A Guide To Direct Mail Marketing

How To Successfully Reach Your Target Audience
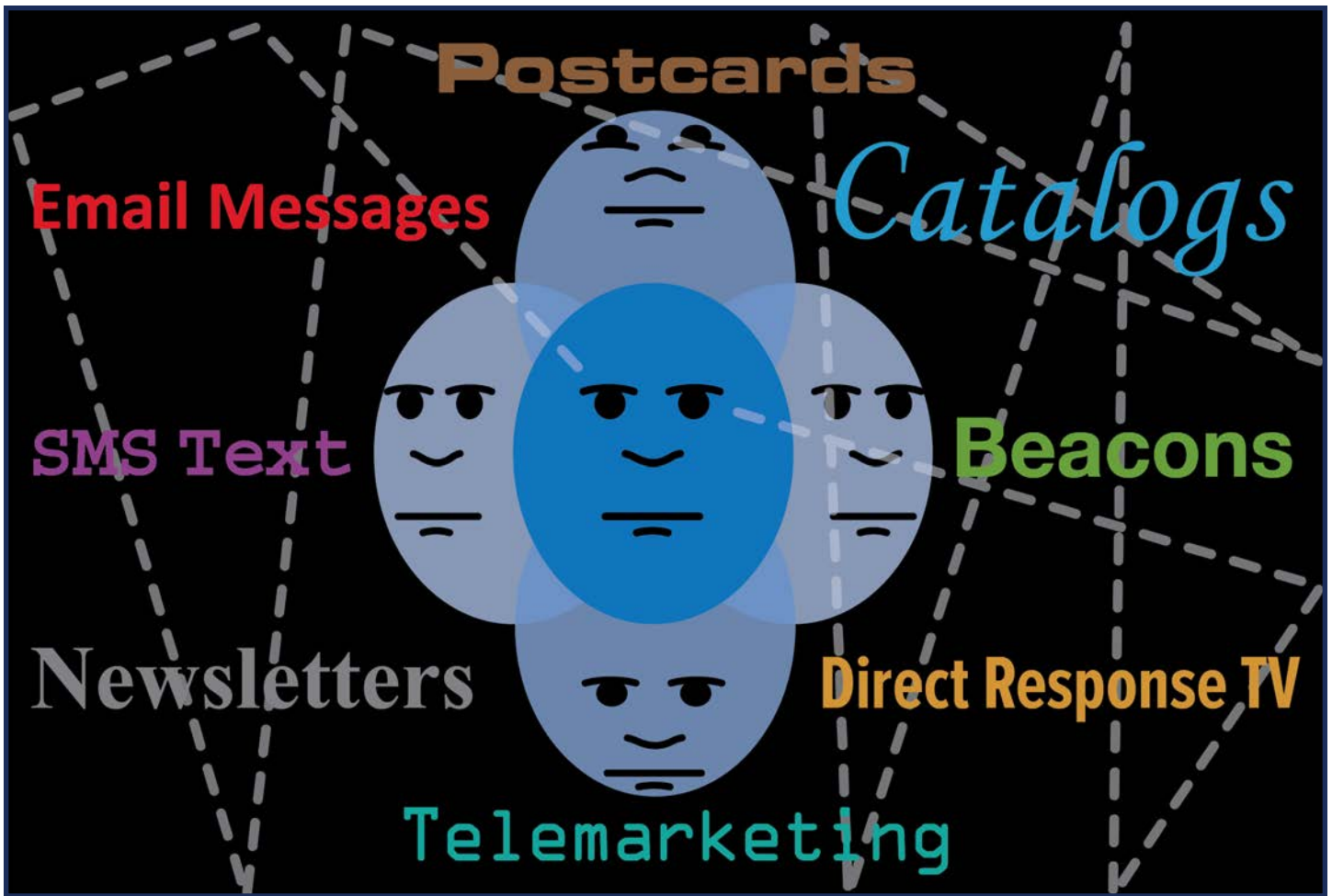

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What is Direct Marketing?

