Campaign Effectiveness Can Double the Improvement in ROI

Campaign ROI Improvement (with Response Model) =

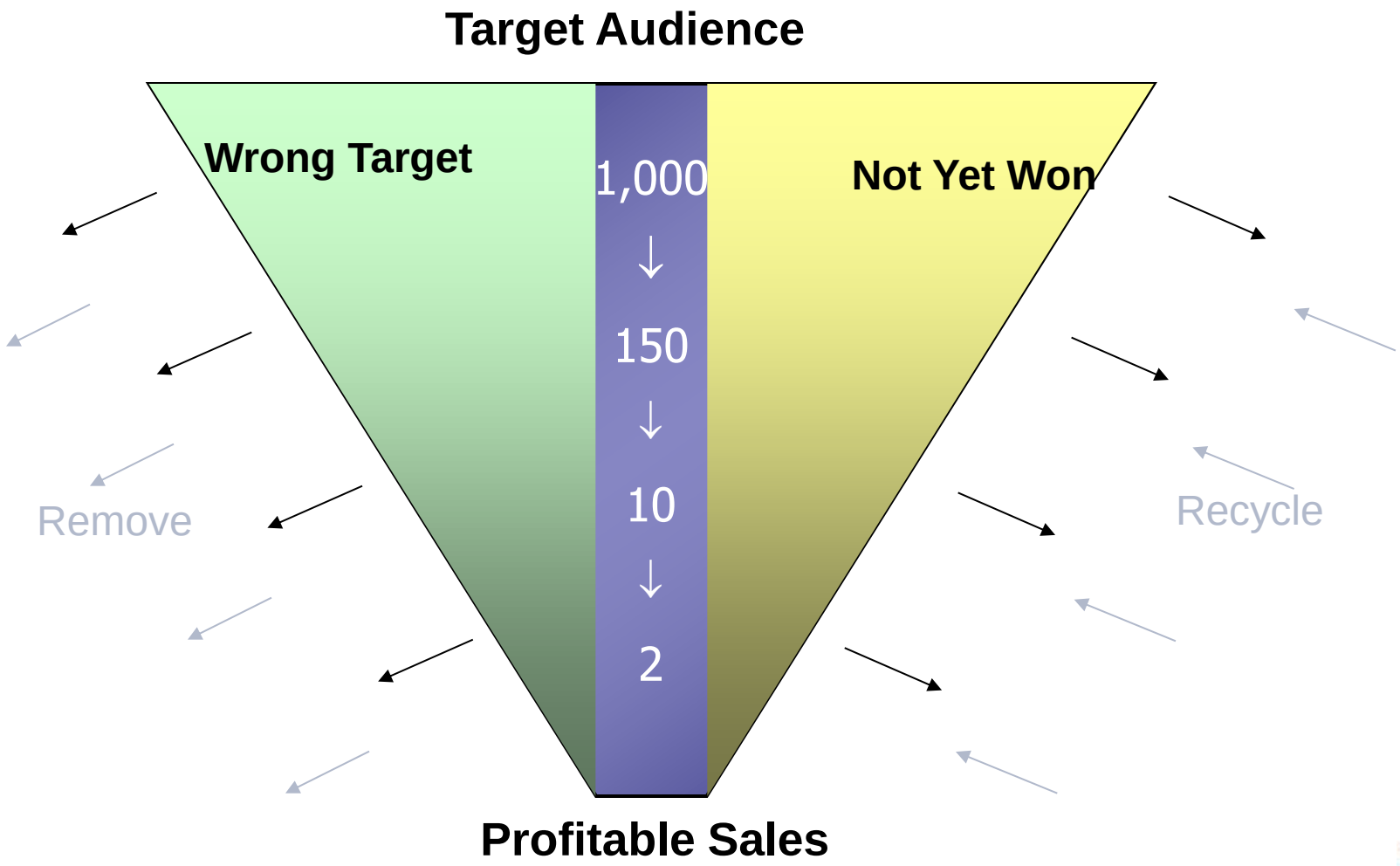
Campaign Effectiveness + 30%

- **Strategic Resource Allocation** (on Segment, NLP & High Response Customers)
- **Marketing Driver Optimization**
- **Campaign Effectiveness Mgt** (Campaign Execution Process)

