

Why mail?

Welcome to the first issue of *Why mail?*, a free guide to all things direct mail, brought to you by the Direct Marketing Association's Mailing Houses Council. Here, we'll show you how to best use direct mail, how to integrate it with other channels – particularly online – and how to apply these ideas to your business. We'll also explain how a mailing house can help.

Direct mail is one of the few places you have a person's undivided attention and it makes a deeper and longer-lasting impression than digital advertising, so we'll start off by debunking some direct mail myths (see below). Need inspiration? We have picked five great campaigns from around the world (pages 2-3). And for some quick copywriting tips, turn to page 4.

First, let's dispel five direct mail myths

- 1. Direct mail isn't effective**
Targeted direct mail with clear benefits and relevance works, which is why the average return on investment (ROI) of direct mail has increased dramatically in recent years. At the same time, digital marketing ROI has gone down. By 2009, the average ROI was roughly equal and still moving in direct mail's favour.
- 2. People don't like receiving direct mail**
A British Market Research Bureau study shows that 74% of consumers like receiving special offers and vouchers through the post. Acceptance levels in business are even higher for relevant offers.
- 3. People don't open direct mail**
In 2010, an average of 91% of prospect direct mail was opened. This makes direct mail the ideal channel for customer acquisition.
- 4. People don't buy anything because of the direct mail they've received**
Oh yes they do! 17.7 million people in the UK bought something in the last 12 months as a result of receiving a mail order catalogue.
- 5. Direct mail harms the environment**
Disposing of a year's worth of direct mail for one person generates as much greenhouse gas as 34 seconds on a long haul flight. Some councils are now making money out of recycling direct mail, so there is no reason for any of it to go to landfill.



Done well, direct mail reaches out to would-be customers and helps build rapport with existing ones. The trick is to tap into customers' needs and show them you understand them. These five case studies have different objectives but they all have one thing in common – they are relevant and carefully crafted for their target market.

We chose a mix of consumer and business-to-business mailers, aimed at new and existing customers to show you how direct mail works both as an integrated channel and a standalone one. Who knows? Maybe you can adapt one of these ideas for your business needs...

The Swans Are Back, Denmark

The Royal Danish Theatre relies on email to contact their customers, but tickets for a 2010 production of *Swan Lake* weren't selling well. So they turned to direct mail to attract new customers. They matched the profiles of their best customers to 25,000 prospects and mailed them. The pack included a letter and four flyers that could be pieced together, and recipients were invited to go online, sign up for newsletters, enter a competition, watch a behind-the-scenes video and, of course, to buy tickets.

Results: 20% visited the site, 14% signed up for emails, and ticket sales went up by 25%

Conclusion: Email is the preferred channel for ongoing communications, but direct mail integrated with online achieved the standout with a new target audience. It generated involvement and attracted a significant number of new customers.

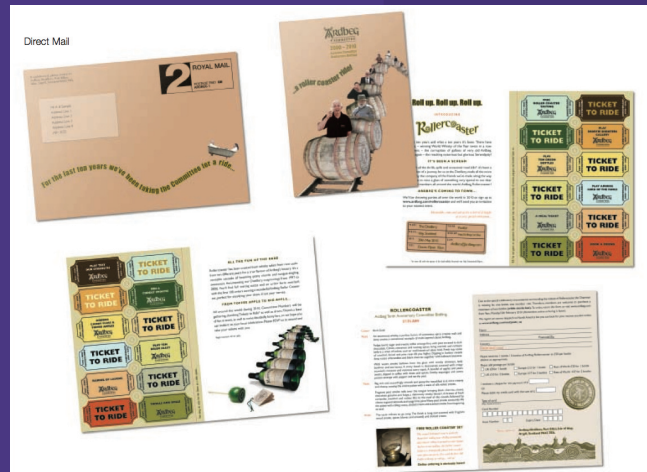


Ardbeg Malt, UK

Glenmorangie and their agency, Story UK, launched a new malt (Ardbeg Corryvreckan) to celebrate the 10th anniversary of their club, and produced 13,000 bottles to sell at £50 each. Although they had an active online following, they chose direct mail to announce the launch and a countdown clock on the website to show when the sale started.

Results: 11,000 bottles sold within two weeks, new members up by 300% and an astonishing ROI of 1,525%.

Conclusion: Ardbeg created excitement, awareness and a sense of urgency. They realised that although they have a loyal online following, they still had to work hard to fully involve them in a new product launch.