Direct marketing targets businesses and consumers directly, circumventing an advertising intermediary. Campaigns tend to communicate with existing customers who are known to be interested in the product or service, and/or prospects whose profile makes them good candidates for outreach. In either case, the purpose is to take an aggressive, direct approach to growing business.

Direct marketing utilizes a variety of channels to do this, both physical and digital. Campaigns invariably include some kind of offer, where customers and prospects are made aware of special promotions or other opportunities to act.

While other advertising methods aim to educate about a brand's services or products, direct marketing solely intends to persuade the recipient to take a specific action. Campaigns invariably include some kind of offer, where customers and prospects are made aware of special promotions or opportunities. A key component of the direct response approach is providing a call to action (CTA) that prompts the recipient to act.

Types of Campaigns – Direct marketing campaigns can include any, all, or some of the following channels and formats. Emails, online adverts, flyers, database marketing, promotional letters,

newspapers, outdoor advertising, phone, text messaging (SMS), magazine ads, coupons, phone calls, postcards, websites, and catalogs are some examples of direct marketing channels and techniques. Each is predicated on targeting a specific audience with a relevant presentation. They vary in the ability to reach targets on different scales with different degrees of granularity while delivering a variety of experiences. Costs are a factor so ROI becomes an important part of the decision.

Advantages of Direct Marketing

Unlike traditional mass media advertising, direct marketing allows companies to create targeted campaigns that reach audiences that are genuinely interested in their products or services. This focused nature of these campaigns ensures maximum efficiency when sending out promotional messages. With direct marketing, marketers are saved from mounting costly general audience advertising campaigns that are not as targeted, and inherently wasteful. The advantages of direct marketing include:

- **Precise Targeting** – Customizable offers reach an audience with known wants and needs, increasing the likelihood of response and conversion.

- **Stay In Touch** – A consistent stream of relevant offers and incentives keeps current customers engaged, while rekindling lapsed relationships.

- **Instill Loyalty** – Personalized promotions and loyalty techniques build strong customer ties. It stands to reason that recipients who have been satisfied in the past will be responsive in the future.

- **Jumpstart Startups** – New businesses use direct marketing to establish their brand, kick start sales, and build a loyal customer base.

- **Measure Product Appeal** – Lets marketers to test products and services, open new markets, evaluate sales results, and gauge the effectiveness of sales and promotion tactics

- **Assess Campaign Performance** – A/B test efficiently. Quickly understand what works and what doesn't. Make adjustments to all aspects of campaigns quickly.

- **Plan Marketing Budgets** – Facilitates setting of sales goals based on budget realities, shifting audience preferences, and economic swings, allowing for agile adjustment.

Direct Marketing Challenges

All forms of marketing involve an element of risk. To survive in a free market economy, businesses must engage in some form of self promotion to survive. Here are a few things to avoid when launching direct marketing campaigns:

Intrusion – Many people find direct marketing invasive and annoying. Telemarketing and door-to-door sales calls are often the main culprits. Others spurn marketing mail and lump it all together as "junk mail". The danger in such cases is forming a negative brand association, which is

difficult to heal. The antidote to this is working especially hard to target well. Taking the time and making the effort to truly understand who the audience is and what they actually need or want plus when and how often to contact them pays off in positive brand association and purchase.

Sustainability – Wherever possible, use recycled materials for physical mail pieces. If you do, don't be shy about making that fact known. Self-identifying as a sustainable marketer can build good will.

Low Response Rate – Data quality, deliverability, offer relevance, and response rate are co-dependent. Typical response rates tend to be around 1-3%. Poor data, imprecise targeting, lack of personalization, and a weak offer wastes money. High quality, properly targeted mailing lists – regardless of the channel – minimize this.

***Mailbox Clutte*r** – There is not much any marketer can do about this. It is just a reality of the marketing landscape. What direct marketers can control is how well a message – physical or digital – stands out in the crowd.

