

## **NEW MOVER PROGRAM**

### **Frequently Asked Questions**

**Q.** What is the NEW MOVER PROGRAM?

**A.** The New Mover Program is a monthly direct mailer that targets families that have recently moved near your service center. We identify these families and send them a welcoming communication from your shop. You can choose either a three coupon letter or a single coupon folded postcard.

The welcoming letter format includes three customized promotional offers “Gift Checks” redeemable at your service center. This 8 ½” x 14” welcoming letter is mailed in a double window envelope with your store name and address showing through the top window.

The Self Mailer format has an eye catching four color graphics on both the outside and the inside. To incentivize the new mover, this mailer features one gift voucher prominently placed inside the mailer. The mailer is a high quality 8 ½” x 11” folded communication.

**Q.** When is it mailed?

**A.** The end of every month.

**Q.** Is there a minimum amount of pieces that must mail?

**A.** Yes, the minimum is 100 pieces, of course if there is not 100 new movers that month you will be invoiced for only the quantity available in your area.

**Q.** What kind of response should I expect?

**A.** Typically if we mail 200 pieces you should receive about 1% to 2% response rate. Also, keep in mind you are branding your store name.

**Q.** Why are NEW MOVERS good prospects for my business?

**A.** The specific appeal of NEW MOVERS is based on changing purchasing patterns - they can no longer have their vehicle(s) serviced at their old service center AND their business is up for grabs. There is a continuous, ever replenishing supply of new movers each month.

**Q.** Who uses the NEW MOVER PROGRAM?

**A.** At present, hundreds of service centers are using the program on a monthly basis. Many have been using the program for years!

**Q.** Why target new movers?

**A.** New movers spend 8 to 10 times more than the average consumer as they become established in their new neighborhood. They are in need of more products and services during their first few months in a new location than they will be for years afterwards.

**Q.** How long is the agreement for New Movers?

**A.** This is a month-to-month agreement. You can cancel at any time by logging on to the website and deleting your subscription or emailing [klincoln@epsilon.com](mailto:klincoln@epsilon.com) before the First day of the month. We recommend that you try it for at least 3 month to have an accurate analysis.

**Q.** How long does it take to get started?

**A.** Generally within 15 to 30 days of receipt of your enrollment on the website, your monthly mailings will begin.

**Q.** How do I determine the cost of the program?

**A.** Just choose the number of letters you wish to mail. The website will calculate your cost for the amount of letters you want to mail, this will include the postage. If the number of new movers that month does not meet your maximum quantity you'll only be billed for the actual amount of letters mailed that month. There are no hidden costs. No set up fees. No cancellation fees. You can limit your mailings to fit within your budget.

**Q.** How will I be billed?

**A.** You will be billed monthly by WORLD PAC.

**Q.** Why should I choose the FREE OIL CHANGE offer?

**A.** Why choose the FREE oil change offer? This is what everyone needs, the timing is perfect. We understand that you may not want to do FREE oil changes, but this offer will generate the most new customers. After you calculate (by completing the chart below) how much a new customer is worth, you will also agree that a FREE oil change works.

### **CALCULATING THE LIFETIME VALUE OF A CUSTOMER.**

What if you do not know the lifetime value of a typical customer? Don't worry, not many retailers do. The following table helps determine your own customer lifetime value. As an example, the first column shows typical values for an automotive repair shop.

<b>Line</b>	<b>Example: J's Garage</b>	<b>Your Values</b>
<b>A.</b> Typical sale to a customer	\$325	\$ _____
<b>B.</b> Typical repeat customer visit in one year	3	_____
<b>C.</b> Typical length of relationship with customer	7 years	_____ years
<b>D.</b> Typical lifetime revenue from a customer (multiply line A by line B, then by line C)	\$6,825	\$ _____
<b>E.</b> Net profit margin on goods and services	20%	_____ %
Lifetime customer net profit (multiply line D by line E)	\$1,365	\$ _____

