



Gold Echo Awards

The Stars Come Out Down Under

*Consumer Gold Echo Award —
Direct Mail Traffic Building
Mercedes-Benz (NSW) Pty. Ltd.*

The competition for luxury car sales is just as tough in Australia as in the United States, and the autos' prices are just as inhibitive. The Mercedes-Benz dealers in the state of New South Wales needed a way to stimulate interest in their line, and came up with the idea of a Family Day, an event involving the whole family in a fun, relaxed atmosphere, creating goodwill and at the same time showing off their line of cars.

The theme chosen for the Family Days was "space," since the opening month of the campaign (August 1989) coincided with the 20th anniversary of man's first moon walk. Each of the 30 Mercedes dealers in the state sent out a package to consumers deemed to be in the "top 1 percent" in their area — VIPs, embassy officials and corporate executives with incomes in excess of \$AU100,000. The mailing's outer envelope (9-by-13 in.) had no Mercedes identifica-

tion and featured only a photo of outer space covering the envelope front and back. Inside, a fold-over brochure sported the logo "Spend a day with The Stars" superimposed over a photo of deep space. Opening the piece to its full 11¼-by-16½-in. size revealed an elaborate pop-up model of teddy bear families dressed in space suits, walking on the moon and checking out various Mercedes models. Tucked inside a spaceship was an elegant personalized invitation for the recipient and his/her family to "a most unusual picnic" on the dealer's premises. Also included in the mailing was a personalized letter to further explain the Family Day, and a round, cut-out photo of the moon, which opened to reveal a sweepstakes entry for a trip to Cape Kennedy and Disneyworld, and an entry ticket for a children's drawing for a Lego Starbolt 9 Space Train, to be awarded at the Family Day.

The personalized letter explained that the event, which would be held on a Sunday (a big "family day" in Australia), would include refreshments, entertainment, children's events and the opportunity to test drive a full range of new Mercedes models and compare notes with other "enthusiasts of the three-pointed star." Letters were sent and signed by the recipient's local dealer and requested a phone response to the invitation.

The detailed campaign paid dividends for the dealers. After selecting a universe of 27,000 individuals in the dealers' areas, Mercedes-Benz expected a total response of 5,000 people, with \$AU2.1 million in resulting sales. What they got was 9,200 respondents (a 34 percent response rate) and \$AU12 million in sales. This averaged out to a \$AU19.71 cost per lead and a cost per order of \$AU1,663, only 25 percent of the target cost. The results, if transposed to the U.S. population (which is 16 times that of Australia), would represent a target audience of the 430,000 wealthiest Americans, of which 147,200 attended the promotions and spent a total of \$153 million!

The campaign was particularly satisfying for Mercedes-Benz, since their closest competitor, BMW, had recently introduced new models, and Mercedes had no recent model changes. Also, the events provided the dealer network with a needed motivational boost, and provided new names for the company's database. Budget for the 30 Family Days amounted to a mere \$AU181,339, less than the price tag on many of the models for sale!

Agency: Clemenger Direct Response Pty. Ltd.; Sennett Tzinberg, Peter Keeble, Phillip Hele, Stephen Ingram, Ian Henn; General manager, Mercedes-Benz (NSW) Pty. Ltd.: Bruce Dyer.

Sounds Alive!

*Business Gold Echo Award —
Direct Mail Order Generation
U S West Communications*

"Silence can be deadly. If you'd like to know what a disaster can do to your communication system, open this box, close your eyes and listen...." This strong message was the backbone of U S West Communications' Preparedness Audit campaign, offered as part of their Business Continuation Services.

A list, hand compiled by the U S West sales force, was matched against Dun's Telemarketing File to collect names, telephone numbers and addresses. These were then verified.

The campaign was targeted to U S West client corporations and businesses with more than 500 employees in 14 western states and was sent, via direct mail, to upper

management. By using a "top-down" influencer strategy, it went directly to where major decision making occurs.

Chief executive officers received a personalized letter, GE cassette player and an accompanying "silence can be deadly" tape that began with a piercing siren followed by various other sounds indicative of disaster. The tape emphasized communication risks and pointed out that catastrophe can result from a simple telephone or cable company malfunction. Like the tape, the accompanying letter stressed the necessity for a plan of action if the need should arise. "It's a question of whether your organization's plan objective is to 'save the business' or merely preserve data in your data processing operations." Other senior management staff received the tape and a slightly varied letter emphasizing the possible financial impact of a business interruption. Letters were postscripted with a toll-free telephone number to arrange for a U S West presentation of their business continuation capabilities and services.

