerville, SC MSA	35,254	36,082	35,342
Syracuse, NY MSA	35,469	36,707	36,833
Greenville-Mauldin-Easley, SC MSA	33,738	34,481	33,410
Colorado Springs, CO MSA	37,550	38,507	38,401
Wichita Falls, TX MSA	38,342	40,273	38,935
Boise City-Nampa, ID MSA	35,996	35,389	33,950
Cape Coral-Fort Myers, FL MSA	42,298	42,459	40,750

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PERSONAL INCOME PER CAPITA BY LARGE METROPOLITAN AREA: 2007–2009

(Continued)

Metropolitan Area	2007	2008	2009
Lakeland-Winter Haven, FL MSA	32,532	33,245	32,336
Madison, WI MSA	43,258	44,128	43,107
Youngstown-Warren-Boardman, OH-PA MSA	31,468	32,028	31,709
Des Moines-West Des Moines, IA MSA	42,019	42,991	42,012
Provo-Orem, UT MSA	23,900	24,376	23,448
Scranton-Wilkes-Barre, PA MSA	34,550	35,891	36,154
Ogden-Clearfield, UT MSA	32,884	33,391	32,714
Jackson, MS MSA	34,900	36,544	35,994
Augusta-Richmond County, GA-SC MSA	32,112	33,594	33,613
Harrisburg-Carlisle, PA MSA	38,485	39,701	39,693
Palm Bay-Melbourne-Titusville, FL MSA	36,953	37,620	37,454
Chattanooga, TN-GA MSA	34,287	34,706	33,760
Port St. Lucie, FL MSA	40,492	41,961	41,412
Modesto, CA MSA	31,057	31,673	31,248
Lancaster, PA MSA	36,102	37,066	36,336
Durham-Chapel Hill, NC MSA	40,776	41,519	41,008
Deltona-Daytona Beach-Ormond Beach, FL MSA	32,332	32,789	32,255
Winston-Salem, NC MSA	35,791	36,392	34,996
Santa Rosa-Petaluma, CA MSA	47,813	47,334	44,784
Lexington-Fayette, KY MSA	36,369	36,644	35,715
Spokane, WA MSA	33,604	34,805	34,599
Fayetteville-Springdale-Rogers, AR-MO MSA	31,955	32,536	31,776
Pensacola-Ferry Pass-Brent, FL MSA	32,985	33,767	33,921
Lansing-East Lansing, MI MSA	32,825	34,479	34,192
Springfield, MO MSA	31,282	32,157	31,754
Visalia-Porterville, CA MSA	28,333	28,456	27,721
York-Hanover, PA MSA	35,154	36,312	35,966
Flint, MI MSA	28,878	29,435	29,526
Reno-Sparks, NV MSA	45,446	44,939	42,390
Corpus Christi, TX MSA	34,253	37,339	36,558
Fort Wayne, IN MSA	34,049	34,601	33,669
Asheville, NC MSA	34,150	35,097	34,381
Mobile, AL MSA	29,575	31,018	30,878
Salinas, CA MSA	42,311	42,506	41,735
Canton-Massillon, OH MSA	31,981	32,834	32,356
Vallejo-Fairfield, CA MSA	38,503	39,181	38,961
Reading, PA MSA	35,744	36,686	36,336
Santa Barbara-Santa Maria-Goleta, CA MSA	47,114	47,974	46,565
Huntsville, AL MSA	37,043	38,745	38,364
Portland-Vancouver-Hillsboro, OR-WA MSA	40,340	40,990	39,568
Manchester-Nashua, NH MSA	44,868	45,668	44,217
Brownsville-Harlingen, TX MSA	20,553	22,090	22,388
Salem, OR MSA	31,430	32,561	32,320
Shreveport-Bossier City, LA MSA	34,495	38,701	38,358
Killeen-Temple-Fort Hood, TX MSA	35,540	38,345	39,344

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PERSONAL INCOME PER CAPITA BY LARGE METROPOLITAN AREA: 2007–2009

(Continued)

Metropolitan Area	2007	2008	2009
Davenport-Moline-Rock Island, IA-IL MSA	37,067	39,209	38,670
Beaumont-Port Arthur, TX MSA	33,803	36,493	36,597
Peoria, IL MSA	38,956	40,958	39,818
Anchorage, AK MSA	44,646	47,901	46,217
Montgomery, AL MSA	34,823	36,251	35,882
Trenton-Ewing, NJ MSA	52,530	53,961	51,947
Hickory-Lenoir-Morganton, NC MSA	30,164	30,557	29,840
Fayetteville, NC MSA	36,686	39,419	40,045
Tallahassee, FL MSA	33,514	34,204	33,833
Wilmington, NC MSA	33,786	34,653	33,964
Rockford, IL MSA	32,166	32,825	31,970
Evansville, IN-KY MSA	34,865	37,008	36,475
Eugene-Springfield, OR MSA	33,079	34,101	33,562
Ann Arbor, MI MSA	38,870	39,928	37,859
Savannah, GA MSA	37,955	39,515	38,348
Ocala, FL MSA	31,438	31,604	31,097
Kalamazoo-Portage, MI MSA	32,576	33,844	33,075
Naples-Marco Island, FL MSA	63,620	63,703	60,049
South Bend-Mishawaka, IN-MI MSA	34,431	35,717	34,196
Kingsport-Bristol-Bristol, TN-VA MSA	30,603	32,052	31,770
Green Bay, WI MSA	36,234	37,154	36,742
Charleston, WV MSA	35,248	37,306	37,687
Boulder, CO MSA	49,999	50,714	48,056
Roanoke, VA MSA	37,644	38,789	38,322
Fort Collins-Loveland, CO MSA	38,819	39,314	37,844
Lincoln, NE MSA	36,838	37,990	37,361
Utica-Rome, NY MSA	31,450	32,879	33,269
Fort Smith, AR-OK MSA	30,122	31,602	30,896
Columbus, GA-AL MSA	34,805	37,054	36,577
Spartanburg, SC MSA	30,085	31,061	30,242
Huntington-Ashland, WV-KY-OH MSA	29,127	30,918	31,597
Erie, PA MSA	31,203	32,586	32,615
Lubbock, TX MSA	31,597	34,184	34,079
Duluth, MN-WI MSA	33,739	35,205	34,855
Atlantic City-Hammononton, NJ MSA	38,686	39,923	39,156
Clarksville, TN-KY MSA	33,083	35,864	35,318
San Luis Obispo-Paso Robles, CA MSA	40,704	41,094	40,103
Norwich-New London, CT MSA	46,215	47,385	46,841
Hagerstown-Martinsburg, MD-WV MSA	32,015	32,777	33,137
Myrtle Beach-North Myrtle Beach-Conway, SC MSA	30,074	29,963	29,101
Lafayette, LA MSA	39,219	42,755	41,670
Holland-Grand Haven, MI MSA	32,370	32,843	32,334
Gainesville, FL MSA	34,153	35,352	35,149
Cedar Rapids, IA MSA	37,649	39,528	39,022
Santa Cruz-Watsonville, CA MSA	51,336	51,249	49,145

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PERSONAL INCOME PER CAPITA BY LARGE METROPOLITAN AREA: 2007–2009

(Continued)

Metropolitan Area	2007	2008	2009
Greeley, CO MSA	28,175	28,744	27,186
Olympia, WA MSA	39,845	41,112	40,801
Lynchburg, VA MSA	32,628	33,772	33,308
Amarillo, TX MSA	32,935	35,753	35,489
Kennewick-Pasco-Richland, WA MSA	32,625	34,031	34,539
Merced, CA MSA	28,209	28,003	27,517
Binghamton, NY MSA	32,559	34,097	34,360
Laredo, TX MSA	21,994	23,598	23,294
Bremerton-Silverdale, WA MSA	42,163	43,851	43,404
Yakima, WA MSA	29,594	31,624	31,265
Gulfport-Biloxi, MS MSA	37,630	36,135	35,879
Sioux Falls, SD MSA	39,106	40,399	39,753
Waco, TX MSA	30,116	31,923	32,265
Macon, GA MSA	33,075	34,619	34,407
Topeka, KS MSA	34,880	36,576	36,770
Champaign-Urbana, IL MSA	32,707	35,020	34,624
Appleton, WI MSA	37,348	38,121	36,800
Barnstable Town, MA MSA	49,821	51,283	50,128
Chico, CA MSA	31,571	32,558	32,593
Prescott, AZ MSA	29,870	30,094	29,134
College Station-Bryan, TX MSA	27,579	29,796	29,847
Tuscaloosa, AL MSA	32,814	34,018	33,515
Springfield, IL MSA	37,942	40,307	40,467
Burlington-South Burlington, VT MSA	40,441	41,914	41,641
Longview, TX MSA	34,752	38,720	37,616
Las Cruces, NM MSA	26,725	27,848	28,165
Tyler, TX MSA	35,730	39,211	38,319
Houma-Bayou Cane-Thibodaux, LA MSA	36,999	41,083	40,506
Medford, OR MSA	34,583	34,688	34,314
Florence, SC MSA	31,689	32,813	32,747
Racine, WI MSA	35,965	37,104	36,708
Elkhart-Goshen, IN MSA	33,394	32,681	30,064
Bellingham, WA MSA	35,453	36,271	35,478
Fargo, ND-MN MSA	37,848	40,984	39,883
Saginaw-Saginaw Township North, MI MSA	29,301	30,124	30,137
Johnson City, TN MSA	29,927	31,200	30,778
Yuma, AZ MSA	24,734	25,185	25,356
Charlottesville, VA MSA	42,898	43,811	42,921
Lafayette, IN MSA	29,850	31,373	30,620
Lake Havasu City-Kingman, AZ MSA	25,877	26,527	26,185
Lake Charles, LA MSA	34,558	37,420	36,210
Athens-Clarke County, GA MSA	29,557	30,613	29,770
St. Cloud, MN MSA	32,719	34,420	33,571
Gainesville, GA MSA	30,325	30,501	29,038
Rochester, MN MSA	41,758	42,658	42,216

