

There's a world of difference between Direct Mail and "traditional" advertising. The thing to remember about TV, radio and other mass media is that, while it reaches an audience of millions, you really have no way of knowing if you're speaking to people who are interested in, receptive to, or even appropriate for your product/service. What's more, speaking to an audience this huge usually comes with an equally hefty price tag.

With Direct Mail, however, you can be incredibly targeted. Cost-effectively targeted, in fact. Especially when you take advantage of today's sophisticated demographic management techniques (see the "Lists & Databases" section in this guide). These let you personalize messages to potential customers and even customize them. That's the beauty — and efficiency — of Direct Mail.

Getting your Direct Mail effort started: *setting* goals

Every successful Direct Mail program begins with one important question:

"What am I trying to accomplish?"

It may sound simplistic, but establishing a goal is a crucial first step. (You'd be amazed at how many people ignore this and then complain that Direct Mail doesn't work!) Common goals include increasing sales or awareness, but Direct Mail has the power and versatility to do much, much more.

Top 10 *uses* for Direct Mail include:

1. *Generating leads*
2. *Generating store traffic*
3. *Responding to competitive activity*
4. *Generating customer loyalty*
5. *Generating new customers/referrals*
6. *Improving sales force efficiency*
7. *Improving customer service*
8. *Increasing customers' average purchase amounts—generating higher sales*
9. *Announcing store hours/sales/new locations*
10. *Augmenting media advertising to top prospects and select customers*

If you want to do something, chances are, Direct Mail can help you accomplish it. Effectively and efficiently.

Developing a *compelling* Direct Mail strategy

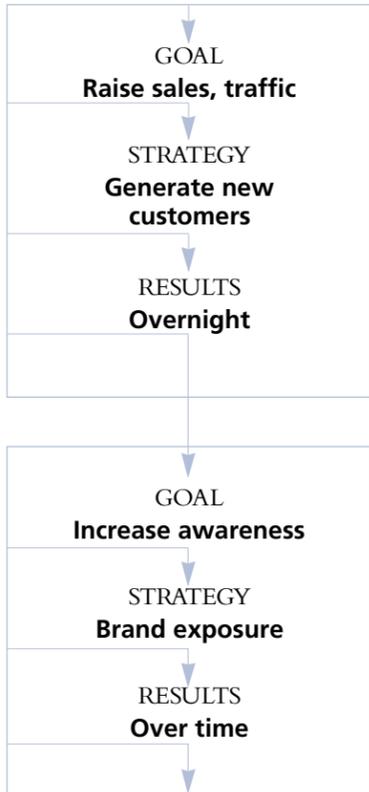
Once you've set a goal, the next step is developing a strategy to accomplish it. Whereas the goal is the "big picture" of what you want to do, the strategy is more fine-tuned. It's how you're going to achieve the goal you've set for your company. Here's where you get down to the "nitty gritty" and figure out precisely what approach to take.

Unclear goals and indecisive strategies are guaranteed to bring disappointing results.

For instance, let's say that you have a retail store and your goal is to increase store traffic and sales. One strategy might involve an offer designed to bring in new customers, like a special sales event. What makes so many advertisers enthusiastic about Direct Mail is its very "directness." When customers start responding to your mail, you know in a relatively short time how your Direct Mail effort did, simply by the number of respondents.

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Remember, also, that Direct Mail is advertising of a very exact nature. Since measuring the success and the return-on-investment (ROI) of a mailing is one of the great strengths of Direct Mail, you must determine at the very outset whether your strategy is designed to produce a measurable return overnight or over time.



The *almighty* offer

One defining characteristic of Direct Mail is “the offer” (the others are the list, the “creative,” and the physical components of the mail package itself, including the letter, copy, brochure and even the envelope). The offer is, in short, the very core of Direct Mail. It is what the consumer looks for and, more important, what he or she responds to.

Elements in a typical Direct Mail offer include:

- The product/service being sold.
- Warranties, guarantees, service contracts, or any other accompanying feature.
- The price, including special credit terms/finance charges/shipping/handling, etc.
- The action someone needs to take to place an order or respond in some other way.

When you’re writing your Direct Mail piece, be it a letter or a postcard, there are some basic rules to keep in mind regarding the offer copy. The price should be the last thing mentioned. If you mention that your product/



The 3 basic types of offer are:

Sale

Discount off the full price

Free

Usually a free gift, or “buy one, get one free” or free with purchase of specific dollar amount.