Both letters were accompanied with request forms and reply envelopes for the preparedness audit, the actual focal point of the campaign. The audit is an easy-to-use file folder system, complete with questionnaires to be distributed to department heads. The questionnaires asked for information such as contingency planning, a business risk evaluation and the ability to develop a planning guide. It was offered free of cost or obligation to help business executives determine their needs. Space was included where references could be made to U S West of other businesses that might be interested in receiving the preparedness audit.

As of this writing, results are only 30 percent complete, yet the total gross response rate is 50.48 percent, a 405 percent increase over the projected 10 percent. Among the respondents, 10.47 percent have resulted in closed sales, totaling \$5.94 million. The return on investment as of this writing is \$5.651 million or 19.55 times the total investment.

The campaign began in 1989, but due to

extraordinary response, the mailing schedule, intended to have been completed by spring 1990, will continue into fall 1990. The budget for the campaign at present and through 1991 is \$289,000, and includes all creative, printing and mailing costs.

Agency: The Stenrich Group; President: Steve Isaac; Vice president, creative director: Joseph Krueger; Analyst: Etta Barksdale; Account supervisor: Barbara Thornhill; Account executive: Melissa Harp; Copywriters: Virginia Nicols, Bob Bly, Joe Krueger; Art director: Jim Heck; Printers: Whittier & Shepperson, Mobility Commonwealth Specialty; Addressing and mailing: North American Marketing; Vice president, marketing, U S West Communications: Clifford Rudolph; Director, market management, U S West Communications: Jane Erdman; Manager, advertising and promotion, U S West Communications: Mike Grandchamp.

Inserts Report Success

Consumer Gold Echo Award — Other Media Order Generation Consumer Reports

Looming postal increases have made alternative delivery one of this year's buzzwords. But for its most recent direct mail campaign, *Consumer Reports* (CR) chose to circumvent postal systems entirely, with evident success. Perhaps it's more than coincidental that a magazine would turn to newspaper distribution for its unconventional free-standing insert (FSI).



Agency Shain/Colavito/Pensabene Direct (SCPD) sought to lessen the financial impact of high postal rates and mailing list costs. More than 200 newspapers were se-

lected to carry the mail piece, with a total circulation of 30 million. Using CR's control mailing, newspaper readers were delivered at 40 percent less than the cost of a standard direct mail subscription prospect. The average media cost was \$45/M vs. postage and list costs of \$120/M.

More than 3 million pieces were inserted for an October 1, 1989 test, followed by 4,648,455 more on the January 21, 1990 rollout. More than 130,000 gross orders and 70,000 net orders were generated. Gross response rate was 2 percent, considered outstanding for an FSI program.

The two packages contained similar pitches for the magazine, including the standard offer of the free New Medicine Show book and Buying Guide and trial issues. Subscriptions were offered at \$18 and \$19 on a money-back guarantee basis. One envelope was stamped "complimentary" where an address would've run, with a CR return address. The other envelope asked readers "Which should you buy?" with illustrations of various goods.

SCPD projects well over \$1 million in future revenue will be generated from the list of 130,000 new names. CR's 1991 circulation budget includes more than 12 million newspaper inserts for the expanded program. Total cost of the campaign's production and media exceeded \$1.3 million.

Agency: Shain/Colavito/Pensabene Direct, Inc.; President: Joseph Shain; Account coordinator: Aileen Stuckley; Director of marketing/circulation, *Consumer Reports*: Asa Orsino; Promotion manager, *Consumer Reports*: Allen Williams.