(Continues on following page)

PERSONAL INCOME PER CAPITA BY LARGE METROPOLITAN AREA: 2007–2009

(Continued)

Metropolitan Area	2007	2008	2009
Bloomington, IN MSA	29,300	30,698	30,950
Anderson, SC MSA	29,831	30,760	30,280
Kingston, NY MSA	35,302	36,521	36,519
Redding, CA MSA	34,432	34,387	34,068
Greenville, NC MSA	31,430	32,683	32,334
Crestview-Fort Walton Beach-Destin, FL MSA	41,109	42,288	42,007
Joplin, MO MSA	28,815	29,979	29,836
Monroe, LA MSA	31,618	33,830	34,229
Muskegon-Norton Shores, MI MSA	27,349	28,116	27,792
Jacksonville, NC MSA	36,902	40,274	42,463
Terre Haute, IN MSA	28,571	30,004	30,067
Bloomington-Normal, IL MSA	37,132	38,985	38,695
El Centro, CA MSA	26,742	28,641	28,681
Columbia, MO MSA	35,396	36,424	36,568
Yuba City, CA MSA	29,673	30,885	31,279
Albany, GA MSA	27,823	29,248	29,220
Waterloo-Cedar Falls, IA MSA	34,511	36,566	36,376
Panama City-Lynn Haven-Panama City Beach, FL MSA	35,475	36,420	36,316
Oshkosh-Neenah, WI MSA	35,904	37,383	37,088
Parkersburg-Marietta-Vienna, WV-OH MSA	30,009	31,530	31,869
Niles-Benton Harbor, MI MSA	32,737	34,039	33,507
Janesville, WI MSA	31,646	32,099	31,294
Abilene, TX MSA	32,331	35,565	35,188
Eau Claire, WI MSA	32,715	33,758	33,659
Jackson, MI MSA	28,549	29,750	29,488
Blacksburg-Christiansburg-Radford, VA MSA	27,901	28,482	28,384
Bend, OR MSA	36,655	37,029	35,966
Vineland-Millville-Bridgeton, NJ MSA	30,345	31,715	31,877
Dover, DE MSA	30,743	31,279	31,127
Pueblo, CO MSA	29,529	31,023	31,613
Punta Gorda, FL MSA	35,787	36,431	35,858
Pascagoula, MS MSA	33,557	33,869	33,916
Billings, MT MSA	38,176	39,961	39,212
Alexandria, LA MSA	33,062	35,812	35,885
Monroe, MI MSA	33,505	33,461	31,961
Iowa City, IA MSA	37,206	38,917	38,299
Decatur, AL MSA	31,171	32,171	31,974
Burlington, NC MSA	31,419	31,867	30,671
Bangor, ME MSA	31,944	33,262	33,767
Hanford-Corcoran, CA MSA	26,763	27,293	26,426
Madera-Chowchilla, CA MSA	26,606	26,880	26,790
Santa Fe, NM MSA	43,292	44,423	42,645
Jefferson City, MO MSA	33,155	34,756	34,691
Wichita, KS MSA	34,497	38,852	38,202
Rocky Mount, NC MSA	30,594	31,701	31,936

(Continues on following page)

PERSONAL INCOME PER CAPITA BY LARGE METROPOLITAN AREA: 2007–2009

(Continued)

Metropolitan Area	2007	2008	2009
State College, PA MSA	32,613	33,855	34,006
Grand Junction, CO MSA	34,935	37,342	34,791
Wheeling, WV-OH MSA	30,390	32,293	32,318
Sioux City, IA-NE-SD MSA	33,043	35,600	34,719
Florence-Muscle Shoals, AL MSA	29,590	30,826	30,792
Johnstown, PA MSA	30,088	31,602	31,961
Hattiesburg, MS MSA	28,518	29,469	29,274
Dothan, AL MSA	32,492	33,449	33,028
Springfield, OH MSA	31,517	32,510	32,627
Coeur d'Alene, ID MSA	31,889	32,485	31,770
Morristown, TN MSA	26,781	27,735	27,559
Texarkana, TX-Texarkana, AR MSA	31,401	33,263	33,118
St. George, UT MSA	26,892	26,964	26,147
Auburn-Opelika, AL MSA	27,356	28,225	27,643
Valdosta, GA MSA	28,157	29,621	29,184
Warner Robins, GA MSA	32,166	33,215	33,114
Battle Creek, MI MSA	30,474	31,906	32,227
Sebastian-Vero Beach, FL MSA	56,852	59,631	56,303
Napa, CA MSA	51,045	51,758	49,805
Odessa, TX MSA	32,571	36,067	33,544
Dalton, GA MSA	29,149	28,909	28,027
La Crosse, WI-MN MSA	34,195	35,690	35,908
Midland, TX MSA	52,258	59,670	54,164
Wausau, WI MSA	36,228	36,730	36,058
Anderson, IN MSA	29,964	31,776	30,627
Lebanon, PA MSA	35,176	36,678	36,850
Flagstaff, AZ MSA	33,248	34,784	34,510
Pittsfield, MA MSA	41,826	43,284	42,826
Glens Falls, NY MSA	31,408	32,909	33,106
Logan, UT-ID MSA	25,093	26,111	25,176
St. Joseph, MO-KS MSA	30,213	31,779	32,168
Idaho Falls, ID MSA	33,149	33,773	32,606
Altoona, PA MSA	31,003	32,026	32,663
Rapid City, SD MSA	36,848	38,081	37,330
Mansfield, OH MSA	28,903	30,148	29,635
Farmington, NM MSA	29,183	31,893	30,702
Winchester, VA-WV MSA	33,867	34,581	34,094
Manhattan, KS MSA	36,537	39,425	39,918
Steubenville-Weirton, OH-WV MSA	29,387	31,429	31,661
Bowling Green, KY MSA	30,521	31,644	30,912
Morgantown, WV MSA	32,927	33,995	34,813
Harrisonburg, VA MSA	30,654	31,355	30,673
Salisbury, MD MSA	31,744	32,922	33,153
Jonesboro, AR MSA	28,982	30,611	30,192
Sherman-Denison, TX MSA	30,041	32,024	32,066

(Continues on following page)

PERSONAL INCOME PER CAPITA BY LARGE METROPOLITAN AREA: 2007–2009

(Continued)

Metropolitan Area	2007	2008	2009
Mount Vernon-Anacortes, WA MSA	37,665	38,837	38,225
Williamsport, PA MSA	30,148	31,473	31,900
Lawrence, KS MSA	31,026	32,160	32,070
Victoria, TX MSA	34,692	37,723	36,408
Muncie, IN MSA	28,681	29,655	29,418
Sheboygan, WI MSA	37,885	38,541	37,783
Anniston-Oxford, AL MSA	31,087	32,494	32,045
Goldsboro, NC MSA	30,501	31,699	31,673
Owensboro, KY MSA	30,980	32,792	32,817
Jackson, TN MSA	31,600	32,768	32,078
Elizabethtown, KY MSA	33,011	34,646	35,126
Cleveland, TN MSA	29,558	30,451	29,939
Lawton, OK MSA	33,045	35,848	36,564
Kankakee-Bradley, IL MSA	30,269	31,738	31,780
Michigan City-La Porte, IN MSA	29,815	31,240	30,199
San Angelo, TX MSA	32,410	35,987	35,892
Wenatchee-East Wenatchee, WA MSA	31,790	33,526	33,299
Missoula, MT MSA	34,451	35,294	35,156
Decatur, IL MSA	37,680	39,598	39,174
Bay City, MI MSA	30,139	31,256	31,165
Lewiston-Auburn, ME MSA	33,713	35,045	35,455
Bismarck, ND MSA	36,928	38,727	39,337
Danville, VA MSA	29,089	29,932	30,092
Sumter, SC MSA	28,398	29,545	29,458
Lima, OH MSA	30,049	31,018	30,596
Brunswick, GA MSA	35,375	36,290	35,149
Gadsden, AL MSA	29,138	30,170	29,984
Longview, WA MSA	29,704	30,646	30,859
Ithaca, NY MSA	31,858	33,902	33,684
Pine Bluff, AR MSA	27,550	29,019	29,541
Fond du Lac, WI MSA	35,396	36,289	35,389
Cumberland, MD-WV MSA	28,527	30,283	31,432
Kokomo, IN MSA	33,190	33,123	31,677
Fairbanks, AK MSA	36,359	39,517	38,895
Hot Springs, AR MSA	32,804	33,863	33,715
Grand Forks, ND-MN MSA	34,067	36,572	36,126
Rome, GA MSA	31,109	32,260	31,840
Ocean City, NJ MSA	44,812	46,067	46,329
Cape Girardeau-Jackson, MO-IL MSA	31,403	32,338	32,795
Mankato-North Mankato, MN MSA	34,020	36,180	35,258
Dubuque, IA MSA	34,667	36,097	35,635
Palm Coast, FL MSA	31,800	32,815	32,671
Pocatello, ID MSA	28,195	28,920	28,513
Cheyenne, WY MSA	43,317	46,210	45,950
Elmira, NY MSA	31,267	33,276	32,881
Ames, IA MSA	34,396	35,821	35,616
Corvallis, OR MSA	36,931	38,647	37,922

