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How to Use Direct Mail for Marketing Success

If you've been reading our most recent newsletters, you'll notice a theme - that traditional direct mail and e-mail work best together. Both have their place in a marketer's tool kit, neither cancels the need for the other, and the two may even work symbiotically, as when a post card is sent offering a premium if the recipient provides an e-mail address.

Some audiences prefer traditional direct mail

While we acknowledge the growing importance of web-based communication to reach customers and prospects, computers and mobile wireless devices like smartphones cannot by themselves reach everyone in a business's or organization's target market. That could change as the use of mobile wireless devices spreads (which is happening rapidly). But until that time, traditional direct mail still has valuable place as a marketing tool.

Traditional direct mail is a good choice for some audiences (such as an older demographic whose adoption of web-based communications may be lagging younger audiences) and for anyone who clearly states a preference for direct mail.

Traditional direct mail is also a good choice for businesses and organizations whose target audience is local. Sustaining member campaigns, fundraisers and financial support appeals by community-based non profits are a good example where outreach by traditional direct mail to the homes of donors is likely to outperform web-based appeal.



Anticipating the addition of, or even the switch to web-based communication, businesses and organizations are collecting e-mail addresses and starting permission-based newsletters and blogs. But until that task is complete, traditional direct mail could be the only way to reach a customer or prospect.

Successful direct mail in 3 easy steps

To conduct a successful direct mail marketing campaign, you'll need a mailing list, a mail piece and something to communicate that is of interest to your target audience. We're making it sound simple because it really is.

Notice that we said a successful direct mail marketing *campaign*. If you measure success as the response rate, then greater success comes from a series of mailings rather than a one-time drop.

The ideal number of mailings in a campaign is either three or seven, mailed close enough together to build recognition in the mind of the recipient. Studies show that the cumulative

How to Use Direct Mail for Marketing Success (continued)

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response spikes after three mailings, then reaches a point of diminishing return until the seventh mailing, then spikes again. Based on this fact, the response rate will be greater if you mail three times to the same list rather than one time to a larger list. Said another way, if your budget allows for mailing 3000 pieces, mail three times to 1000 rather than one time to 3000.

Step 1: the mail list

The best response rate comes from mailing to those who are already familiar with your business or organization. This can be your customers (active and inactive), prospects who have contacted you for some reason, and referrals from customers or friends.

A list you put together yourself consisting of customers, prospects and referrals is known as a *house list*. A house list can be *compiled* from customer purchase transactions, donor records, membership rosters and similar sources. In general, a house list produces a higher response rate than a purchased list because so many of the individuals on the list already know who you are.

If you want to expand your house list by adding a purchased list, a good technique is to submit the house list for *data append*. This adds demographic information (such as household income, gender of the head of household, home value, presence of children for residences and annual sales volume, number of employees, and SIC code for businesses). Data append creates a profile of those on your house list; then the profile can be used to select prospects whose profile is a match.

Using this technique, you’ll have a *targeted* mailing list of customers with whom you have an established business relationship and prospects whose demographic characteristics match those of your customers. If the list consists of businesses, you can further refine the list by searching the Internet for the business’s web site and gathering additional information to help you personalize a sales message.

As you prepare your mail list, keep this fact

in mind: the mail list accounts for 60% of the response rate in any direct mail marketing campaign.

Step 2: the mail piece

Whether you are sending a post card, a self-mailer or several inserts in an envelope, the mail piece needs to be well-designed so it catches the eye and the interest of the recipient. Seven seconds is the amount of time a recipient looks at a direct mail marketing piece before deciding what to do with it – read it now, set aside to read later, or discard.

In today’s world of color, we recommend that you send full color mailers, regardless of size. The price of full color printing has dropped dramatically and is now affordable in quantities as low as 200 pieces. Using full color also allows for the use of stock photography, professionally-designed graphics and color used to emphasize a point and guide a reader around the mail piece.

Another possibility is to use a stark black-and-white design, as this will stand out in contrast to full color pieces. If you want to try this technique, please consult with us on the best paper to use for the mailer. Black and white can be dramatic; it can also look cheap depending on the design, printing process and stock used. Call 513-248-2121 for information or an appointment.

The appearance of the mail piece accounts for 20% of the response rate.