Silver Echo Awards

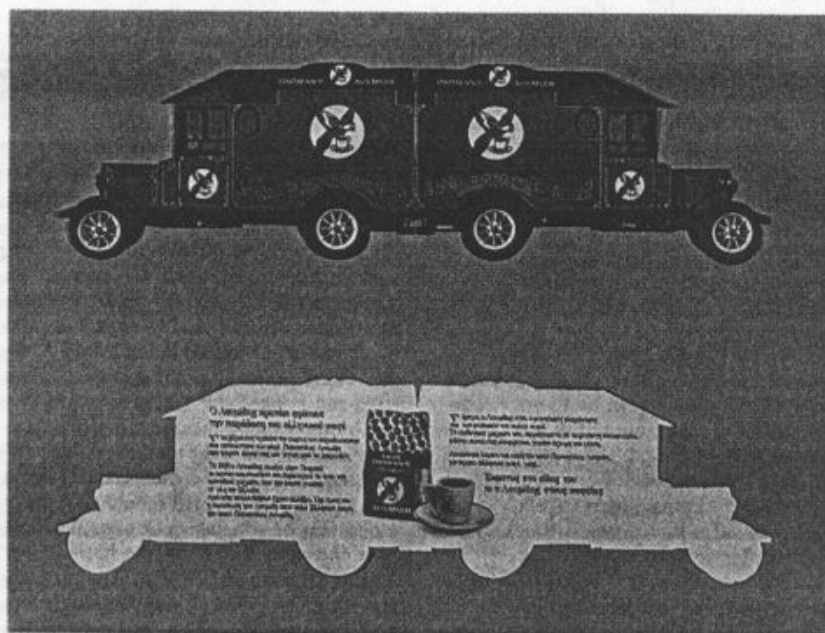
The Greeks Love Coffee

Consumer Silver Echo Award — Other Media Traffic Building Loumidis Coffee (Nestle)

Drinking coffee on the Greek Islands is as traditional as watching the sun rise and set. Consumers have long been known to purchase unbranded coffee in bulk, so the challenge for Loumidis packaged coffee was to change consumer habits and convince dealers to stock and promote the brand.

Setting out with a \$220,000 budget, Pro-Ad O&M Direct of Athens, Greece, aimed a program at the general public and retail outlets outside Athens and Aalonica in major provincial towns. The main communication vehicle was an antique van, which drove to different areas bringing coffee to sample and promoters to tell the Loumidis story.

Because Loumidis has been around since the early 1900s, the promoters were dressed in period costumes and handed out leaflets explaining the brand's rich taste and history:



"Its authentic blend, sealed in an airtight pack, comes to you fresh, full of aroma and taste." The outlets were given a timer, along with an invitation to participate in a lottery for a television set. The timer giveaway

was so successful as a positive dialogue tool that the lottery was discontinued and small prizes, like playing cards and worry beads, were then offered.

The campaign started in June 1989 and

Savvy databases of the 1990s will fill in the gaps by retrieving data from various external sources.

Seventy percent of database development in the 1990s will be from external based information. Van Mayros listed 26 readily available sources to tap and said the challenge is to become more familiar with the environment in which you are doing business.

"I know of no better way to build an effective marketing database than to conduct an internal MIS audit," Van Mayros pointed out. He also said you should point out all data implications and the way you identify, capture, store, prioritize and use this data. A five-page outline on "How to Conduct an Internal MIS Audit," is available from InfoMarketing Systems Corp. — 813/376-MKIS. (39-0918 DB \$14)

There's a great mismatch between our current educational system and the needs of the new information society, said luncheon speaker Walter F. Martin, executive vice president, The Naisbitt Group. College entrance scores have been going down. The ability to think and learn is the competitive edge. We used to be able to learn one trade and stick with it for life. But this no longer applies. We must be able to learn new things easily. The Japanese school year is 240 days long. Ours is 180! Japanese teachers' salaries are in the top 10 percent of the nation. It's time we upgraded the status and pay of our teachers, said Martin.

We spend \$210 billion to train the workforce. We've shifted the education business from schools to the corporation, Martin explained in his session, "Database Marketing Meets Megatrends."

Fortune 500 companies have been net dis-employers over the past decade. This is due to technological advancement. One-third of Americans change their jobs every year and there is little loyalty to employers. There is a general rise in the entrepreneurial spirit across the nation, Martin said. The bulk of new jobs is coming from start-up companies. People no longer look at work as a simple necessity; they look at work to be fun and fulfilling as a basic requirement.

Women in the workforce continue to be a major trend. Women will gain pay equity with men during the 1990s, Martin predicted to a generous round of applause. This will draw the remaining non-working women into the marketplace. Twenty-eight percent of start-up companies are owned by women. Why? Because there are none of the usual roadblocks to success.

Martin also predicted that older people will be in demand. They have the right work ethic, and they have been trained and can teach.

Keeping workers is going to become increasingly difficult, Martin said. Child care, part-time and flex-time situations will be a necessity. Flexible benefits is an idea whose time has come. It doesn't make sense



Wilfred B. Doner



David Hefter

Agency Founder Dies

Wilfred B. Doner, founder and chairman of the executive committee of W.B. Doner & Co., died Jan. 4 of heart failure at age 75.