(Continues on following page)

PERSONAL INCOME PER CAPITA BY LARGE METROPOLITAN AREA: 2007–2009

(Continued)

Metropolitan Area	2007	2008	2009
Great Falls, MT MSA	35,204	37,150	37,437
Danville, IL MSA	28,165	30,576	30,713
Sandusky, OH MSA	35,685	36,773	36,236
Columbus, IN MSA	36,792	39,673	37,589
Casper, WY MSA	50,040	57,311	53,361
Hinesville-Fort Stewart, GA MSA	25,525	28,312	26,372
Lewiston, ID-WA MSA	33,069	34,504	34,166
Carson City, NV MSA	42,603	41,922	40,218

Source: US Census Bureau, "Statistical Abstract of the US," 2012.

PERSONAL INCOME PER CAPITA BY STATE: 2000 vs. 2010

State	2000	2010	State	2000	2010
United States	\$30,318	\$40,584	Missouri	\$27,891	\$36,979
Alabama	\$24,069	\$33,945	Montana	\$23,470	\$35,317
Alaska	\$30,531	\$44,174	Nebraska	\$28,598	\$39,557
Arizona	\$26,262	\$34,999	Nevada	\$30,986	\$36,997
Arkansas	\$22,577	\$33,150	New Hampshire	\$34,087	\$44,084
California	\$33,398	\$43,104	New Jersey	\$38,666	\$50,781
Colorado	\$33,977	\$42,802	New Mexico	\$22,751	\$33,837
Connecticut	\$41,920	\$56,001	New York	\$34,630	\$48,821
Delaware	\$31,007	\$39,962	North Carolina	\$27,914	\$35,638
District of Columbia	\$40,484	\$71,044	North Dakota	\$25,624	\$40,596
Florida	\$29,080	\$39,272	Ohio	\$28,694	\$36,395
Georgia	\$28,531	\$35,490	Oklahoma	\$24,605	\$36,421
Hawaii	\$29,071	\$41,021	Oregon	\$28,718	\$37,095
Idaho	\$24,683	\$32,257	Pennsylvania	\$30,110	\$41,152
Illinois	\$32,636	\$43,159	Rhode Island	\$29,484	\$42,579
Indiana	\$27,460	\$34,943	South Carolina	\$25,081	\$33,163
Iowa	\$27,293	\$38,281	South Dakota	\$26,427	\$38,865
Kansas	\$28,477	\$39,737	Tennessee	\$26,691	\$35,307
Kentucky	\$24,786	\$33,348	Texas	\$28,504	\$39,493
Louisiana	\$23,570	\$38,446	Utah	\$24,517	\$32,595
Maine	\$26,696	\$37,300	Vermont	\$28,183	\$40,283
Maryland	\$34,681	\$49,025	Virginia	\$31,640	\$44,762
Massachusetts	\$38,210	\$51,552	Washington	\$32,407	\$43,564
Michigan	\$29,392	\$35,597	West Virginia	\$22,174	\$32,641
Minnesota	\$32,597	\$42,843	Wisconsin	\$29,139	\$38,432
Mississippi	\$21,555	\$31,186	Wyoming	\$29,281	\$47,851

Source: US Census Bureau, "Statistical Abstract of the US," 2012.

NONPROFIT

CHAPTER HIGHLIGHTS

- The volume of nonprofit mail rose slightly in 2011 to 13.39 billion.
- In 2011, mail to households headed by someone 70 years old or older contained a higher percentage of nonprofit solicitations than the mail received by other age groups.
- Larger than letter envelopes had the highest response of all types of mail solicitations.
- Americans believe that the most effective channels for a nonprofit to reach them are newspapers and magazines.

NONPROFIT VOLUMES 2008–2011*

	2011	2010	2009	2008
Regular	11,243,376,039	11,217,473,331	11,405,577,719	12,501,357,697
Enhanced Carrier Route	2,147,482,111	1,890,453,293	2,125,475,012	2,326,479,585
Total	13,390,858,150	13,107,926,624	13,531,052,731	14,827,837,283

*For FY2008–2010, the source documents are Postal Regulatory Commission library references filed in conjunction with the Annual C-Compliance Determination for each of those years, e.g., PRC-ACR2008-LR1. For FY2011, the source document is a USPS library reference, USPS-FY11-4[1].

NONPROFIT STANDARD MAIL (A) TREATMENT OF MAIL PIECE BY SHAPE

Postal Years 1987, 2010, and 2011 as Percentage of Mail Received by Households

	Letter-Size Envelope			Larger than Letter Envelope			Postcard		
	1987	2010	2011	1987	2010	2011	1987	2010	2011
Read By Member of Household	48.9	42.3	41.4	49.1	44.6	47.7	61.1	58.9	48.2
Read By More Than One Member of Household*	N/A	4.6	4.9	N/A	7.0	7.8	N/A	9.6	9.9
Looked At	22.8	19.3	19.9	23.1	20.5	20.2	12.7	8.8	12.1
Discarded	11.2	18.0	18.7	9.6	16.5	13.2	13.2	14.6	27.2
Set Aside	6.6	5.0	4.6	9.0	6.4	5.3	2.1	5.3	1.5
Don't Know/No Answer	10.5	10.8	10.5	9.3	5.1	5.8	10.9	2.9	1.1

	Catalog Not in Envelope			Flyers			Newspapers/Magazines		
	1987	2010	2011	1987	2010	2011	1987	2010	2011
Read By Member of Household	43.2	35.6	33.2	54.2	42.4	36.4	38.5	40.7	43.1
Read By More Than One Member of Household*	N/A	11.8	9.5	N/A	8.5	6.3	N/A	15.0	14.2
Looked At	24.9	13.5	16.0	21.1	17.6	21.4	11.1	12.2	12.7
Discarded	10.9	25.3	25.2	11.2	20.9	27.6	5.9	14.5	11.6
Set Aside	14.4	10.6	11.7	6.8	3.8	3.2	13.4	10.3	10.2
Don't Know/No Answer	6.5	3.2	4.4	6.7	6.7	5.3	31.2	7.3	8.3

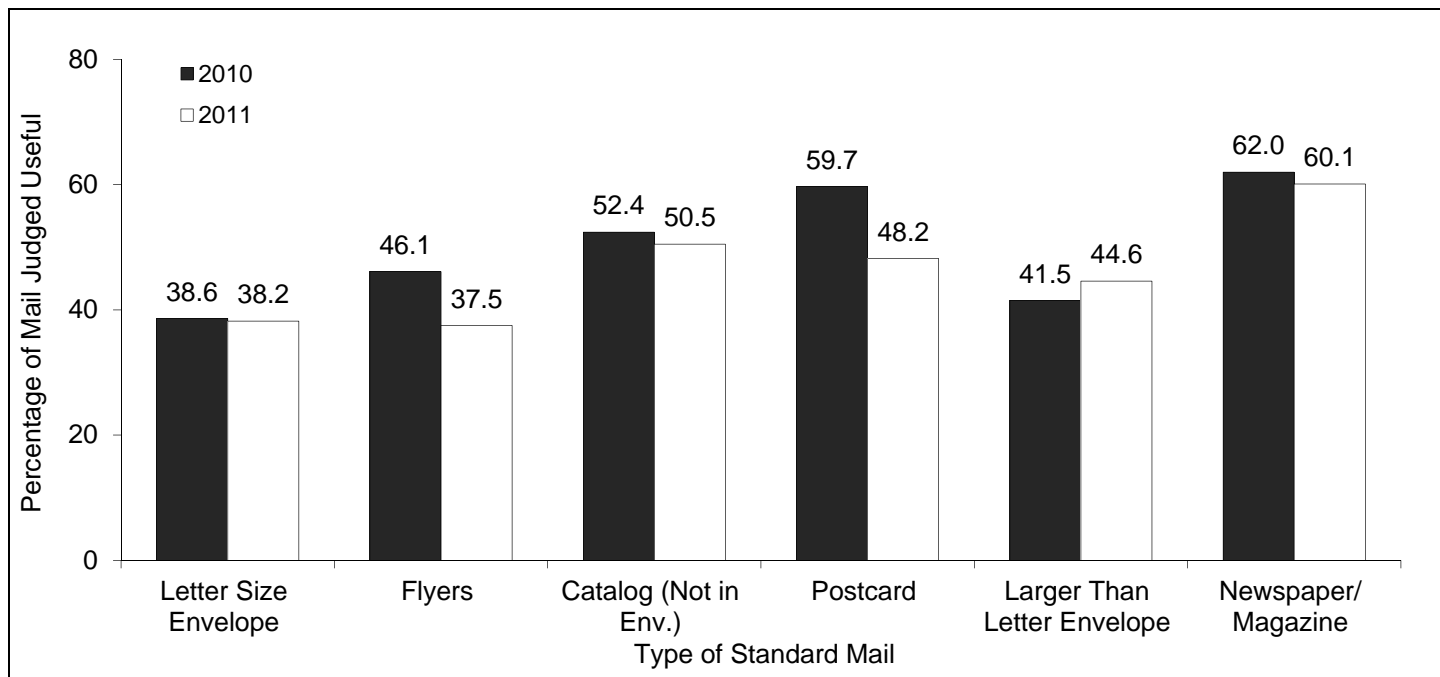
*This code was not presented in household diaries prior to 1992.