The Cost Factor – Costs vary greatly by channel and media choices. The main expenditures are production, data, human resources, and send volume. Tactics like telemarketing and direct mail may have high financial and resource costs, while email and SMS can cost less. Special printing effects and lavish media such as video can cause costs to escalate. In any case, a careful cost/benefit analysis should be undertaken.

Legal Compliance – This is not really a disadvantage of direct marketing. It is more of a requirement that privacy laws must be honored. As such it means work, but work that in the end establishes a merchant as reputable and trustworthy. The disadvantage really lies in non-compliance, which can incur a heavy cost in the form of fines and legal action. Regulatory frameworks such as GDPR, CCPA, CAN-SPAM and more have made legal compliance a major part of the planning process for any marketer. The laws relating to privacy and data protection are wide ranging. Transparency is at the forefront of responsible direct marketing. Data collection and use must be accessible to any potential data subject. You must ensure that your mailing list only contains individuals who have consented to receive marketing messages from you. This is separate and distinct from the growing oversight that social media platforms are beginning to exercise over harmful, malicious, or misleading posting and advertising, though equally essential.

The Benefits of Direct Mail

What Is Direct Mail?

The term "direct mail" refers to a variety of communications sent to potential customers, prospects, or donors via the US Postal Service or other delivery services such as UPS or FedEx. Recipients are identified based on selected criteria such as age, income, location, profession, buying pattern, and many more business and consumer data elements. Direct mail pieces include brochures, catalogs, samples, promotional/branded items, and a wide array of redeemable offers. Bulk, or mass mailings are a popular method of promotion for businesses in almost every category that could benefit from reaching a targeted audience and seeking an immediate response.

How to Set Up a Direct Mail Campaign

Putting together a direct mail marketing campaign is a process. It takes planning. Good response and ROI depend on it. Following are common sense steps to increase your chances of success:

Start With A High Quality Mailing List – Without fresh, accurate audience data, the effort goes nowhere. The best offers won't get response if the mailing list includes the wrong people. You need

to know who your target audience is, hopefully including an Ideal Customer Profile to fully personify your target. Then you must know how to reach them. At a minimum you need names, addresses, and some indicator that they're a fit for the product or service. This can be a product of past purchase, expanded with look-alike matching. The mailing list must satisfy these basic criteria so you have a good sense your offer will be welcome.

Design For Action – A direct mail piece is primarily a tool. That does not mean engaging design has no value. The brand personality should be expressed in a smart, appealing way so the audience finds the message and offer compelling. Make sure to include a clear call to action. Whether it's a web address or a phone number it should be well-designed, prominent and easy to use for the recipient.

Test>Track>Learn – Test a portion of the campaign – perhaps 10% or more – to see if it is being received as intended and that the message meets the criteria for acceptable results.

Break the list up into groups, assigning each a tracking code in order to compare and evaluate the response. Various aspects of the campaign and message can be tracked. A disciplined process of learning and improving will pay off in the long run.

Prepare To Deploy – Armed with a carefully targeted list plus a fully tested and tweaked message, it's time to launch the campaign. A useful strategy is to send separate campaigns to current customers versus prospects. They each represent different states of the relationship. A better response can be expected from customers who have previously transacted.

Follow Up – Make sure all is in order to handle the responses you'll be getting. This depends on the call to action you have created. Make sure there are people waiting to answer the phones. Have response mechanisms set to fire off acknowledgements of web inquiries. Be certain that follow up cards are ready to go out in the mail. These will be the warmest of leads, so it's imperative to treat them like gold.

Study The Response – Time for introspection. Everything is in play: the target, the offer, the frequency, the format, everything. Go back to the original plan and see if the criteria for success have been adequately met, or were realistic to begin with. Compare the responses to the mailings to current customers and look-alike prospects. This is a chance to honestly assess the relationship you have with the former, and determine if your assumptions about the latter have been accurate. Even if you DO achieve response, there's always room for improvement.

How To Find the Right Mailing List

High quality mailing list data is a pre-condition for direct mail marketing success. Absent that, it becomes difficult to deliver a targeted message and tender an offer, much less earn response. It is the first part of the 40-40-20 Rule of direct marketing:

- **40% depends on the list** – the audience for the product, service or cause must be identified.