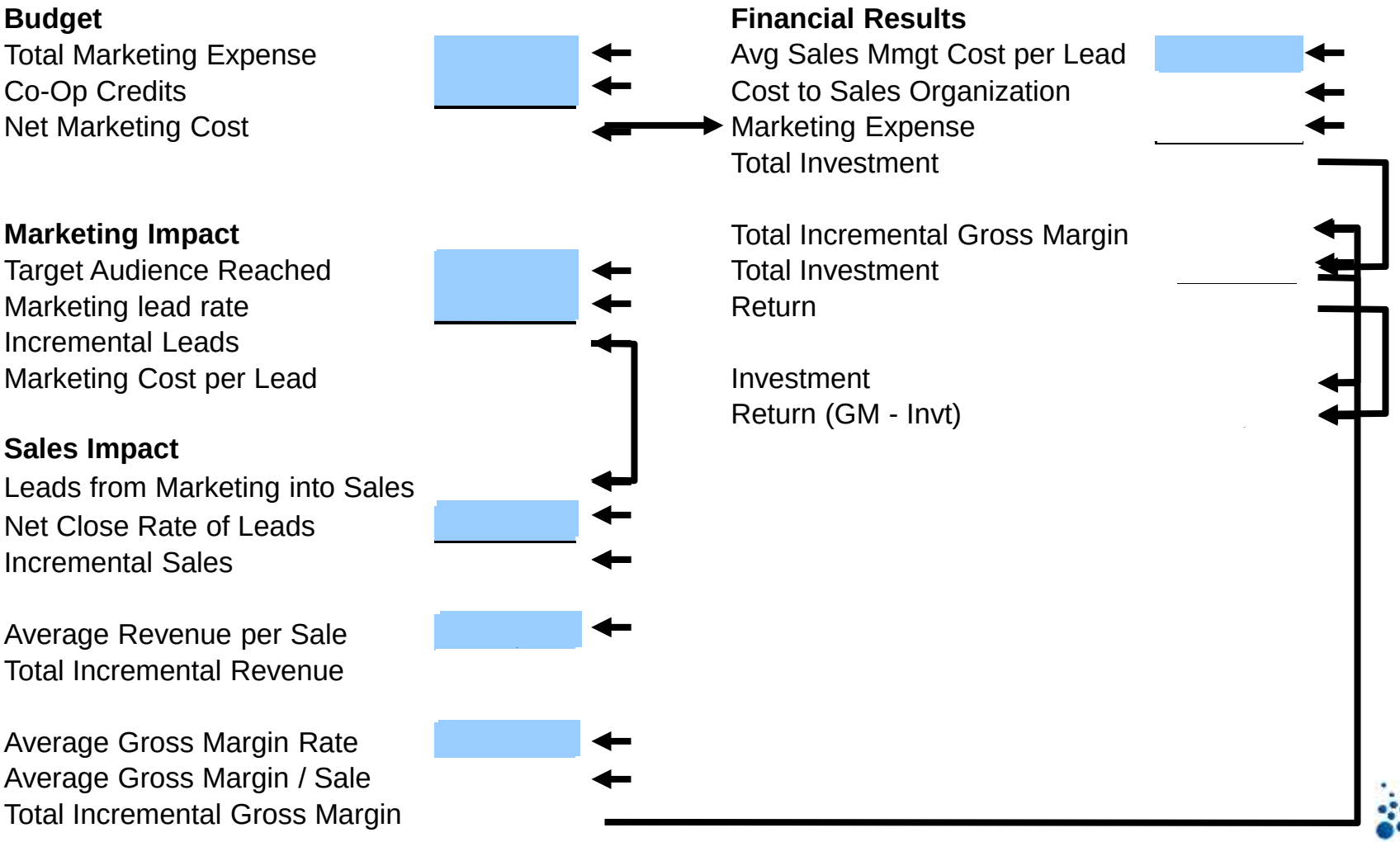
Marketing Efficiency - 15%

- **TSR Workload Reducing**
- **Marketing Materials (DM & Telephone Call)**
- **Marketing Services Mgt**

Campaign Strategy - Response Model to Improve Campaign ROI
(Improving the Marketing Funnel)



Calculate the ROI for Client



Targeting Tactics - Selection

	Original	New	Incremental
Budget			
Total Marketing Expense	$100,000		
Co-Op Credits	-$50,000		
Net Marketing Cost	$50,000		
Marketing Impact			
Incremental Leads	500		
Marketing Cost per Lead	$100		
Sales Impact			
Net Close Rate of Leads	10.0%		
Incremental Sales	50		
Average Revenue per Sale	$10,000		
Total Incremental Revenue	$500,000		
Average Gross Margin / Sale	$3,500		
Total Incremental Gross Margin	$175,000		
Cost to Sales Organization	$75,000		
Financial Results			
Investment	$125,000		
Return (GM - Invt)	$50,000		
ROI	40%		

Campaign Strategy - Response Model to Improve Campaign ROI
(ROI Increase through Improved Conversion)

EXAMPLE