



How are the default costs calculated?

Mintel consulted with numerous print houses, advertising agencies and clients to identify the main direct mail spend inputs and associated costs. We aggregated this information and identified a default direct mail spend by each of the associated inputs.

What are the inputs to the spend calculation and the definitions of each?

The following attributes are included in the direct mail spend calculations:

- **Direct mail type** – This is the type of mailing that is featured. It is a derived field using both the mail pack items field as well as dimensions of the mailing.
- **Industry** – While doing our research, we found that the industry really drove cost differences in the spend. The industries are segmented by credit card, insurance, telecommunications and all other.
- **Printing** – This includes all costs for the paper and printing supplies.
- **Logistics** – This includes the costs for transporting the mail to commercial post offices, which inserts the mail further into the mail stream process to reduce postage costs.
- **Postage** – The cost to deliver the mail to its intended recipient.
- **List costs** – The cost to purchase a list of prospects or maintain an internal prospect database.
- **Other** – Includes the cost for creative and advertising and any other miscellaneous costs the user wishes to include.

Can the defaults be changed?

Yes. Users at the profile level can go into the dm spend settings page (under the personal tab) to customize any of the default settings. In order to save any changes, users must either hit enter or the save settings button at the bottom of the page. Once a user customizes settings, this will be notated on both the record page and on IA and will take effect immediately. Users may at any time restore the default settings on the dm spend settings page.

Where can I see and report on the direct mail spend values?

Direct mail spend values are available on the record page and in the Interactive Analysis tool. We will not have direct mail spend available in planit.

How are the types of mailings determined?

The direct mail type is determined by two factors – mail pack item and dimensions of the piece.

- **Postcard** – includes one piece mailer, has two images and dimensions of less than or equal to 4 x 6
- **Self-mailer** – all other mailings with one piece mailer
- **Catalog** – includes newsletter or catalog
- **Letter and Envelope** – includes non-windowed envelope or windowed envelope and either letter or flyer
- **Other** – all other mailpack items, which accounts for less than 5% of all mail



The direct mail type field is now available in search, planit and IA. The options are letter + envelope, self-mailer, postcard, catalog and other.

How are the volume discounts applied?

The volume discounts are applied to campaigns with the specified volumes in a given month. We made this decision so that direct mail spend estimates would not change over time (as more volume of a campaign came in). The default values for these discounts take into account this methodology.

Will the Canadian calculation be different?

Yes. For the Canadian calculation, a discount will be applied for all addressed and unaddressed mail. The values will be automatically calculated with a 27% (addressed) and 68% (unaddressed) discount of the default postage value, which is currently \$0.56. When customizing values, these discounts will still be applied.

When I customize my settings, does it change historical values?

Yes, the change is instantaneous and impacts data back until the beginning of our data collection.

How far back is this data available?

Direct mail spend values are available back to 2000, but please keep in mind that only one set of values can be utilized at a time, so the postage rate that is input will be used to calculate spend back to 2000.