

# W8

Wednesday  
Morning  
Fax  
*from*  
The  
Castle  
Press

## 14 expert observations on premiums

- A premium is a bribe to say “Yes”—right now.
- Promptness is often the best trade-off for giving the premium.
- Dollar-for-dollar, premiums make better incentives than cash discounts.
- Desirability is the key element of a premium.  

The relationship of the premium to the product does not count for much.
- Two premiums often work better than one.
- Test more than one premium.  

Premium testing usually requires more tries than package testing.
- Never give premium specialty firms carte blanche. Make your suggestions to them as specific as possible. Attend premium shows to hunt for ideas.
- Try multi-premium tests in direct mail. Produce a multi-premium brochure as an additional insert into one of your new-business direct mail test cells.  

Make sure that your order card reflects your multi-premium offer
- Creative think tanks sometimes produce results.

It is often worth while to take a half-day away from the office with your staff to think about new premium ideas, direct mail test packages and new offers.

“Insanity is doing the same thing over and over again expecting a different outcome.”

—Sigmund Freud

- Look for a premium with a high perceived value.

All Time-Warner premiums look like they are worth \$50 or more. Clearly, they are not, especially in volume.

- Avoid editorial premiums

Few advertisers (the health-oriented Rodale Press is a notable exception) have made editorial premiums work.

Editors love editorial reprints, but they usually bore subscribers to death!

- Stay out of the warehouse

Do not assume that the 5,000 umbrellas or 10,000 posters you have left over from some older sales promotion scheme will work as premiums.

- Build your direct mail package around your premium

- Never try to sell the main offer and the premium at the same time

Sell your main offer and give your premium away free. Charging for a premium is a no-no. To charge for a premium means that the prospect has to make two decisions—which, as a rule, depresses response.

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(5.8.02)