Source: USPS Household Diary Study, 2012.

NONPROFIT STANDARD MAIL (A) USEFULNESS OF MAIL PIECE BY SHAPE

Postal Years 2009 and 2010 as Percentage of Mail Received by Households

Newspapers/magazines were judged to be the most useful by respondents.



Source: USPS Household Diary Study, 2012.

NONPROFIT STANDARD MAIL (A) INDUSTRY BY SHAPE

Postal Years 1987, 2010, and 2011 as Percentage of Pieces

A large portion of mail from charities consisted of letter and flyers.

Industry	Letter-Size Envelope			Larger than Letter Envelope			Postcard		
	1987	2010	2011	1987	2010	2011	1987	2010	2011
Medical	29.1	22.9	25.1	10.0	5.3	2.6	7.4	3.5	3.9
Union/Professional	37.9	39.2	34.7	12.1	8.0	1.9	3.2	2.3	1.2
Church	43.4	65.1	62.5	8.6	4.1	3.2	2.3	1.8	2.8
Veterans	48.9	61.1	53.8	11.3	12.8	12.0	6.5	3.1	4.3
Educational	27.3	26.9	23.7	9.0	4.0	3.2	1.8	7.4	6.0
Charities	80.1	74.8	73.7	9.3	7.4	5.5	1.5	2.0	2.6
Political	28.9	43.8	36.3	13.6	5.1	5.7	3.0	1.5	3.0
AARP	79.3	92.1	93.5	11.0	4.1	1.8	4.2	0.0	0.3
Museum	49.0	51.9	47.3	14.9	3.0	2.5	5.9	3.3	2.3
Nonprofit Publication	30.6	59.2	56.4	28.6	6.3	5.0	1.9	2.7	3.1

Industry	Catalog Not in Envelope			Flyers			Newspapers/Magazines		
	1987	2010	2011	1987	2010	2011	1987	2010	2011
Medical	10.0	3.3	2.1	35.2	37.7	28.0	4.9	25.7	37.3
Union/Professional	4.8	1.1	1.0	33.6	27.5	32.7	6.5	21.4	27.6
Church	3.0	1.8	1.0	35.9	14.1	14.1	5.6	12.7	15.6
Veterans	6.7	0.1	0.0	18.1	16.9	23.4	5.6	4.9	5.4
Educational	12.2	6.9	10.0	44.8	39.3	38.8	3.9	14.5	17.5
Charities	1.2	1.7	2.6	6.9	11.3	12.2	0.5	2.0	3.0
Political	0.6	0.4	0.0	52.6	47.2	53.2	0.7	1.6	1.2
AARP	0.9	0.0	0.4	2.7	2.9	1.8	2.0	0.4	1.9
Museum	19.7	3.9	9.0	8.9	25.8	25.6	0.5	11.8	12.6
Nonprofit Publication	5.1	2.6	3.2	11.4	20.9	21.5	19.7	8.5	10.1

Source: USPS Household Diary Study, 2012.

NONPROFIT STANDARD MAIL REACTION BY INDUSTRY

Percentage of Pieces, Postal Years 1987, 2010, and 2011

Mail that was sent by museums had the highest percentage of being read immediately.

Industry	Read Immediately			Found Useful			Will Respond*		
	1987	2010	2011	1987	2010	2011	1987	2010	2011
Medical	46.3	50.2	49.1	46.1	46.7	43.5	13.4	8.0	8.0
Union/Professional	50.1	57.2	55.9	51.6	52.5	55.2	18.4	15.4	10.5
Church	64.0	57.7	53.4	59.2	54.5	54.3	25.2	23.4	23.0
Veterans	56.0	51.7	52.0	44.3	44.5	45.1	22.6	23.6	18.6
Educational	48.0	51.2	50.2	49.1	45.5	42.7	13.2	8.5	9.7
Charities	44.6	44.1	41.8	28.3	35.0	32.6	17.7	14.5	13.8
Political	40.6	45.3	32.9	31.8	33.9	29.2	20.0	12.6	9.8
AARP	46.1	39.5	48.1	40.9	32.3	38.4	13.6	12.0	12.7
Museum	53.6	66.9	56.7	44.3	66.4	53.6	12.5	17.4	18.0
Nonprofit Publication	39.8	48.9	46.5	39.3	42.5	40.5	12.8	14.8	14.1
Total Mail Received	49.5	49.4	47.1	43.8	43.3	41.2	18.0	14.7	14.2

*Percent of pieces containing an advertisement or a fundraising request.

Note: Percentages represent row percentages within each industry classification; these do not sum to 100 due to the inclusion of multiple questions in this table.

Source: USPS Household Diary Study, 2012.

NONPROFIT STANDARD MAIL (A) BY CONTENT BY INDUSTRY

Postal Years 1987, 2010, and 2011 as Percentage of Mail Received by Households

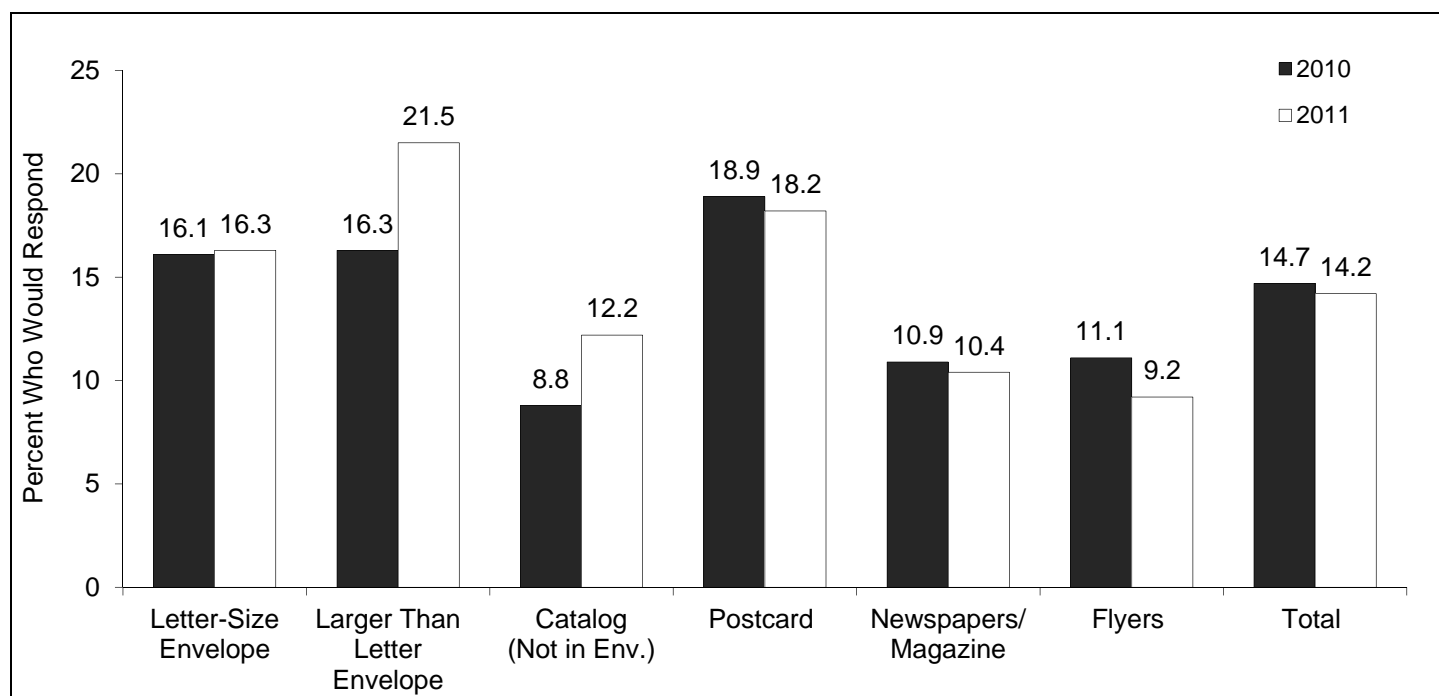
In 2011, mail from AARP was more likely to be in the form of an advertising request than mail from other nonprofit organizations.