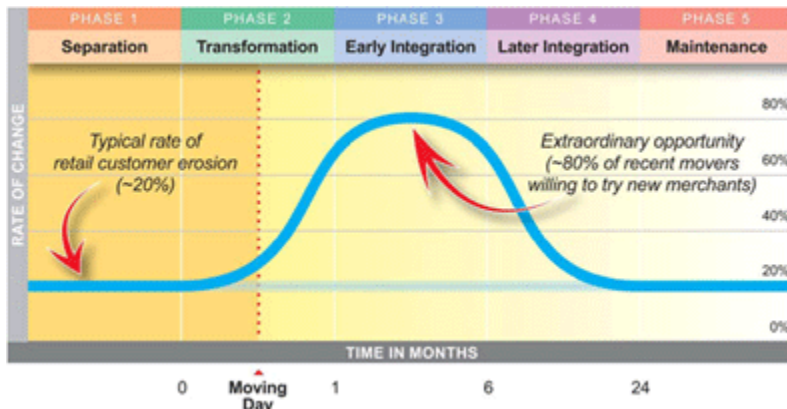
Since the lifetime customer value is all profit, you can afford to invest anything up to that amount on any marketing program that's sure to deliver another regular customer. That means that J's Garage can afford to give away up to \$1,365 worth of free oil changes, as long as that gets them one regular customer who returns three times a year for the next seven years. Be sure to have enticing offers. They are the main incentives that will drive people to your service center.

### **Why market to New Movers?**

The answer is simple: new movers are big spenders. Marketers need to quickly identify and communicate with new movers as they enter a period in which their dedication to brands and service providers are prone to change.

Census Bureau data indicates that more than 150,000 homes are purchased in the U.S. every week, and a recent study showed that relocating households spend an average of \$7,300<sup>1</sup> on goods related to their move. Before new movers begin the process of moving,

they search for a range of products and services such as mortgages, moving services, telecommunications, home contractors and more. Within the first 90 days alone, more than half of new movers make major purchases including new furniture, large appliances, home electronics, lawn services, and hair care.



Each year, nearly twenty-two million people in the U.S. move. This life-event triggers a series of changes in consumers' buying behavior and in the relationships they have with product and service providers. So, as you can see, these new movers provide an inexhaustible source of new customers with enormous purchasing power. By subscribing to a monthly new mover program, you are systematically prospecting for new customers and fighting customer attrition.

<sup>1</sup> 2007 New Mover Survey, Epsilon and Gfk North America

### **About the Mailing Lists used in these Programs**

#### **Where are the mailing lists sourced from?**

All lists are sourced from Epsilon who is recognized as an industry leader and originator of compiled data. They are a premier compiler of both consumer and business data and, as such, own the vast majority of their data assets.

#### **What are their sources for these mailing lists?**

Epsilon's **New Mover file** provides information on approximately 1.3 million monthly new movers and is compiled from over 400 sources, making it the industry's most respected database of new movers. This database was the industry's first multi-sourced new mover file, which uses hundreds of sources such as publishers, telecom and utility companies, real estate deed filings, private credit grantors and more, to accurately identify relocating U.S. consumers. Further, the New Mover file has been enhanced with demographic attributes, and users may refine their selection criteria using dwelling type.

Epsilon's **Advantage Choice database** contains detailed demographic data on over 235 million customers and 164 million unique households. This file is a composite of data harvested from thousands of data collection sources that fall into the following categories: surveys, transactions, demographics, specialty vertical lists, and credit and business data. Users can target the audience by using age, home ownership (owner vs. renter), dwelling type (single family dwelling unit vs. multi-family dwelling unit), estimated household income, number of children, and length of residence.



**How often are these mailing lists updated?**

The New Mover file is updated weekly, and Advantage Choice is updated monthly.

**How deliverable are the mailing lists?**

Both the New Mover and Advantage Choice files contain addresses that are 100% Delivery Point Verification (DPV) coded which means that the file is 100% deliverable according to USPS standards.

**How accurate is the demographic data?**

Data elements sourced from public records are considered to be highly accurate. Self-reported elements sourced from surveys are also typically highly accurate, as consumers tend to omit uncomfortable questions rather than completing them erroneously. Modeled and inferred data elements, such as estimated household income, are as accurate as the rules used to create them and the overall strength of the model itself. Thus, the data attribute's accuracy varies based on how the data is sourced. When dealing with mailing lists, no list is considered to be 100% accurate.