- **40% depends on the offer** – which must be relevant, tangible, and compelling.

- **20% relies on the creative** – which must be attractive, appealing, and easy to use.

When these three conditions are met, success is within reach.

Start With Your Customers – There are certainly many outside mailing lists to choose from, but your best list may be a database of current customers and responders – as long as it is up to date.

Why customer databases, or "house lists" perform:

- **A relationship already exists** – These are people who have inquired about services, responded to other offers from, received a free trial, attended a specific trade show and more.

- **It's free** – Building a customer database takes time and effort, but using it to precisely target key audience segments is where it's true value lies.

- **Divide and conquer** – A house list contains attributes that can be used to segment mailings. For lead generation, you know where each target stands in their decision-making process.

COMPANY NAME	US SIC CODE	FIRST NAME
D-U-N-S NUMBER	COUNTRY PHONE CODE	LAST NAME
PRIMARY ADDRESS	SPORTS INTEREST	MARITAL STATUS
TRAVEL INTEREST	HOME OFFICE	# CHILDREN
PRIMARY COUNTRY	BUYER ACTIVITY	HOME PHONE
HOME ADDRESS	FAX NUMBER	EMAIL ADDRESS
CITY/STATE/ZIP	WEB ADDRESS	OWN/RENT
OWNERSHIP	DIRECT EMAIL	SIZE OF MORTGAGE
MAILING COUNTRY	# EMPLOYEES	POLITICAL AFFILIATION
CONTACT PREFIX	REVENUE	HOBBIES/INTERESTS
CONTACT FIRST NAME	FACILITY SIZE	EDUCATION
CONTACT LAST NAME	LOCATION TYPE	HH INCOME
CONTACT TITLE	COMPANY TYPE	HH NET WORTH

Buying The Right Mailing List Data

There is no question that a list of current customers is a fertile field for growing a prospect list. Whether targeting consumers or businesses, you have your pick of over 80,000 mailing lists. There are two main types of mailing lists that can be purchased:

Response Lists – These tend to be created from actual interaction with offers, preferably similar in some way to the campaign offer.

Compiled Lists – These are created from public records, surveys, and telemarketing, and are often used for targeting by geography, demographics, and firmographics. Marketers may mix and match records from either or both, adding to their own database of customers and prospects to create highly targeted mailing lists.

*List Count*s – When buying mailing list data, the term "list counts" encompasses a range of possibilities. It can refer to the total universe of records (individual entities) that make up a list or database. This number could be quite large. It is also used to describe subsets of the total universe. When aggregated, these data elements become a complete record for a member of the target audience for that campaign. The total number of these customized records is a list count.

Knowing how to navigate database selection options makes the difference between wasting money on data that is not relevant to the campaign, and selecting data that efficiently fits the target.

Say for example a direct marketer wants to send postcards promoting bathroom makeovers to new homeowners in specific zip codes, then follow up with a phone call and email. The top level databases might be "U.S. Businesses". The total universe of one popular database is almost 42,000,000! Selections could be focused on a specific industry in several states, then include business address (including zip code), business phone number, and sales volume. This way, the counts total becomes more realistic.

The result of specifying certain selects from the total universe yields the list count for that campaign. Since data cost is numbers dependent, list brokers can provide some allowance that the records are current and valid, sometimes expressed as a deliverability percentage.

Data Appends – Simply put, data appends fill in the blanks. Data appends are elements of a mailing list record that are absent from a marketing database, such as email address and phone number. Appending missing data enables a direct marketer to make use more channels of communication. It means a campaign can reach corporate decision makers, or address particular aspects of a business or consumer need. For example, appending executive titles can make the difference between reaching a company CEO or a junior associate.

Append services begin with a customer's marketing database. If the order is for email append, the incomplete records are first identified. Then email addresses verified as matches to those records are appended. Data appends are useful in both B2C and B2B applications. Beyond the examples mentioned above, they could run the gamut from "presence of pets" to C-suite titles. Whatever the case, data append services can expand the reach and sharpen the focus of campaigns.