Industry	Advertising			Fund Request			Other			Don't Know/No Answer		
	1987	2010	2011	1987	2010	2011	1987	2010	2011	1987	2010	2011
Medical	27.5	40.4	20.0	18.0	21.8	19.1	43.0	33.7	2.9	11.4	4.1	3.1
Union/Professional	28.5	22.0	23.6	21.3	27.1	10.9	40.8	45.6	22.4	9.4	5.2	0.7
Church	14.7	10.7	7.3	30.5	58.6	47.4	44.8	25.3	7.1	10.0	5.3	6.7
Veterans	18.4	4.3	3.9	42.7	78.1	78.7	31.4	7.5	5.7	7.6	10.0	6.7
Educational	35.6	46.0	26.0	14.7	20.7	17.3	41.6	30.9	3.5	8.0	2.4	6.7
Charities	7.7	4.0	3.5	79.3	88.0	85.6	6.8	3.2	5.1	6.2	4.9	4.7
Political	4.3	0.0	0.0	28.1	23.3	25.1	56.2	75.4	80.6	11.4	1.3	3.9
AARP	65.8	63.3	56.1	7.6	14.2	15.4	13.9	9.5	12.6	12.7	13.1	6.1
Museum	60.5	45.3	43.1	16.9	29.0	23.2	15.7	23.7	2.3	6.9	2.1	2.4
Nonprofit Publication	62.4	17.6	13.3	3.7	57.4	50.9	19.0	20.1	23.4	14.9	4.9	4.4
Total Mail Received by Households	26.3	23.5	16.9	34.0	50.9	46.6	29.4	20.1	21.6	10.3	5.5	4.5

Source: USPS Household Diary Study, 2012.

NONPROFIT STANDARD MAIL (A) RESPONSE TO ADVERTISING BY SHAPE

Postal Years 2010 and 2011

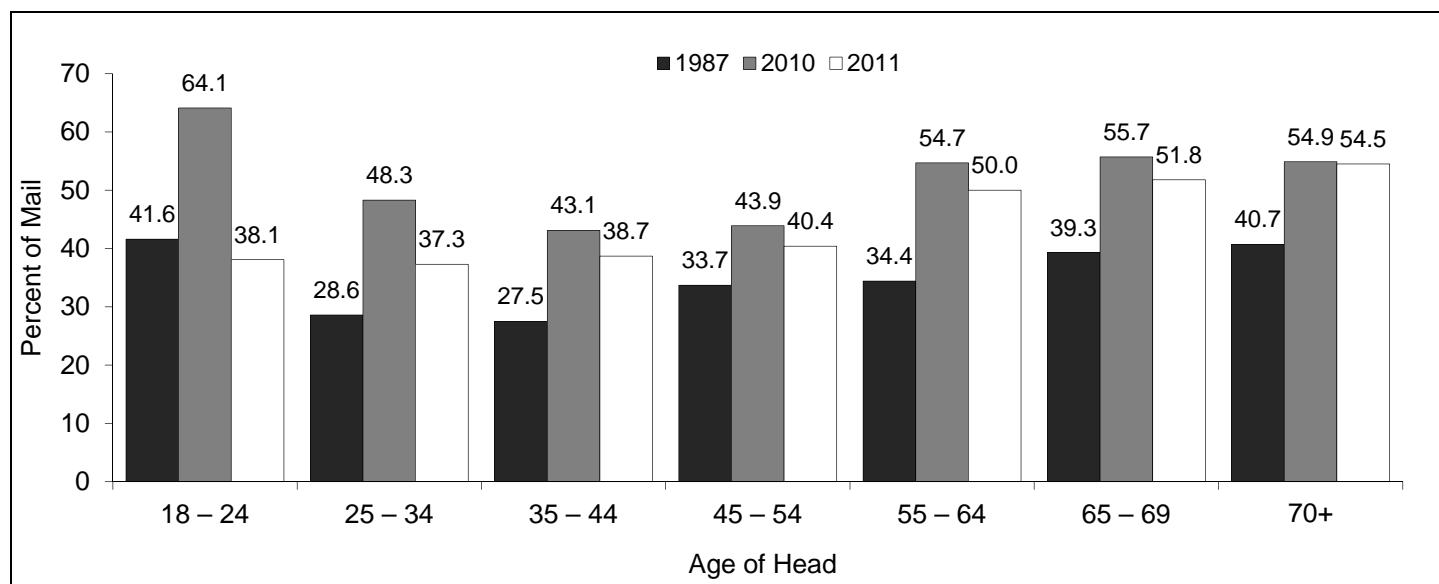


Source: USPS Household Diary Study, 2012.

PERCENT OF NONPROFIT STANDARD MAIL (A) CONTAINING A REQUEST FOR DONATIONS BY AGE OF HEAD OF HOUSEHOLD

Postal Years 1987, 2010, and 2011

In 2011, mail sent to households with heads 65+ years old and up contained more requests for donations than other age groups.



Source: USPS Household Diary Study, 2012.

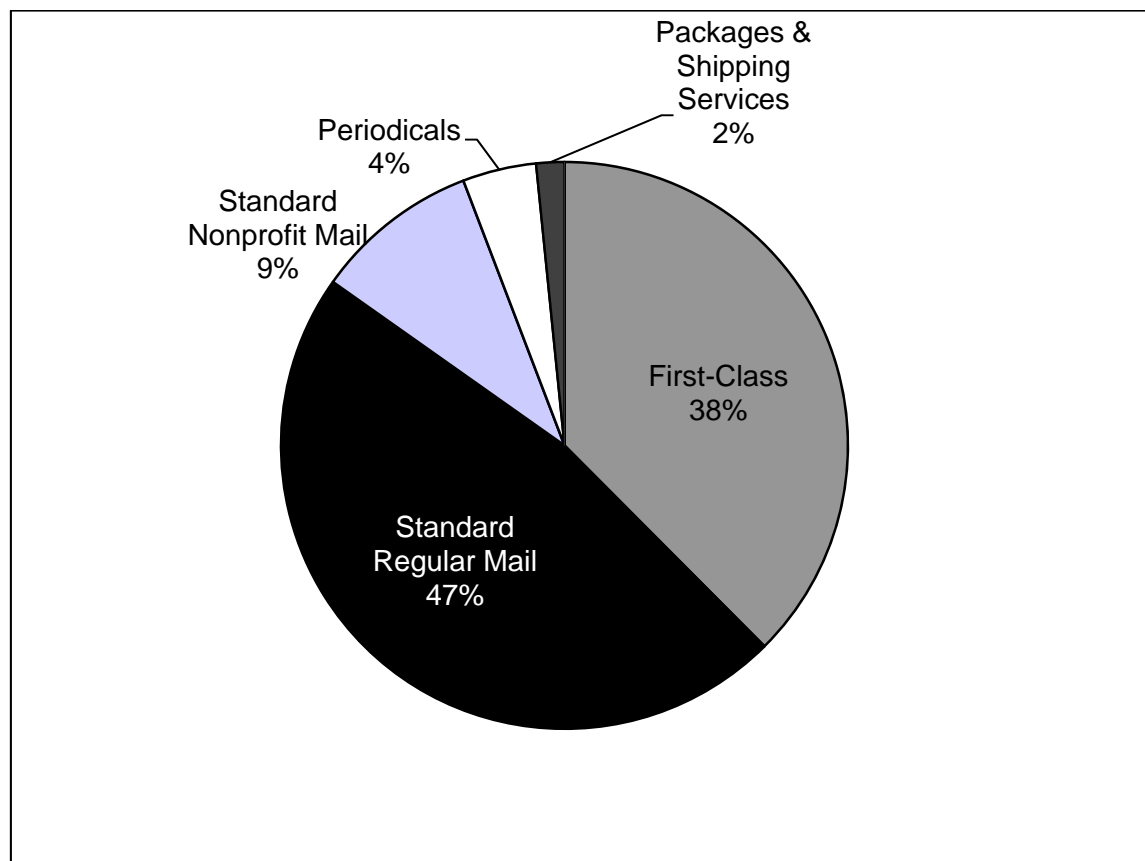
USPS INFORMATION

CHAPTER HIGHLIGHTS

- 47.2% of mail sent and received by households is Standard Mail; 37.5% is first-class.
- Department stores have the highest response for first-class offers while credit cards have the highest response for standard mail offers.
- Effective January 27, 2013 single-piece first-class mail rates increase to 46.0¢.