Doner founded the agency when, in the midst of the Depression, he found himself jobless. The company opened in March 1937 with two employees. Detroit-based W.B. Doner & Co. is now a 550-employee firm with nine offices in the United States, Canada and the United Kingdom. World-wide billings for the agency in 1988 were \$303.3 million.

Doner was a life member of the Adcraft Club of Detroit, and was also director of the National Multiple Sclerosis Society.

Bozell Restructures European Management

In a move to strengthen its London-based European management team, Bozell Inc. has announced that Roger Neill, deputy chairman of WCRS Worldwide for the past two years, will take on the reins of CEO of Bozell Europe, as of Feb. 15. In addition, Winston Fletcher, currently chairman of DFSD Bozell in London, will take on the additional duties of chairman of European operations. Andre Gohet, previously managing director of Synergie Bozell (France), will become executive vice president of the European network.

Bozell Europe currently has 16 offices throughout Europe, with annual billings of more than \$400 million.

Kelley Heads Frankel Division

Kip Kelley, former executive vice president at Donnelley Marketing, has been named president of Marketing Events Inc., a division of Frankel and Company.

Kelley retired from Donnelley last April after 27 years with the company. He was general manager of the Midwest region and

was later made executive vice president in the firm's Stamford, Connecticut office.

Marketing Events develops and handles turnkey marketing programs, with a client list including McDonald's and Sears.

Hefter Named DMer of Year

David Hefter, chairman and CEO of Rapp Collins Marcoa, has received the Charles S. Downs Direct Marketer of the Year award from the Chicago Association of Direct Marketing (CADM). This annual award is bestowed on a member or former member of CADM who has made an outstanding contribution to the industry and community. The award was presented on Jan. 25, during the second day of CADM's annual Chicago/Midwest Direct Marketing Days.

Hefter was cited for his achievements in direct marketing, including the 1973 founding of Marcoa Direct Advertising. After undergoing two subsequent mergers, the agency now has annual billings in excess of \$200 million and employs more than 350 people. Also lauded by CADM was Hefter's institution of a program through which his agency "adopts" one foster child each year.

FCB Adds Swiss Agency

Foote, Cone & Belding's worldwide network of agencies has been strengthened by the addition of Astoria Direct Marketing in Zurich, Switzerland. The agency has reached an agreement with Farnar Publicis-FCB to form a joint venture under the name of Astoria Publicis-FCB.

FCB now has 35 offices with direct marketing capabilities in 13 countries, ranking as the fourth largest direct marketing agency, and the seventh largest overall communications company. According to the firm, direct marketing expenditures in Switzerland currently account for 40 percent of that country's total marketing expenditures.

the test period were donated to charity.

Said to be the first mass market store in East Germany, the club functions similarly to mail order media clubs here, with free memberships and a one book per quarter minimum.

Bertelsmann hopes to permanently open the club on July 1, 1990 depending on legal, technical and production concerns. The firm is determining whether to print and produce books and LPs for the market in East German plants or import them.

— RS

Big Response For Phone Disaster Recovery Plan

US West witnessed a 37 percent response rate from its direct mail campaign encouraging selected customers to use its disaster recovery program.

A three-part mailing was sent to existing customers to have them upgrade their US West systems with the new program designed to help customers stay in communication with one another if the phone system goes down.

More than 200 business customers were

selected to receive the mailing. The first mailings were traditional letters sent to the communications and data processing managers, complete with a response card, which noted that the firm would receive a preparedness audit that would help them evaluate or formulate a business continuation plan.

The second mailing was sent via UPS to create a sense of urgency, and was packaged in a box that read, "Silence can be deadly. If you'd like to know what a disaster can do to your communication system, open this box, close your eyes and listen..." It featured a cassette player cued with a three-minute message to the company CEO. A couple of days later the COO received a similar package with the tape. Ten days after that mailing, the CEO's secretary received a preparedness audit with instructions to deliver it to the CEO.

US West has mailed 206 packages to customers in Seattle, Washington, Colorado and Minnesota and received 76 responses for additional information. The campaign was created by The Stenrich Group, the direct response division of The Martin Agency in Richmond, Virginia.

The fee for the program depends on the size of the company and how many phones it has. By the end of 1990, US West plans to test market the program throughout its 14 state region.

