CUSTOMER ACQUISITION PROGRAM

Frequently Asked Questions

Q. What is the CUSTOMER ACQUISITION PROGRAM?
A. The WORLDPAC CUSTOMER ACQUISITION PROGRQM is a direct mail on-line tool that provides you the ability to market to a variety of customers with one-stop marketing. This program is designed to help you drive traffic into your service center and acquire new customers. Unlike the New Mover Program the Customer Acquisition Program is not a subscription (on-going) program, each order is a 1 time mailing. You can select to mail each month or every other month, quarterly, whichever works with your shop.

Inside the Direct Mail portal, you'll have the ability to build direct mail campaigns, reach customers in your marketing area by targeting customers by demographics, age, household income and much more. You can choose your very own promotional offers and discounts with a few simple clicks of your mouse. Since it's a traffic driver, you're able to pick themes (winter scene, summer scene etc), mail either the middle of the month or the end of the month. You decide when you want the package to mail.

There are 2 post card formats and 13 themes to choose from – 4-1/4 x 6 post card with 2 promotional offers or a 5-1/2 x 11 post card that has 3 promotional offers. Both of these formats have an eye catching four color graphics on both the outside and the inside. They are both highly customizable enabling you to call out your key service center information.

Q. When is it mailed?
A. You can choose either the 15th or the 30th of the month. Orders in by the 30th of the prior month can mail the 15th of the month, orders prior to the 14th will mail on the 30th of the month.

Q. Is there a minimum amount of pieces that I must mail?
A. Yes, the minimum is 500 pieces, since it's not a subscription mailing.

Q. What kind of response should I expect?
A. Typically about 1% to 2% response rate. Also, keep in mind you are branding your store name.

Q. Who uses the CUSTOMER ACQUISITION PROGRAM?
A. Shops who want to drive in business during a known slow period or those trying to increase their client base.

Q. How long is the agreement for the CUSTOMER ACQUISITION PROGRAM?
A. There is no agreement, only the orders that you set up. You can have 12 orders a year or 1, which ever works for your service center.

Q. Can we modify or change any of the pictures or creative?
A. No, the pictures and creative were chosen so that they would be appropriate for most situations.

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 WORLDPAC.

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.

Line	Example: J's Garage	Your Values
A. Typical sale to a customer	$325	$_____
B. Typical repeat customer visit in one year	3	_____
C. Typical length of relationship with customer	7 years	_____years
D. Typical lifetime revenue from a customer (multiply line A by line B, then by line C)	$6,825	$_____
E. 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.

About the Mailing Lists used in this Program

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 **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?
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.