Genesis Energy, New Zealand

Genesis and their agency, Draft FCB, wanted to get builders, electricians, gas fitters and plumbers to notify them of new connections. So they launched an online rewards programme and turned to direct mail to grab the attention of these busy tradespeople. They used a segmented mailer to tailor the offer to the different groups both by images – electricians had pictures of pliers – and reward value based on potential.

Results: Sales increased by 10%.

Conclusion: A segmented, well-targeted direct mailer can boost uptake of an online rewards programme.

Secure Device, Denmark

How do you get the attention of IT directors and senior management on detailed issues of IT security? IBM Denmark and their agency, Ogilvy One, used a carton to achieve standout in the pile. Expensive yes, but their key audience was just 210 senior executives. And, it wasn't just any cartoon – it was a card game that illustrated the individual security threats. This made the mailer relevant, intriguing and interactive. These were also great as aids for follow-up sales calls, so sales and marketing both loved the idea.

Results: 20% set up immediate meetings and the ROI was a massive 4,700% after 12 months.

Conclusion: It costs money to stand out in a crowded market, but to do it in an engaging and relevant way that also integrates sales and marketing more than justified the cost with a massive ROI.

Telecom NZ, New Zealand

This is a simple retail story. Telecom NZ wanted to stand out in the super-crowded new phone upgrade market for small businesses. Their agency, DDB Group NZ Rapp Tribal, realised the key was status. They connected a direct mail piece to the retail experience by including a carrier bag with a gold frame to take into the store, upgrade and show off their new phone! The mailing pack also had all the contents of a good mailing.

Results: We don't have specifics, but the campaign achieved its targets and people kept and used the bags.

Conclusion: We just thought this was an idea that can be used by any retailer given a bit of thought. Branded merchandise, in this case a carrier bag, is always a good way to get stand out and retention if it's relevant – and you can't deliver branded merchandise digitally!



Seven ways to boost your direct mail copy

The most important element of a mailing pack is a well written letter – so here is some advice on how to achieve just that. For the best results, we suggest you use an expert but here are some ideas of what you need to look out for.

1. Imitate

Look at what you receive. Most people know what they like, but not necessarily why.

2. Relevance

Make the words relevant to your market and your prospects. Tell a story, but not about yourself.

3. Benefits

Identify what the key benefit will be for your prospect. It's not you, your product or your service, but a key benefit to them. And get it in your headline or first paragraph.

4. Brevity

Keep sentences short, around 14 words at most, and two to three sentences a paragraph.

5. Offer

You need an offer that people can quickly identify as the benefit. It doesn't have to be a discount, just something that appeals.

6. Use a PS

The PS went out of fashion for a while but now marketers are using it again because it works – but make it relevant to the offer.

7. Proof read

Avoid spelling and grammar errors by reading out loud to somebody else and getting them to read it back to you. And spell check!

Just remember that you have to grab the reader's attention within a couple of sentences and keep it by being relevant to their needs.

What a mailing house can do for you

Essentially, a mailing house advises you on your direct mail campaign and helps you implement it from start to finish. They may not have all the services in-house, but they can advise you and, as a DMA member, they know that the DMA membership covers all the necessary services. What's more, many DMA members can also help you with email and digital campaigns, so you can better integrate direct mail into the marketing mix. So, as well as making it easier for you to gain profitable results, they can simply make it easier all round.

Virtually all mailing houses will offer the following services:

Data handling

Mailing Houses will merge multiple files, de-duplicate, clean your data so it's accurate, and enhance it. Accurate data will save you money on print and handling costs, and enable you to maximise postage discounts. They can also help you source new data.

Printing and enclosing

Whether it's providing overprinted envelopes or packets, personalised letters, enclosing into envelopes or polythene,

your mailing house will provide a full service. Many will have in-house litho and digital printing, or a cost-effective arrangement with a local printer.

Postage

There are lots of different postal sortation options, and a DMA mailing house will know which one is best for your mailing. They will achieve the maximum discount for you in an ever-stricter environment on accuracy, sortation and presentation with Royal Mail or one of the alternative carriers.

So, what makes a DMA member mailing house stand out? They have many hoops to jump through to achieve and retain membership, on company financials, directors and direct mail expertise.

The DMA has its own code of direct mail best practice, and a DM Code of Practice which includes adhering to all the relevant legal and voluntary codes. There is no other membership body that gives the same quality assurance for mailing houses and direct mail.

About the DMA

The Direct Marketing Association (DMA) is Europe's largest professional body representing the direct marketing industry. With a large in-house team of specialists offering everything from free legal advice and government lobbying on direct marketing issues to research papers and best practice, it is always at the forefront of developments in the industry.

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