Most internal address lists are generated in a software tool, such as a CRM, Marketing Automation, Point of Sale or Email Marketing system. Often they are exported into spreadsheets – which can cause problems with zip codes! There are ways to import internal databases directly via API integrations, as well as import spreadsheets that will fix many improper zip codes.

Trigger Data – Trigger event direct mail marketing focuses on known needs that must be met with some degree of urgency. It is relatively simple to set up automated B2B or B2C mailings based on trigger events. Data for this purpose includes New business formations, UCC hotlists, C-suite changes, new movers, newlyweds, arrival of a child, mortgage applications and many more.

Inquirers for one product can be contacted about a related one. Marriage, moving, and maternity are trigger/drivers of a spate of time-sensitive purchase decisions from pediatrics to life insurance. To make good use of your marketing database, keep it current and track as many attributes as you can so messages can be personalized.

Lead Scoring – Customer databases are fluid. The range of relationships from regular customers to purchased look-alike prospects to cold calls fall somewhere on the spectrum of viability. With each effort to reach and convert, the score changes. Lead scoring platforms exist that strive to make sense of this. Expressions of interest or a lack thereof change the score. Changes in job responsibilities

change the score. Interactions with emails, postcards, websites and calls change the score. Think of it as a data driven heat map. Up to date lead scoring is a valuable tool for salespersons. Lead scores that are behind the curve make closing deals much harder.

Tips for a Successful Campaign

The bones of a proper direct mail campaign have been discussed so far. Fresh, accurate mailing list data is the propellant that gets a campaign off the ground. A meaningful message coupled with a compelling offer is the price of admission. Personalization and restrained frequency are expected elements of etiquette. Testing is the whetstone on which all of the above are honed. There are then a number of executional aspects worthy of attention to increase the prospects for success.

Make It Short & Sweet – The average amount of time a piece of mail gets to earn attention is less than ten seconds. The synergy between graphics and message is key. They must work together to create instant appeal.

Easy Does It – Content that is succinct, to the point, and above all easy to comprehend is always preferable. You want people to readily appreciate what you are offering, why they need it, and why they should respond. To be sure, the amount of text you use is somewhat dependent on the nature of the offer (insurance anyone?), but that does not mean it should ever be dense or confusing. The idea of focusing on a Unique Selling Proposition is old, but never grows stale. It's what makes one product or service different from the competition. Identify the USP and craft an irresistible offer.

Every Picture Tells A Story – Images and graphics increase attention, and do it fast. It takes as little as 13 milliseconds for the brain to process an image. Imagine headlines as bumper stickers. Use bold typography to deliver key points in a flash. Give your well-crafted images, graphics and typography room to breathe. Make use of large formats such as catalogs, brochures and oversize post cards. Take the trouble to create original charts, graphs, illustrations and photographs. If you must use stock, choose wisely, taking care to make sure the image supports the message. Avoid clutter. The last thing you want is having image elements competing for the few seconds of attention your mailing may receive.

Get Noticed – Picture the entertainer at the Fourth of July parade dressed as Uncle Sam walking around on stilts handing out mini-flags. Talk about standing out in a crowd! There are many ways to stand out in a crowded mailbox. Here are some techniques to do that:

• *Creative Folds* – Know how to fold 'em, so folks love to hold 'em. There are many folding techniques that entertain and entice readers to explore and discover. They range from adaptations of the "Paper Fortune Teller" game to simple but well sequenced gatefolds. Most are already available as templates waiting to be put to work for your mailing.

• *To Die Cuts* – Think 3D. The next level of image enhanced direct mail can be a die cut. From business cards to stickers to magnets to pop-ups to pencil holders, there are seemingly countless ways to deliver something fun and useful using die cut technology. People enjoy them, and keep them.