MAIL RECEIVED BY HOUSEHOLDS

(Percentage of Total Mail Received)

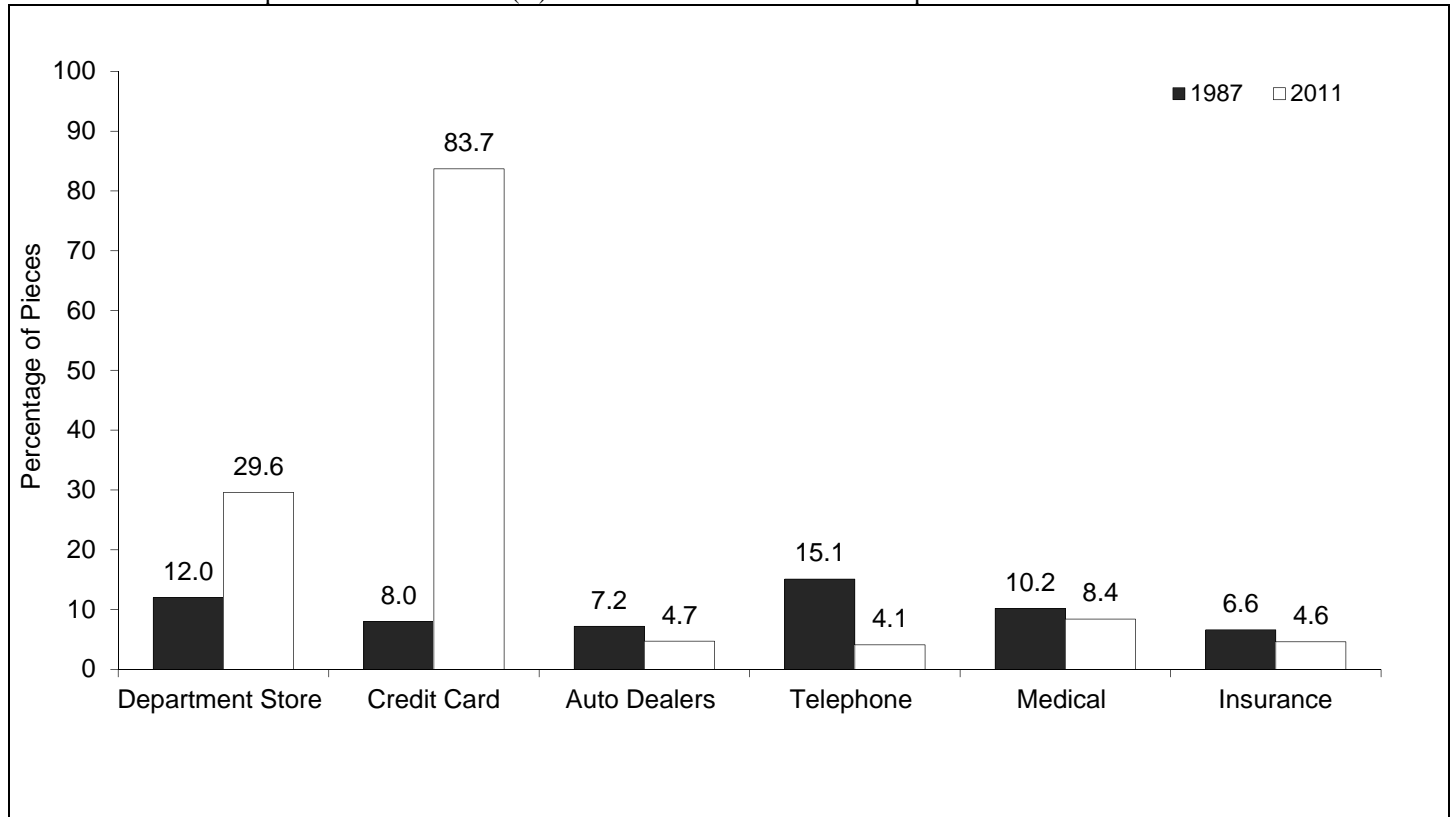


Source: USPS Household Diary Study, 2012.

RESPONSE RATES TO STANDARD MAIL (A) ADVERTISING SOLICITATIONS

Percentage of Pieces

83.7% of consumers respond to Standard Mail (A) solicitations from credit card companies in 2011 versus 8.0% in 1987.



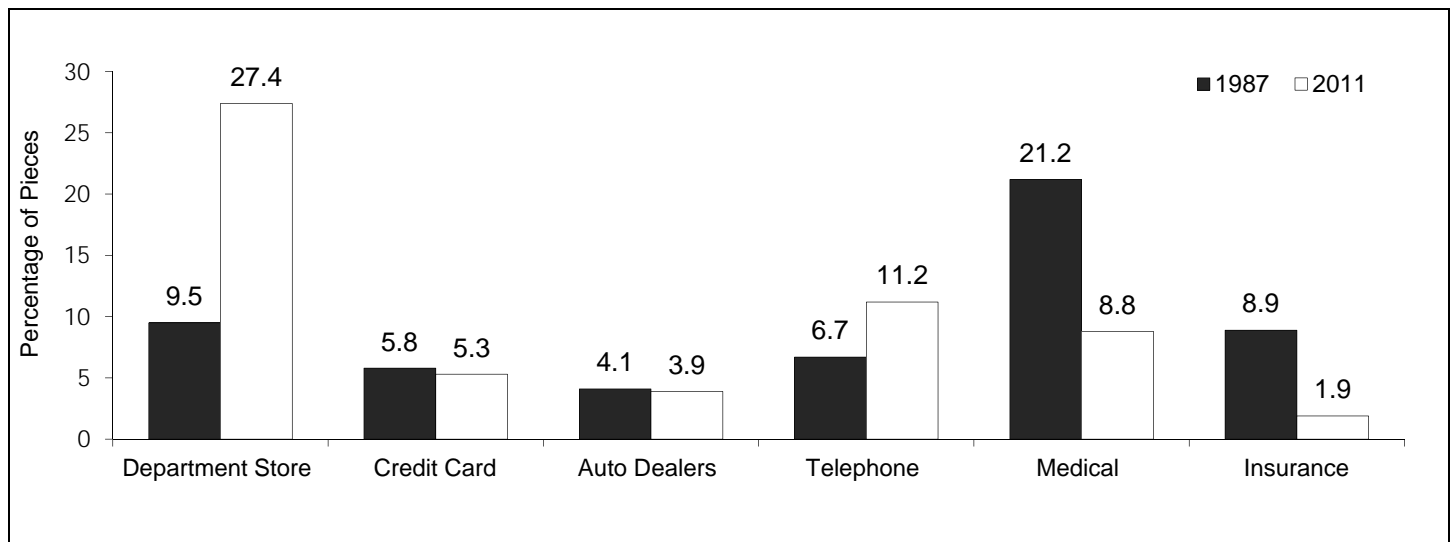
*Fluctuations may be due to small sample sizes.

Source: USPS Household Diary Study, 2012.

RESPONSE RATES TO FIRST-CLASS ADVERTISING SOLICITATIONS

Percentage of Pieces

27.4% of consumers respond to first-class solicitations from department stores.



*Fluctuations may be due to small sample sizes.

Source: USPS Household Diary Study, 2012.

POSTAL RATE CHANGES: STANDARD MAIL (A) — (FORMERLY THIRD-CLASS)

Third-Class Min Per Piece (by Presort Category Beginning 1979)

Standard Mail (A) Rate Comparison Chart
Minimum Volume Is 200 Pieces — Effective 7/1/1996

Letter Size	Before	After
Regular		
Basic	22.6¢	25.6¢
3/5 Digit	18.8	20.9
Automated Basic (barcoded)	20.4	18.3
Automated 3-Digit (barcoded)	17.5	17.5
Automated 5-Digit (barcoded)	16.6	15.5
Automated 5-Digit at SCF entry (barcoded letter)	14.6	13.7
Enhanced Carrier Route (new)		
Basic	15.0	15.0
Automated Basic Carrier Route (barcoded letter)	--	14.6
High Density	--	14.2
Saturation	14.2	13.3
Saturation at Delivery Unit Entry	11.7	13.3
Flats Size	Before	After
Regular		
Basic	22.6¢	30.6¢
3/5 Digit	21.4	22.5
Automated Basic (barcoded)	23.7	27.7
Automated 3/5 Digit (barcoded)	19.5	18.9
Automated 3/5 Digit at SCF entry (barcoded)	17.5	17.1
Enhanced Carrier Route (new)		
Basic	16.2	15.5
High Density	15.7	14.7
Saturation	14.5	13.7
Saturation at Delivery Unit Entry	12.0	11.4

Standard Mail (A) Rate Comparison Chart
Minimum Volume Is 200 Pieces — Effective 1/10/1999

Letter Size	Before	After
Regular		
Basic	25.6¢	23.5¢
3/5 Digit	20.9	20.7
Automated Basic (barcoded)	18.3	18.3
Automated 3-Digit (barcoded)	17.5	17.6
Automated 5-Digit (barcoded)	15.5	16.0
Automated 5-Digit at SCF entry (barcoded letter)	13.7	13.9
Enhanced Carrier Route (new)		
Basic	15.0	16.2
Automated Basic Carrier Route (barcoded letter)	14.6	15.6
High Density	14.2	13.9
Saturation	13.3	13.0
Saturation at Delivery Unit Entry	11.0	10.4
Flats Size	Before	After
Regular		
Basic	30.6¢	30.4¢
3/5 Digit	22.5	24.0
Automated Basic (barcoded)	27.7	29.5
Automated 3/5 Digit (barcoded)	18.9	20.3
Automated 3/5 Digit at SCF entry (barcoded)	17.1	18.2
Enhanced Carrier Route (new)		
Basic	15.5	16.2
High Density	14.7	15.1
Saturation	13.7	14.0
Saturation at Delivery Unit Entry	11.4	11.4

Standard Mail (A) Rate Comparison Chart
Minimum Volume Is 200 Pieces — Effective 1/7/2001

