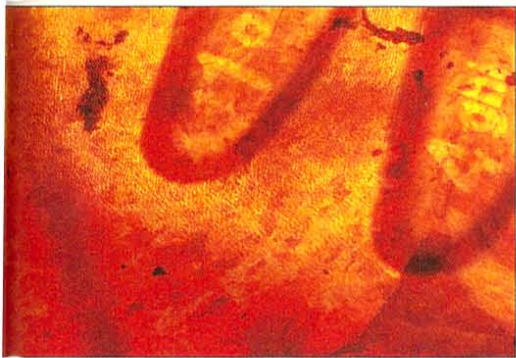


LISTS

< in your HTML and you can choreograph the exact sequence of words that will allow the subscriber to read and respond by going to your Web site to fill out a response form, download a trial, or contact your representative.

Here's how it works: A publisher or content provider produces a free e-mail alert and distributes it on a regular sched-



ule to his subscriber or reader base.

For a fee, the publisher allows various advertisers to sponsor different issues of the e-mail alert. If you are the sponsor, then you provide the "exclusive" content highlighting your products and services for that issue.

The sponsored e-mail alert has a number of advantages over other forms of e-mail marketing. First, since it immediately gets your message past the spam filters and into the inner circle of e-mails the recipient will read and open because your message is being delivered as an issue of an e-mail alert to which the reader already subscribes.

Second, because your message is delivered in an e-mail alert format rather than as an online ad, it is perceived as useful information rather than marketing — which increases readership and response.

Third, it appears as though your message is being endorsed by a third-party — the publisher.

Fourth, if you sponsor an e-mail alert for which the readers have all taken an affirmative action to opt in, the potential for spam is eliminated.

Finally, sponsored e-mail alerts are affordable. There's no need to design a masthead, create an online publication, or build a subscriber list. All you pay is the sponsorship fee, which typically has a cost per thousand equal or slightly below renting an e-mail list reaching the same market.

As prospects are increasingly wary of

whom they allow into the inner circle of e-mail senders whose messages they will open and read, a sponsored e-mail alert, giving you the right of exclusive content, allows you into that circle. It comes without the cost or commitment of publishing your own e-zine, and with the kind of credibility only a third-party endorsement can give you. ■

Stevan Roberts is CEO of Edith Roman Associates, Pearl River, NY. Reach him at stevan.roberts@edithroman.com.

Prepare to negotiate

By Lori Magill-Cook

Unlike postage and paper, the one cost that still has elasticity in direct mail is the list price. So, of course, list price negotiating has become increasingly prevalent. It seems that everyone wants a deal.

However, negotiating deals is becoming increasingly time-consuming. Mail plans come together and get changed more quickly and frequently than ever. >

28 DM NEWS' ESSENTIAL GUIDE TO LISTS, DATABASE MARKETING & DATA SERVICES

< But all the pieces, including list pricing, must be in place to meet deadlines. And many times, delivery of the most important piece of the puzzle — the list — can get hung up in list price negotiations.

In order to have an effective, productive and time-efficient negotiation process, all parties need to be armed with essential intelligence. Without the proper information at hand, negotiations get bogged-down in a time-consuming game of communications ping-pong.

How can this be avoided? To begin with, if you're using a list for the first time, don't call up to negotiate.

As a rule, the reason to negotiate tends to be based on a change in the performance of a list. Once you mail the list, if there is good rationale to work with the manager to restructure a list price because it did not meet acceptable performance levels, then it is time to negotiate.

Typically, the negotiating process begins with a call from the broker to the manager requesting a deal. Then it's up to the list manager to figure out why the list owner should grant it. Questions to gain the information necessary to support a pricing request go something like this:

- Q. How did the list perform?
- Q. Why does the mailer need the discount?
- Q. What was it netting out if it used the list before?
- Q. What CPM brings it above the line?
- Q. How did the performance change?
- Q. How does the performance compare to other more successful lists?
- Q. What are the mailer's mail plans for the year?
- Q. What volumes can we expect if we approve a better deal?

This can go back and forth for days even though everyone involved in the negotiation shares a common goal.

The mailer wants the file to perform because if it doesn't, the mailable universe shrinks. The broker and manager want success because they are representing the interests of the mailer and list owner clients. The list owner wants it to be successful to maintain the revenue stream. Everyone should be happy to sit down at the table.

But if the manager and owner are waiting for information required to drive the negotiation forward, the process will stall. Parties on all sides may experience a general feeling of unhappiness.

Wouldn't it be so much better to have successful negotiations that make you happy? That makes your negotiating partner happy too? That achieves your objectives without an excessive amount of time or energy? And that fosters relationships, not destroys them?

If you agree, then I suggest all you need to achieve successful negotiations is preparation. Knowledge is power in list price discussions and those who prepare win.

Know what your goals are in advance. Good goals are clear, specific, focused, consistent, measurable and achievable. Bad goals are vague, general, unfocused, inconsistent, unmeasurable or unachievable. Successful negotiators understand what is important to their negotiating partners and can see their point of view.

With that said, here are some tips for mailers and brokers to accelerate a win-win deal for all. Prepare to negotiate with the following information and you will get quick results.

- Supply historical usage for the past 12 months.
- Provide computer verification or paperwork showing the manager what the mailer's needs are.
- Inform the list manager of the potential usage for the next 12 months.
- Include a prior merge/purge report.
- Detail the list's performance and how it stacks up to other lists.
- Disclose anything the mailer is doing that can affect performance — changes to the offer, timing, price, mailing piece format.
- Finally, suggest that the arrangement would be reciprocal, if possible.

Effective negotiations can be painless and rewarding if all the facts are presented up front and supported with documentation. Mailers and brokers can help secure a deal right away by doing a little homework up front.

Equip list managers with this information and they can go to bat for you by presenting complete information to their list owners so they can arrive at a quick, favorable decision.

List price negotiating would be so much easier if we could all share pertinent information to facilitate the discussions. Brokers and mailers need to make mail histories and future plans readily available. Managers and list owners need to be clear about what is negotiable and remain flexible in order to meet legitimate requirements.

Prepare to negotiate with quantifiable

information and there will be reasonable rationale for making a deal, which can lead to a swift, productive process and happiness for all. ■

Lori Magill-Cook is executive vice president of American List Counsel Inc., Princeton, NJ. Reach her at lori.magill-cook@alc.com.

How to handle list negotiations

By Patricia Leone

At an annual direct marketing conference some 10 years ago, I arranged a meeting between my client and I and a list owner and his manager to discuss discounted pricing and a more favorable net name arrangement. As we talked, the list owner suggested to my client that he bring me along the next time he decided to buy a car.

While I am still unsure whether that comment was intended as a compliment, we did, in fact, get most of the concessions requested. The main reason: we offered a win/win proposition to both parties in the negotiation. Let me explain how.

My client needed a favorable net and reduced selection charges because he could only mail particular surnames in any one promotion. Since he took all available on a recency basis, the client ordered large quantities of (primarily male) names over a 12-month period. Because a substantial percentage of these were lost to surname suppression and merge/purge, the client could not afford to pay card rate.

The incentives we offered the list owner were two-fold.

We provided indexed response data for his list and promised to not only continue ordering it on a regular basis (if the response held up), but to also test females and unknowns.

If there were other lists in the same family, we agreed to test them as well, in order to maximize our business with that list owner. We also agreed to make whatever deals he offered us reciprocal.

Typically, we found that the females >



Lori Magill-Cook



Patricia Leone