- **Scratch and Sniff Makes Scent**s – Mail pieces can be infused with scents and smells that motivate. Imagine you are standing in a redwood grove at Yosemite. Breathe in the unmistakeable scent. Now use the pURL to book that flight and reserve that room. Perhaps that latest perfume is just a heavenly scented postcard away from being delivered direct. Travel agents and cosmetics companies are just two examples of converting customers through their sense of smell. Its more than a survival instinct, it's good business.

- **Media & Technology** – Media and technology are now easily integrated into direct mail. Sound chips play verbal greetings, snippets of a tune or sound effects upon opening the piece. Imagine a call to action that literally tells you what to do. Try including a USB stick that includes music, a trailer, a theatrical scene, screensaver or any other media sample.

Size Matters – Technically, any size item can be sent through the mail. Logically, restraint must be exercised given the cost associated with non-standard size pieces. It is a good idea to check with the USPS early in the process of creative development to be sure that great idea is not a postage budget buster. There are also regulations surrounding mail formats and materials, so it's good to check with a mail service provider or go directly to the USPS PostalPro website. Nevertheless, there are solid reasons to create mail pieces that will both stand out, as long as it has a chance to deliver ROI.

What Types of Businesses Benefit from Direct Mail?

Direct mail is of particular value to businesses that rely on tangible sensory experiences to succeed. This includes the simple truth that physical mail pieces are tactile. The look, feel, sound and smell of a direct mail piece can speak volumes about a brand. Die-cuts and folds bordering on outright origami can convey a sensory experience unlike anything on a screen. Causes, venues, and services can stay top of mind with promotional items like bookmarks, stickers, refrigerator magnets, pads, pens and more. Put a person's name on an item to make it a keeper. The types of businesses that can benefit from direct mail's versatility and creative possibility include the following:

- E-commerce businesses
- Catalog businesses
- New businesses/services
- Charities and philanthropies
- Political outreach
- Omni-channel marketers
- Products that rely on making sensory impressions
- Products that benefit from sampling

Alert • Flash Sale • Renew • Vote • Events • Programs • News

The Benefits of Email Marketing

What is Email Marketing?

Email marketing has been in use for over 40 years. Simply put, email marketing is a means of sending promotional messages to specified lists of recipients for whom the offer and/or content is relevant and appealing. The subject can range from public service information, to business solicitation, to events, to e-commerce opportunities, to customer loyalty followup, and much more.

How to Set Up an Email Campaign

Creating an email campaign begins with a strategy, which is composed of these logical steps:

Define the Audience – Create a buyer persona. Put what you know about them, what they want and need, front and center.

Define the Goals – Manage expectations. Do some research on what others in your vertical have experienced. Understand the process your current, and ideal future customers tend to follow on the path to making purchase decisions.

Start with Existing Customers – Offer them an easy way to sign up for future emails. If you hold up your end of the bargain and send consistently relevant messages and offers, the list will grow.

Choose a Type of Campaign – This could be a series of tips & tricks, special product offers, newsletters, blogs, etc. If you intend to send a variety of campaign types, allow subscribers to choose what they prefer.

Create a Schedule – The perfect cadence for email marketing messages varies. Flash sales are one thing, while newsletters are another. Test different frequencies with segments of the list. Your audience will let you know when enough is enough. Just ask them!

Test – A/B testing of everything from personalization to CTAs to depth of discount is test-worthy. You never know what will turn people on. Measure. Keep the winners, discard the losers, then keep doing it. Establish KPIs that matter to your situation – deliverability, opens, clickthroughs, purchase, unsubs, etc., and test against them.

How to Find the Right Email List

The place to begin is with your existing audience. If they do business with you, or consume your content, then make it easy for them to opt-in to receive email from your business or organization.

If you find that you have certain information about those you wish to market to, but lack all or some email addresses for them, append services can be the answer. By providing the information you do have to a list broker, email addresses can be appended to complete your records.

It is important that you obtain email addresses which are verified and accurate. While relatively inexpensive, the cost of undeliverable emails can add up. Only use an established and trusted source.