Letter Size	Before	After
Regular		
Basic	23.5¢	25.0¢
3/5 Digit	20.7	23.0
Automated Basic (barcoded)	18.3	19.7
Automated 3-Digit (barcoded)	17.6	18.7
Automated 5-Digit (barcoded)	16.0	17.4
Automated 5-Digit at SCF entry (barcoded letter)	13.9	15.0
Enhanced Carrier Route (new)		
Basic	16.2	17.6
Automated Basic Carrier Route (barcoded letter)	15.6	15.5
High Density	13.9	15.1
Saturation	13.0	14.3
Saturation at Delivery Unit Entry	10.4	N/A

Flats Size	Before	After
Regular		
Basic	30.4¢	31.9¢
3/5 Digit	24.0	26.3
Automated Basic (barcoded)	29.5	27.5
Automated 3/5 Digit (barcoded)	20.3	23.6
Automated 3/5 Digit at SCF entry (barcoded)	18.2	21.2
Enhanced Carrier Route (new)		
Basic	16.2	17.6
High Density	15.1	15.4
Saturation	14.0	14.7
Saturation at Delivery Unit Entry	11.4	N/A

POSTAL RATE CHANGES: STANDARD MAIL (A) — (FORMERLY THIRD-CLASS MAIL)

Third-Class Min Per Piece (by Presort Category Beginning 1979)

**Standard Mail (A) Rate Comparison Chart
Minimum Volume Is 200 Pieces — Effective 7/1/2001**

Letter Size	Before	After
Regular		
Basic	25.0¢	25.3¢
3/5 Digit	23.0	23.3
Automated Basic (barcoded)	19.7	20.0
Automated 3-Digit (barcoded)	18.7	19.0
Automated 5-Digit (barcoded)	17.4	17.7
Automated 5-Digit at SCF entry (barcoded letter)	15.0	15.3
Enhanced Carrier Route (new)		
Basic	17.6	17.8
Automated Basic Carrier Route (barcoded letter)	15.5	15.7
High Density	15.1	15.3
Saturation	14.3	14.5
Saturation at Delivery Unit Entry	N/A	N/A
Flats Size	Before	After
Regular		
Basic	31.9¢	32.2¢
3/5 Digit	26.3	26.6
Automated Basic (barcoded)	27.5	27.8
Automated 3/5 Digit (barcoded)	23.6	23.9
Automated 3/5 Digit at SCF entry (barcoded)	21.2	21.5
Enhanced Carrier Route (new)		
Basic	17.6	17.8
High Density	15.4	15.6
Saturation	14.7	14.9
Saturation at Delivery Unit Entry	N/A	N/A

**Standard Mail (A) Rate Comparison Chart
Minimum Volume Is 200 Pieces — Effective 6/30/2002**

Letter Size	Before	After
Regular		
Basic	25.3¢	26.8¢
3/5 Digit	23.3	24.8
Automated Basic (barcoded)	20.0	21.2
Automated 3-Digit (barcoded)	19.0	20.3
Automated 5-Digit (barcoded)	17.7	19.0
Automated 5-Digit at SCF entry (barcoded letter)	15.3	16.4
Enhanced Carrier Route (new)		
Basic	17.8	19.4
Automated Basic Carrier Route (barcoded letter)	15.7	17.1
High Density	15.3	16.4
Saturation	14.5	15.2
Flats Size	Before	After
Regular		
Basic	32.2¢	34.4¢
3/5 Digit	26.6	28.8
Automated Basic (barcoded)	27.8	30.0
Automated 3/5 Digit (barcoded)	23.9	26.1
Automated 3/5 Digit at SCF entry (barcoded)	21.5	23.5
Enhanced Carrier Route (new)		
Basic	17.8	19.4
High Density	15.6	16.9
Saturation	14.9	16.0

POSTAL RATE CHANGES: STANDARD MAIL (A) — (FORMERLY THIRD-CLASS MAIL)

Third-Class Min Per Piece (by Presort Category Beginning 1979)

Standard Mail (A) Rate Comparison Chart
Minimum Volume Is 200 Pieces — Effective 1/8/2006

Letter Size	Before	After
Regular		
Basic	26.8¢	28.2¢
3/5 Digit	24.8	26.1
Automated Basic (barcoded)	21.2	22.3
Automated 3-Digit (barcoded)	20.3	21.4
Automated 5-Digit (barcoded)	19.0	20.0
Automated 5-Digit at SCF entry (barcoded letter)	16.4	N/A
Enhanced Carrier Route (new)		
Basic	19.4	20.4
Automated Basic Carrier Route (barcoded letter)	17.1	18.0
High Density	16.4	17.3
Saturation	15.2	16.0
Flats Size	Before	After
Regular		
Basic	34.4¢	36.3¢
3/5 Digit	28.8	30.4
Automated Basic (barcoded)	30.0	31.6
Automated 3/5 Digit (barcoded)	26.1	27.5
Enhanced Carrier Route (new)		
Basic	19.4	20.4
High Density	16.9	17.8
Saturation	16.0	16.9

Standard Mail (A) Rate Comparison Chart
Minimum Volume Is 200 Pieces — Effective 5/14/2007

Letter Size	Before	After
Regular		
Automated 5-Digit (barcoded)	20.0¢	12.7¢
Automated 3-Digit (barcoded)	N/A	14.2
Automation AADC	N/A	14.7
Automation Mixed AADC	N/A	16.1
Enhanced Carrier Route		
Basic	20.4	15.7
High Density	17.3	11.7
Saturation	16.0	10.8
Flats Size	Before	After
Regular		
Nonautomation 5-Digit	36.3¢	36.3¢
Nonautomation 3-Digit	N/A	42.7
Nonautomation ADC	N/A	46.1
Nonautomation Mixed ADC	N/A	51.5
Automation 5-Digit (barcoded)	31.6	33.5
Automation 3-Digit (barcoded)	N/A	39.2
Automation ADC	N/A	42.4
Automation Mixed ADC	N/A	47.7
Enhanced Carrier Route		
Basic	20.4	24.9
High Density	17.8	20.5
Saturation	16.9	18.7

Standard Mail (A) Rate Comparison Chart
Minimum Volume Is 200 Pieces — Effective 5/12/2008

Letter Size	Before	After
Regular		
Automated 5-Digit (barcoded)	12.7¢	12.7¢
Automated 3-Digit (barcoded)	14.2	14.3
Automation AADC	14.7	14.6
Automation Mixed AADC	16.1	15.9
Enhanced Carrier Route		
Basic	15.7	15.9
High Density	11.7	11.9
Saturation	10.8	10.8

Flats Size	Before	After
Regular		
Nonautomation 5-Digit	36.3¢	36.6¢
Nonautomation 3-Digit	42.7	45.1
Nonautomation ADC	46.1	48.3
Nonautomation Mixed ADC	51.5	55.3
Automated 5-Digit (barcoded)	33.5	33.9
Automated 3-Digit (barcoded)	39.2	40.0
Automation ADC	42.4	43.6
Automation Mixed ADC	47.7	48.9
Enhanced Carrier Route		
Basic	24.9	25.5
High Density	20.5	21.0
Saturation	18.7	19.1

POSTAL RATE CHANGES: STANDARD MAIL (A) — (FORMERLY THIRD-CLASS MAIL)

Third-Class Min Per Piece (by Presort Category Beginning 1979)

Standard Mail (A) Rate Comparison Chart

Minimum Volume Is 200 Pieces — Effective 11/29/09

Letter Size	Before	After
Regular		
Automated 5-Digit (barcoded)	12.7¢	23.3¢
Automated 3-Digit (barcoded)	14.3	25.1
Automation AADC	14.6	25.3
Automation Mixed AADC	15.9	27.0
Enhanced Carrier Route		
Basic	15.9	26.2
High Density	11.9	19.3
Saturation	10.8	18.2

Flats Size	Before	After
Regular		
Nonautomation 5-Digit	36.6¢	36.7¢
Nonautomation 3-Digit	45.1	46.4
Nonautomation ADC	48.3	50.9
Nonautomation Mixed ADC	55.3	55.8
Automated 5-Digit (barcoded)	33.9	34.6
Automated 3-Digit (barcoded)	40.0	41.8
Automation ADC	43.6	48.6
Automation Mixed ADC	48.9	49.6
Enhanced Carrier Route		
Basic	25.5	26.2
High Density	21.0	21.9
Saturation	19.1	19.4

Standard Mail (A) Rate Comparison Chart

Minimum Volume Is 200 Pieces — Effective 4/17/11

Letter Size	Before	After
Regular		
Automated 5-Digit (barcoded)	12.7¢	23.7¢
Automated 3-Digit (barcoded)	14.3	25.5
Automation AADC	14.6	25.7
Automation Mixed AADC	15.9	27.3
Enhanced Carrier Route		
Basic	15.9	26.5
High Density	11.9	19.5
Saturation	10.8	18.2

Flats Size	Before	After
Regular		
Nonautomation 5-Digit	36.7¢	38.2¢
Nonautomation 3-Digit	46.4	46.4
Nonautomation ADC	50.9	51.6
Nonautomation Mixed ADC	55.8	54.9
Automated 5-Digit (barcoded)	34.6	34.7
Automated 3-Digit (barcoded)	41.8	42.6
Automation ADC	48.6	48.2
Automation Mixed ADC	49.6	49.2
Enhanced Carrier Route		
Basic	26.2	26.5
High Density	21.9	22.0
Saturation	19.4	19.4