Guarantee

Trial offer or money-back



Give a reason to respond to your Direct Mail piece. Otherwise, they won’t.

service is “only” \$139.99, you might lose them before they read on and realize that it’s worth far more than that. Lead with the offer and all the benefits of your product or service. (For more tips, see the “Creative” section.)

Key steps in determining your offer include:

- Making it clear. Don’t offer a variety of products/services or your message will get muddled. Choose one product to spotlight. More customer choices results in more customer confusion.
- Telling them the details. What, exactly, do you want them to do? Call? Subscribe?
- Getting your customers to realize that it’s a great opportunity, so great they can’t say no to you. In other words, make your offer “no-proof.” Give a money-back guarantee or a free sample, for instance.

Targeting

Interested in reaching single men who are vegetarians, 35–50 years old, HHI \$50,000+, allergic to seafood, have golden retrievers and smoke pipes?

Believe it or not, with Direct Mail, you can.



Targeting and demographics are two of the most important aspects of Direct Mail. In fact, it’s been said that 40% of a Direct Mail effort’s success is directly related to the list used (see “Lists & Databases” for more information). How narrowly you target (or broadly, for that matter) is strictly up to you and the goals you want to accomplish. It’s astonishing, however, just how precisely you

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can target your audience. (As you might suspect, targeting to an audience as specific as the one above will cost you.)

You can reach your audience by identifying a ZIP Code® or combine more detailed consumer information such as:

- Household income
- Age
- Family size
- Gender
- Occupation
- Education level
- Hobbies
- Clubs/memberships/affiliations

There's even a fascinating aspect of demographics called "psychographics," which gives you deeper customer information that would've been unheard of just a few years ago. Are they likely to be "couch potatoes"? Do they like going to dinner? The movies? Are they family-conscious? How about vacation patterns? Have they had a root canal lately? All this information, and much, much more, is available to you— if you know where to look, that is. (Try the "Lists & Databases" section in this guide, for example.)

Business-to-business data can include:

- Industry classifications
- Size/revenues of targeted businesses
- Number of employees
- Locations
- Credit ratings
- Principals/owners/shareholders

If you choose to do a geographically targeted mailing, it doesn't have to be an entire area. In fact, even if you're doing a "mass mailing" to an entire region, you've got the option to be selective in your demographic choice.

For instance, through "data-mapping," a pet store can specifically target dog owners, so not a single cat owner will be reached. This process of eliminating inappropriate demographics is called "suppression," and is very common and invaluable when launching a Direct Mail effort.

As experienced Direct Mailers know, the possibilities are endless. And the opportunities for savvy marketers have never been greater than they are right now. Take advantage.



Your target market must be:

- **Identifiable**—with common characteristics
- **Measurable**—and large enough to sustain your business
- **Accessible**—so you can economically reach them

Goals & Strategies worksheet

1) What do I want to accomplish?

What is my goal?

- Generate leads
- Increase store traffic
- Generate awareness
- Increase customer loyalty
- Increase profits/sales
- Generate new customers
- Increase sales force efficiency
- Improve customer service
- Increase average purchase amount
- Other: _____

2) What does my product/service offer that people need?

What, specifically, can it do for them?

3) What is the offer?

What do I want them to do?

4) What is my strategy?

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5) How will I get consumers interested in my product/service?

- Frequent postcards
- Coupons
- Sales events
- "Rebates/cashback"
- Loyalty programs
- "Frequent buyer" programs
- Other: _____

6) Who am I talking to?

What interests them?

How can I get their attention?

Consumer

Age: _____ HHI: _____ Occupation: _____

Hobbies: _____ Marital status: _____ Family size: _____

Ethnic group: _____ Gender: _____ Education level: _____

Behavioral snapshot: WHO are they? _____

Are they active? Sedentary? Family-oriented? Religious?

Civic-minded? _____

Business

Type of industry: _____ Revenues: _____

Number of employees: _____ Years in business: _____

Status: Is it publicly owned? Incorporated? Sole proprietor? _____

Building: Is it owned? Rented? _____

Other characteristics:

Is the business innovative? An industry leader?

Environmentally conscious? Active in the community?