Email Marketing Etiquette

As with any direct marketing campaign, B2B and B2C email have guardrails that ensure messages are welcome by their audience. Email is a powerful marketing tool, as long as basic etiquette is followed.

The Bar for Relevance is High – People receive so many email messages that their tolerance for subjects and offers that do not resonate precisely is minimal. Unsolicited, overly frequent, and overly general approaches are annoying. This is especially harmful for marketers who have already earned business from recipients. Email etiquette strongly suggests providing current customers with the opportunity to express their preference regarding the type of emails they wish to receive (newsletters, special sales, etc.), and how often.

Fit Right In – Understand how a message fits into a recipient's daily routine. Busy executives and consumers respond to succinct messages and tangible benefits. Subject lines and snippets are quickly scanned for relevance. They're unlikely to open an email if it isn't from a business or person they know or trust. The chances of digital doors opening to total strangers are small.

Introduce Yourself – If an introduction is required, be sure it is clear in the subject line. This is especially important if the message is personalized. Be careful about addressing the recipient as "Joe" or "Mary" if there is no prior interaction. Be respectful of the actual status of the relationship.

Tell the Story with Pictures – Images and graphics can be engaging, and are processed quickly. If used, make sure they appear as intended, and if they are clickable, that the links function properly. Using images and graphics sets a tone for the message and conveys a sense that the sender cares enough about the recipient's experience to illustrate the point.

Types of Businesses that Should Consider Email Marketing

Almost any business can benefit from some form of email outreach. E-commerce businesses can thrive making good use of email. Shedding the shackles of brick and mortar retail, they can offer more choices, better prices, faster delivery, and personal service, all starting with an open and a click. These attributes can become indelibly associated with the brand, with the promise being delivered to the customer's doorstep.

For businesses with physical premises, email is great for staying in touch with customers. Follow up is easy, and a welcome sign that the business cares. Email can track satisfaction and elicit feedback. Email is a way to encourage future visits, or expand into e-commerce. Plus, a positive physical experience shines on a virtual storefront.

New businesses that are eying the cost of introducing themselves are logically attracted to email direct marketing. There are few better ways to establish a brand identity than by broadcasting to a well targeted audience of likely new customers. Introductory offers, information about the business, who runs it, their pedigree, why they are opening, all these qualifiers can be communicated economically via email direct marketing.

Not for profits and causes can benefit from email. Political fundraising, social advocacy, health related causes, educational initiatives, and not-for-profits of all sorts are perfect candidates for email campaigns. They can affordably reach large audiences with information and appeals for support.

Email can be the common thread binding a company or cause to customers and followers by introducing a brand name or urgent issue, or keeping one top of mind...

Email Statistics Speak for Themselves

Email is so persistently powerful for a few simple reasons:

- Email is ubiquitous. Almost 4 billion people use email worldwide.

- Email marketing is very cost effective, generating $38 for every dollar spent, a 3,800% ROI.

- Email enables marketers to be agile. The time from sending to receipt is almost immediate.

- Email ends itself to creative uses via a wide choice of user friendly platforms.

- Email allows activists and advocates to state their case and offer access to richer sources of information and engagement.

- Email is a portal to a spectrum of experiences. Social media platforms, digital and physical subscriptions, e-commerce platforms, books, films, music, how-to's and more are just a click away.

- Email allows responsible use of personal data, so the most ethical email marketers will prosper in the world of GDPR, CCPA, Privacy Shield, etc.

That said, email engagement metrics can be measured and assessed for research, segmentation, re-marketing, loyalty and followup efforts. The audience is in control, which is a good thing.

In Conclusion

Hopefully, the principles and ideas covered in this guide will encourage serious thought about how to approach direct marketing. Direct marketing is an exciting, dynamic way to do business. There's no such thing as "set and forget it", but rather the chance for businesses to promote themselves in a hands on way through one-to-one messaging, relevant content, and respectful interactions with their current and future customers.

We would be pleased to discuss the role
that fresh, accurate data can play in the success of
your direct marketing efforts.

Call (914) 948-8300
or email info@mailinglists.com to speak with
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