Standard Mail (A) Rate Comparison Chart

Minimum Volume Is 200 Pieces — Effective 1/22/12

Letter Size	Before	After
Regular		
Automated 5-Digit (barcoded)	23.7¢	24.2
Automated 3-Digit (barcoded)	25.5	26.0
Automation AADC	25.7	26.2
Automation Mixed AADC	27.3	27.8
Enhanced Carrier Route		
Basic	26.5	27.1
High Density	19.5	19.9
Saturation	18.2	18.5

Flats Size	Before	After
Regular		
Nonautomation 5-Digit	38.2¢	38.8
Nonautomation 3-Digit	46.4	47.0
Nonautomation ADC	51.6	52.8
Nonautomation Mixed ADC	54.9	56.1
Automated 5-Digit (barcoded)	34.7	35.3
Automated 3-Digit (barcoded)	42.6	43.8
Automation ADC	48.2	49.4
Automation Mixed ADC	49.2	50.4
Enhanced Carrier Route		
Basic	26.5	27.1
High Density	22.0	22.4
Saturation	19.4	19.7

POSTAL RATE CHANGES: FIRST-CLASS MAIL

First-Class Mail Rate Comparison Chart
Minimum Volume for Presort and Automation Rates
Is 500 Pieces — Effective 1/10/1999

Letters & Sealed Parcels (1 st oz.)	Before	After
Single-Piece	32.0¢	33.0¢
Presort	29.5	30.5
Automation		
Basic	26.1	27.0
3-Digit Barcoded	25.4	26.1
5-Digit Barcoded	23.8	24.3
Carrier Route	23.0	23.8
Flats (1 st oz.)	Before	After
Single-Piece	32.0¢	33.0¢
Presort	29.5	30.5
Automation		
Basic	29.0	30.0
3/5	27.0	27.0
Postcards & Postal Cards	Before	After
Single-Piece	20.0¢	20.0¢
Presort	18.0	18.0
Automation		
Basic	16.6	16.6
3-Digit Barcoded	15.9	15.9
5-Digit Barcoded	14.3	14.6
Carrier Route	14.0	14.1

First-Class Mail Rate Comparison Chart
Minimum Volume for Presort and Automation Rates
Is 500 Pieces — Effective 1/7/2001

Letters & Sealed Parcels (1 st oz.)	Before	After
Single-Piece	33.0¢	34.0¢
Presort	30.5	32.0
Automation		
Basic	27.0	27.8
3-Digit Barcoded	26.1	26.7
5-Digit Barcoded	24.3	25.3
Carrier Route	23.8	24.3
Flats (1 st oz.)	Before	After
Single-Piece	33.0¢	34.0¢
Presort	30.5	32.0
Automation		
Basic	30.0	31.0
3-Digit Barcoded	27.0	29.5
5-Digit Barcoded	27.0	27.5
Postcards & Postal Cards	Before	After
Single-Piece	20.0¢	20.0¢
Presort	18.0	18.0
Automation		
Basic	16.6	16.4
3-Digit Barcoded	15.9	15.8
5-Digit Barcoded	14.6	15.1
Carrier Route	14.1	14.0

POSTAL RATE CHANGES: FIRST-CLASS MAIL

First-Class Mail Rate Comparison Chart
Minimum Volume for Presort and Automation Rates
Is 500 Pieces — Effective 1/8/2006

Letters & Sealed Parcels (1 st oz.)	Before	After
Single-Piece	37.0¢	39.0¢
Presort	35.2	37.1
Automation		
Basic	30.1	
3-Digit Barcoded	29.2	30.8
5-Digit Barcoded	27.8	29.3
Carrier Route	27.5	29.0
Flats (1 st oz.)	Before	After
Single-Piece	33.0¢	35.1¢
Presort	32.2	37.1
Automation		
Basic	33.3	35.9
3-Digit Barcoded	32.2	33.9
5-Digit Barcoded	30.2	31.8
Postcards & Postal Cards	Before	After
Single-Piece	23.0¢	24.0¢
Presort	21.2	22.3
Automation		
Basic	18.7	19.7
3-Digit Barcoded	18.3	19.3
5-Digit Barcoded	17.6	18.6
Carrier Route	17.0	17.9

First-Class Mail Rate Comparison Chart
Minimum Volume for Presort and Automation Rates
Is 500 Pieces — Effective 5/14/2007

Letters & Sealed Parcels (1 st oz.)	Before	After
Single-Piece	39.0¢	41.0¢
Presort	37.1	37.3
Automation		
3-Digit Barcoded	30.8	33.4
5-Digit Barcoded	29.3	31.2
Flats (1 st oz.)	Before	After
Single-Piece	35.1¢	80.0¢
Presort	37.1	69.9
Automation		
3-Digit Barcoded	33.9	48.4
5-Digit Barcoded	31.8	38.3
Postcards & Postal Cards	Before	After
Single-Piece	24.0¢	26.0¢
Presort	22.3	24.1
Automation		
3-Digit Barcoded	19.3	20.4
5-Digit Barcoded	18.6	19.1

First-Class Mail Rate Comparison Chart
Minimum Volume for Presort and Automation Rates Is 500 Pieces — Effective 5/12/2008

Letters & Sealed Parcels (1 st oz.)	Before	After
Single-Piece	41.0¢	42.0¢
Presort	37.3	39.4
Automation		
3-Digit Barcoded	33.4	34.6
5-Digit Barcoded	31.2	32.4
Flats (1 st oz.)	Before	After
Single-Piece	80.0¢	83.0¢
Presort	69.9	72.7
Automation		
3-Digit Barcoded	48.4	47.9
5-Digit Barcoded	38.3	36.4

Postcards and Postal Cards	Before	After
Single-Piece	26.0¢	27.0¢
Presort	24.1	24.2
Automation		
3-Digit Barcoded	20.4	21.0
5-Digit Barcoded	19.1	19.9

First-Class Mail Rate Comparison Chart**Minimum Volume for Presort and Automation Rates Is 500 Pieces — Effective 11/29/2009**

Letters & Sealed Parcels (1 st oz.)	Before	After
Single-Piece	42.0¢	44.0¢
Presort	39.4	
Automation		
3-Digit Barcoded	34.6	35.7
5-Digit Barcoded	32.4	33.5
Flats (1 st oz.)	Before	After
Single-Piece	83.0¢	88.0¢
Presort	72.7	75.7
Automation		
3-Digit Barcoded	47.9	54.2
5-Digit Barcoded	36.4	38.0

Postcards and Postal Cards	Before	After
Single-Piece	27.0¢	27.0¢
Presort	24.2	24.5
Automation		
3-Digit Barcoded	21.0	21.8
5-Digit Barcoded	19.9	20.5

First-Class Mail Rate Comparison Chart**Minimum Volume for Presort and Automation Rates Is 500 Pieces — Effective 4/17/2011**

Letters & Sealed Parcels (1 st oz.)	Before	After
Single-Piece	44.0¢	44.0¢
Presort		
Automation		
3-Digit Barcoded	35.7	36.5
5-Digit Barcoded	33.5	34.0
Flats (1 st oz.)	Before	After
Single-Piece	83.0¢	88.0¢
Presort	75.7	75.7
Automation		
3-Digit Barcoded	54.2	54.7
5-Digit Barcoded	38.0	37.3

Postcards and Postal Cards	Before	After
Single-Piece	27.0¢	27.0¢
Presort	24.5	26.0
Automation		
3-Digit Barcoded	21.0	22.2
5-Digit Barcoded	20.5	20.8

First-Class Mail Rate Comparison Chart**Minimum Volume for Presort and Automation Rates Is 500 Pieces — Effective 1/22/2012**

Letters & Sealed Parcels (1 st oz.)	Before	After
Single-Piece	44.0¢	45.0¢
Presort		
Automation		
3-Digit Barcoded	36.5	37.4
5-Digit Barcoded	34.0	35.0
Flats (1 st oz.)	Before	After
Single-Piece	88.0¢	90.0¢
Presort	75.7	76.2
Automation		
3-Digit Barcoded	54.7	57.4
5-Digit Barcoded	37.3	40.0

Postcards and Postal Cards	Before	After
Single-Piece	27.0¢	32.0
Presort	26.0	28.0
Automation		
3-Digit Barcoded	22.2	24.3
5-Digit Barcoded	20.8	22.9

First-Class Mail Rate Comparison Chart**Minimum Volume for Presort and Automation Rates Is 500 Pieces — Effective 1/27/2013**

Letters & Sealed Parcels (1st oz.)	Before	After
Single-Piece	45.0¢	46.0¢
Presort		43.3
Automation		
3-Digit Barcoded	37.4	38.4
5-Digit Barcoded	35.0	36.0
Flats (1st oz.)	Before	After
Single-Piece	90.0¢	92.0¢
Presort	76.2	77.2
Automation		
3-Digit Barcoded	57.4	59.4
5-Digit Barcoded	40.0	40.6

Postcards and Postal Cards	Before	After
Single-Piece	32.0¢	33.0
Presort	28.0	28.1
Automation		
3-Digit Barcoded	24.3	24.6
5-Digit Barcoded	22.9	23.4

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