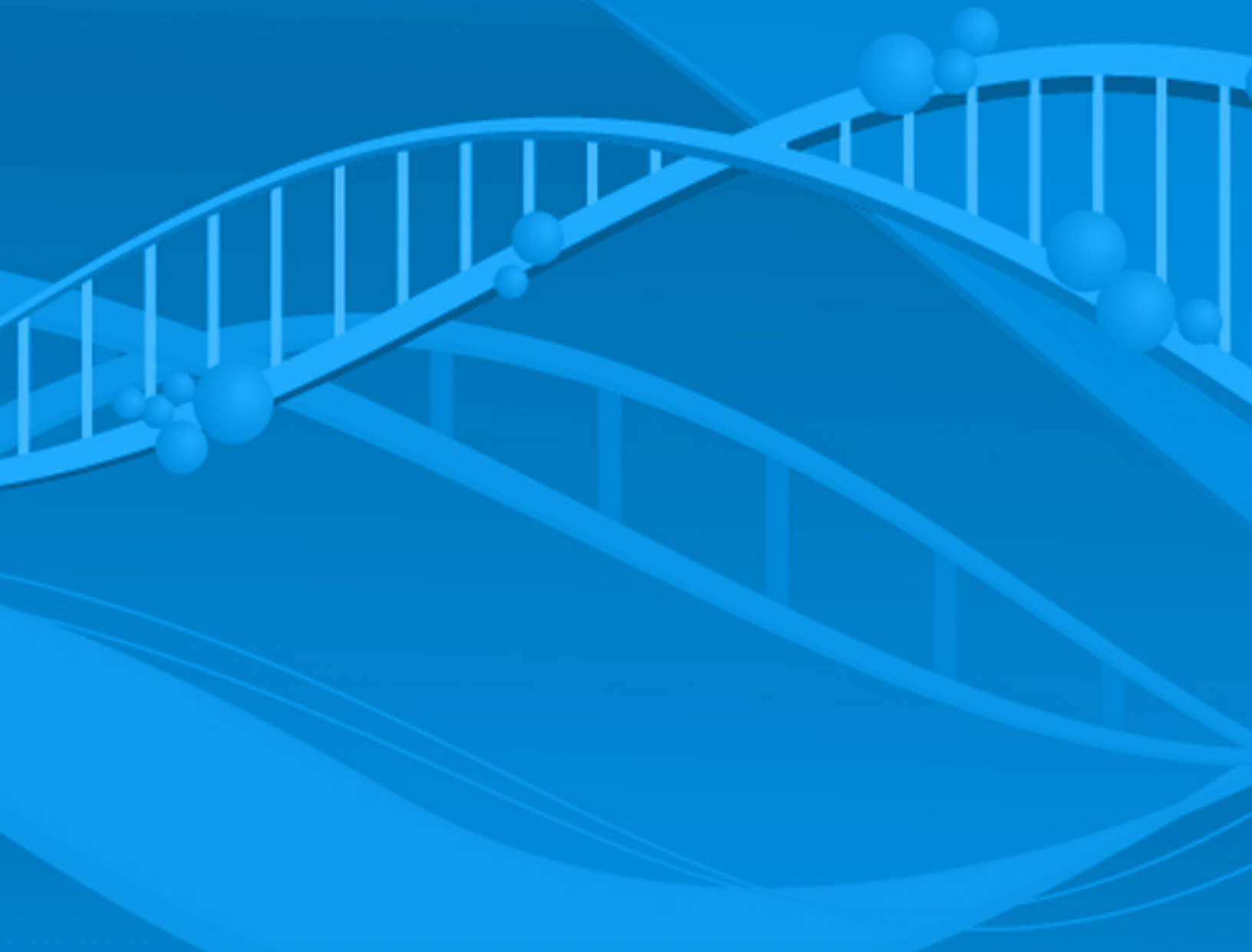


Intellidyn Case Study: Harvesting Infomercial Responders



The Business

This marketer deploys infomercials eliciting responders to its natural cure and weight loss cure products. These infomercials cost ten to twenty thousand dollars to produce. These are long spots running for 30 minutes, typically during leisure hours on national cable channels. Responders can call in or go on line to purchase it's products. Performance, measured as "MER" Media Effective Rate

The Challenges

- While attractive MER's are in the 1.5 to +3.0 range, the client has seen a steady decline. Reasons for these declines are unknown, exacerbated by the client really not having a clear understanding of their target customer.
- Both non-renewal and refund rates were steadily increasing, while there was no change in the product, price, packaging and ordering/payment terms.

Intellidyn's Solution

- First, establish a clear understanding of the combination of demographic, lifestyle and other attributes that uniquely identify the target buyer.
- Second, create a marketing program that "Harvests" all of the responders that most resemble this target buyer,
- Third, construct behavioral models that identify those consumers most likely to purchase either a natural cure or weight loss product as a result of an infomercial.
- Fourth, re-direct airings in markets with the highest densities of these buyers, and,
- Fifth, purchase airings on channels most watched by these buyers.

Uniquely identifying the target buyer

The "Natural Cures" purchasers can be generally described as

- Homeowners
- Moderate to high incomes
- Between 42 and 65 years old
- Home values: Between \$50K and \$150K
- Lifestyles ranging from comfortable middle class families to the affluent elitists

"Natural Cures" purchasers were differentiated from the US consumer population as:

- Married
- Female
- Between 60 and 77 years old
- In Single Family Homes
- Have lived there for over 15 years
- Home values likely to be around \$150K
- With preferences for Health Foods, Sweepstakes, Self Improvement, Religion, Gardening, Pets
- Lifestyle priorities are: Raisin' Grandkids, Being Outdoors and attending to Family Matters

Business Intelligence driving Market Focus

DMA CODE	UNIVERSE		BUYERS		INDEX	Market Area
	HOUSEHOLD COUNT	%	HOUSEHOLD COUNT	%		
507	2031	0.25%	1041	0.43%	1.73	Savannah
552	204	0.02%	159	0.04%	1.67	Presque Isle
575	2473	0.30%	1852	0.50%	1.64	Chattanooga
825	7504	0.92%	5712	1.50%	1.63	San Diego
540	2003	0.24%	1473	0.35%	1.57	Traverse City - Cadillac
522	1257	0.15%	918	0.24%	1.55	Columbus, GA
505	14195	1.74%	10077	2.64%	1.52	Detroit
510	12496	1.53%	8752	2.30%	1.50	Cleveland - Akron (Canton)
574	8891	0.23%	1281	0.34%	1.45	Johnstown - Alliance
758	37	0.00%	25	0.07%	1.44	Glenview

825	7504	0.92%	5712	1.50%	1.63	San Diego
505	14195	1.74%	10077	2.64%	1.52	Detroit
510	12496	1.53%	8752	2.30%	1.50	Cleveland - Akron (Canton)
866	3743	0.40%	2408	0.63%	1.38	Fresno - Visalia
018	14100	1.72%	8933	2.34%	1.35	Houston
770	8647	0.84%	4258	1.13%	1.34	Salt Lake City

❖ Top 10 DMAs that had the strongest power to generate buyers.

Savannah is 1.7 times over the base line purchase rate

❖ Top 6 DMA Codes that had contributed more than 2000 buyers, at the same time show strong purchase rate

Client Results:

<u>*MER) Media Effective Rate</u>	<u>*MER</u>	<u>% Lift</u>
Current Tactics	1.45	
New Tactics		
<u>Email to:</u>		
• Prior buyers	3.25	124%
• Responders	2.82	94%
• Prospects		
• In Airing market	2.22	53%
• Out of Airing market	1.21	-17%