



Projected Return on Investment - ROI
 11 X 17 Direct Mail Campaign
 February 2010

MID-RANGE SCENARIO

ASSUMPTIONS				
Type of Direct Mail Piece	11 X 17		Patient Revenue - Yr. 1	\$1,000
Projected Campaign Cost	\$22,176		Patient Revenue - Yr. 2	800
Cost per Piece	\$0.554		Patient Revenue - Yr. 3	800
Projected Avg. Annual Revenue per Patient - Yr 1	\$1,000		Patient Revenue - Yr. 4	800
Projected Avg. Annual Revenue per Patient - Yr 1+	\$800		Patient Revenue - Yr. 5	800
Allocated Office Overhead Rate	60.0%		Patient Revenue - Yr. 6	800
Discount Rate - Future Revenue	10%		Patient Revenue - Yr. 7	800
Projected Years as New Patient - Years	7		Grand Total Revenue	\$5,800
Total Drops	4		Avg. Patient Revenue per Yr.	\$829
Households on Mailing List	10,000		Avg. Discounted Patient Revenue per Yr.	\$582
Total Pieces Mailed	40,000			

Response Rate - % of Households	1.00%	1.25%	←-----Typical Results-----→			2.25%	2.50%
			1.50%	1.75%	2.00%		

First Year ROI Projection	1.00%	1.25%	1.50%	1.75%	2.00%	2.25%	2.50%
New Patients	100	125	150	175	200	225	250
Projected Revenue per Patient	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Total First Year New Revenue	100,000	125,000	150,000	175,000	200,000	225,000	250,000
Less: Allocated Office Overhead	(60,000)	(75,000)	(90,000)	(105,000)	(120,000)	(135,000)	(150,000)
New Patient Profit - First Year	40,000	50,000	60,000	70,000	80,000	90,000	100,000
ROI - First Year	1.80	2.25	2.71	3.16	3.61	4.06	4.51

Multiple Year ROI Projection	1.00%	1.25%	1.50%	1.75%	2.00%	2.25%	2.50%
New Patients	100	125	150	175	200	225	250
Projected Years as Patient	7	7	7	7	7	7	7
Average Projected Discounted Revenue per Year	582	582	582	582	582	582	582
Projected Multiple Year Revenue per Patient	4,077	4,077	4,077	4,077	4,077	4,077	4,077
Total Multiple Year Discounted Revenue	407,655	509,569	611,483	713,397	815,311	917,224	1,019,138
Less: Allocated Office Overhead	(244,593)	(305,741)	(366,890)	(428,038)	(489,186)	(550,335)	(611,483)
New Patient Profit - Multiple Years	163,062	203,828	244,593	285,359	326,124	366,890	407,655
ROI - Multiple Years	7.35	9.19	11.03	12.87	14.71	16.54	18.38

Note: Actual ROI for an individual practice may vary from above projections - results may not be typical