Step 3: the text or copy or offer

For businesses seeking to sell a product or service, a traditional direct mail marketing piece always includes an *offer* and a *call to action*. The offer is worded to motivate the recipient to take action; the call to action tells the recipient what to do and may give a time frame for acting (known as creating a *sense of urgency*).

Not all direct mail marketing campaigns are launched for the purpose of generating sales leads. Other reasons for sending something through the mail include increasing name recognition or brand awareness, providing information, and making announcements.

How to Use Direct Mail for Marketing Success (continued)

Here are some additional elements that all direct mail marketing pieces should include:

- *The benefits to the recipient.* Persuasive text for a direct mail marketing piece tells the recipient what he ultimately wants to know – *what's in it for me*. Translate product and service features to benefits; overcome problems or fear with a solution; appeal to emotion – just remember to clearly state why the recipient should continue to read the mail piece or take the action you recommend.
- *Your company name, logo and contact information.* Your company name and logo are important for establishing name recognition or brand awareness. However, they normally are not placed in a dominant position on the mail piece. Save that location for a reader benefit statement. Do be sure that the contact information is easy to find and contiguous to the call to action.

- *Return address.* Adding a return address implies that your business or organization is established and is committed to transparency in its communications. A return address, when used with the proper endorsement for mail that is undeliverable as addressed, will enable you to keep your mailing list current.

The offer or the wording on the mail piece accounts for 20% of the response rate.

The final step

We believe that the most important step for success in direct mail marketing is consistency. By using a consistent style in both design and copywriting and by mailing regularly, you'll increase awareness in the target audience and leverage the effect of your efforts. If you would like to discuss any aspect of a direct mail campaign, we would be glad to come to your office or to set up a meeting at our location. Contact us soon at 248-2121 and we'll get started.

“By using a consistent style in both design and copywriting and by mailing regularly, you'll increase awareness in the target audience ...”



What is a good response rate for a mailing?



This question might be the most frequently asked about direct mail marketing. The response rate is determined primarily by three factors: the mail list, the appearance of the mail piece, and

the offer. Of the three, the mail list is the most influential – 60% – while appearance and the offer account for 20% apiece.

Factors tied to the mailing list include the overall list hygiene (accuracy of the addresses and age of the list), how often the list is used for mailing, and whether the list is appropriate for the offer being made.

In a January 2007 white paper, The Winterberry Group noted that the three key factors influencing consumer buying decisions in response to direct mail marketing are timing, personalization and relevance. For most mailings, a response rate of 1-2% would be considered good.

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The Importance of the Mail Panel



“There is no requirement that the mail panel take up the entire right hand half of the mail piece.”

When designing a post card or a self-mailer, it is important to consider what the recipient will see first. Mail arrives in a bundle, arranged from smallest to largest piece and with all the address panels facing forward. Therefore, what the recipient will see first is the side of the mail piece that contains the mail panel. We mention this because of assumptions about the size and location of the mail panel, and the consequent inclination to think of the side without the mail panel as the most important part of the self-mailer.

There is no requirement that the mail panel take up the entire right hand half of the mail piece. To qualify for a postage discount, the mail panel can be as small as 5 inches wide and 3 inches high (as measured from the lower right hand corner). Provided the individual address lines are of standard length, this is enough room to locate the outbound address and the USPS-required bar code in the proper location within the mail panel. By reducing the size of the mail panel, you will provide additional information for a sales message and an attention-getting graphic.

E-mail or Direct Mail?



“...your personal preferences are not a representative sample of the target audience, and so are irrelevant.”

In the debate over whether to use traditional direct mail or e-mail for marketing your company's product or service, beware of using your personal experience or preferences to determine the marketing campaign strategy. To be blunt: your personal preferences are not a representative sample of the target audience, and so are irrelevant.

In the debate between direct mail and e-mail, each individual in your target audience gets the final say-so as to which method is better. You can make some educated guesses based on demographics such as age or whether the

individual is a consumer or buying for a business, but ultimately you won't know until you ask. Since that may be impractical or even impossible, the safest course is to use both direct mail and e-mail. In addition, response rates go up when more than one communication method is used.

Avoid the problems that can arise by assuming that your personal experience or preferences for being contacted can be generalized to the target audience. Base your marketing strategy on actual research and proven facts.