— GWW

Trends For '90s Examined

What should your database be able to do for you? This was the question put to CEOs of Fortune 500 companies by keynoter Van Mayros, president, InfoMarketing Systems Corp., at the recent second annual Database Marketing Conference in Orlando, Florida. The most common response: We want our systems to be able to identify market opportunities and project into the future.

Focus on four key words when developing your database for the 1990s, Van Mayros said to some 500 attendees and 40 exhibitors. Your database should enable you to segment, monitor, project and identify trends. Most of us know who our customers are, but we don't know why they buy from us. Nor what our market potential is. These are major faults, he warned.

DM Data

November 1988 vs. November 1989

Worldata List Price Index

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Category	Nov. '88 Avg. Price	Nov. '89 Avg. Price	Nov. '88 Wt. Avg. Price	Nov. '89 Wt. Avg. Price
Bus. Mags./Controlled Circ.	\$78	\$83	\$77	\$83
Bus. Mags./Paid Circ.	\$92	\$95	\$90	\$92
Bus. Merch. Buyers	\$75	\$78	\$82	\$86
Attendees/Members	\$87	\$90	\$78	\$82
Databases/Masterfiles	\$72	\$76	\$78	\$80
Business Book Buyers	\$81	\$84	\$79	\$82
Donors	\$57	\$61	\$51	\$55
Newsletters	\$107	\$115	\$100	\$105
Inquiries/Expires	\$55	\$57	\$52	\$54
Consumer Magazines	\$79	\$83	\$66	\$70
Consumer Merch. Buyers	\$73	\$76	\$70	\$73
Consumer Book Buyers	\$67	\$69	\$61	\$63
Respondents	\$54	\$55	\$54	\$56

Category	Lowest Priced List - Nov. '88	SRDS Price	Lowest Priced List - Nov. '89	SRDS Price
Bus. Mags./Controlled Circ.	Today's Office	\$65	Small Systems World	\$65
Bus. Mags./Paid Circ.	Administrative Management	\$60	Administrative Management	\$60
Bus. Merch. Buyers	Grayarc	\$55	Grayarc	\$60
Attendees/Members	A.I.C.P.A.	\$50	A.I.C.P.A.	\$50
Databases/Masterfiles	Cahners Business Decision Makers	\$50	Hitchcock Exec. & Mgmt. File	\$60
Business Book Buyers	McGraw-Hill Book Buyers	\$70	John Wiley & Sons	\$75
Donors	Disabled American Veterans	\$45	Disabled American Veterans	\$45
Newsletters	Executive Fitness	\$80	Executive Fitness	\$80
Inquiries/Expires	National Liberty	\$38	National Liberty	\$38
Consumer Magazines	McCall's	\$55	Parents Magazine	\$55
Consumer Merch. Buyers	Hanover House	\$55	Hanover House	\$55
Consumer Book Buyers	BMG Record & Tape Buyers	\$55	BMG Record & Tape Buyers	\$55
Respondents	Donnelley Shareforce	\$50	Lifestyle America	\$50

Category	Highest Priced Lists - Nov. '88	SRDS Price	Highest Priced Lists - Nov. '89	SRDS Price
Bus. Mags./Controlled Circ.	Institutional Investor	\$125	Institutional Investor	\$125
Bus. Mags./Paid Circ.	Computerworld	\$125	Computerworld	\$125
Bus. Merch. Buyers	Day-Timers	\$90	Day-Timers	\$95
Attendees/Members	Center for Advanced Professional Education	\$125	Center for Advanced Professional Education	\$125
Databases/Masterfiles	List Technology Systems	\$90	List Technology Systems	\$90
Business Book Buyers	Warren, Gorham & Lamont Real Estate	\$90	Warren, Gorham & Lamont Real Estate	\$95
Donors	H.A.L.T./Americans for Legal Reform	\$85	H.A.L.T./Americans for Legal Reform	\$85
Newsletters	Forecasts & Strategies	\$155	Forecasts & Strategies	\$155
Inquiries/Expires	Charles Schwab	\$85	Charles Schwab	\$85
Consumer Magazines	PC Magazine	\$150	PC Magazine	\$150
Consumer Merch. Buyers	Sharper Image	\$100	Sharper Image	\$100
Consumer Book Buyers	Book-of-the-Month - Records	\$75	Time-Life Books - Music Masterfile	\$80
Respondents	The Lifestyle Selector	\$60	The Lifestyle Selector	\$63