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Do Direct Mailers Still Work?

The answer will surprise you

Marketing That Works

Analytics, Engagement, Intelligence

CONTACT

Express Analytics
info@expressanalytics.net

WHITE PAPER

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INTRODUCTION

What is direct mail marketing?

To some of you, the fact that direct mail marketing is still effective in today's digital era may come as a surprise. Digital, or inbound marketing, has been around for about 30 years now, and one cannot be faulted for believing that somewhere over this period, direct mail marketing died a natural death.

Fiction: Direct Marketing is dead



Fact: It's alive and kicking



Direct mailers are very much around. Not only that, this marketing asset is thriving, and continues to aid companies to:

- connect with customers
- help build lasting relationships
- make businesses stand out from the competition

Even today, astute marketers use a marketing mix of traditional and digital channels for their marketing campaigns. So, contrary to popular belief, direct mail still remains a viable option for getting a respectable return on investment (RoI) at a manageable cost.



Marketers have two choices:

Either use direct mail as an element of their overall marketing plan, or Use it to run exclusive campaigns in their outbound marketing effort.

But remember, unlike email or other forms of digital communications, measuring the RoI of direct mail is not as easy as its digital counterpart.

DO DIRECT MAILERS STILL WORK?

Yes, and here's why

High Degree Of Engagement

When was the last time you opened a marketing email? Or read it through its entirety or click on any of its links? We are all guilty of it, right?

Because of the fact that a consumer can hold it and read it, direct mail cuts through today's marketing clutter. It pushes your brand into the hands of the customer, literally.

Personal Touch Adds To The Magic

Direct mail is a channel that opens a one-on-one conversation with a potential client on a large scale. It is seen as not only a trusted source of information, but is welcome by all age groups.

Yes, even by millennials. Today, with technology, the fact that you can even add a short video in your direct mailers adds to the otherwise high degree of personalization, even more than email.

High Rol

The high return on marketing investment is why direct mail is successful even today. According to the annual ANA/DMA Response Report, house lists produced a 9% response, while prospect lists achieved a 5% return.

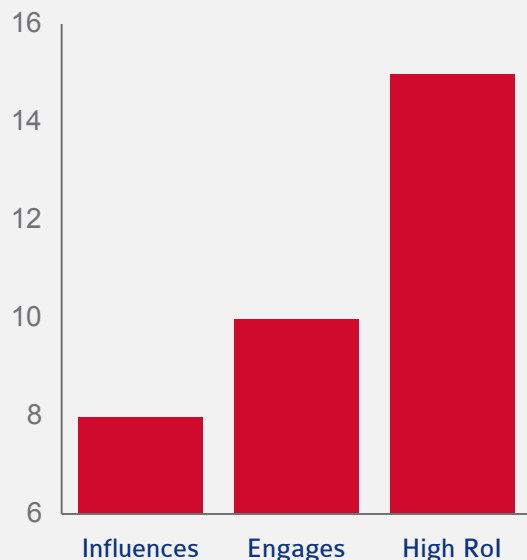
The costs may be high compared to other forms of digital communication, but so are the returns.

At the very core of direct mail is: Using the right design to deliver the right message at the right time to the right person.

Here's A Tip

Keep in mind your country's mail standards (if any). In the US, if you want to use one of the USPS mailing programs, you will need to meet their standards. Which means you must be aware of limitations on dimensions, weight and other elements. Deviations could cost you more, or make you change the mail design.

Direct Mail WHAT IT DOES



THE USE OF DATA ANALYTICS IN DIRECT MAIL

Measurement and evaluation: Yes, you must measure the RoI from your direct mailers, but remember, this is a challenge as compared to the digital counterpart.

How you measure RoI depends on your key performance indicators (KPIs):

- your campaign goal
- the metrics you have defined to measure “success”
- the monetary conversions of the mailer

Conversion rate is the percent of prospects that eventually converted into paying customers after the campaign. Cost per Acquisition (CPA) is another KPI you can track and measure. This metric tells you how much each new customer cost to obtain.

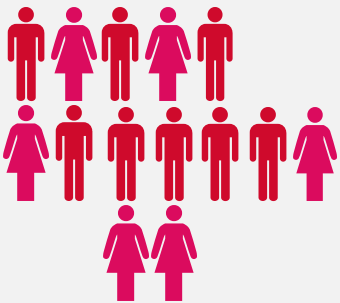
How does one track things like impact or open rates?

Here are some ways:

Unique phone number: Include a unique phone number to track feedback/response. It can be a toll-free number or one by a call tracking software company.

PURL: Include a special URL leading to a special landing page in your direct mail. Then, use your website analytics tools to determine the number of people who visited the page. Enlist the services of a marketing automation company for this.

Coupon codes: Include a coupon code that consumers can redeem in your store or on your website. That’s trackable.



QR code: These days, QR codes are a rage. Add a QR code to your direct mail, which, when scanned, gives a code or an offer for the consumer.

WHY ANALYTICS

HERE'S WHY

In the earlier days when data analysis was not mainstream, sending out direct mailers was a “game of chance”. You spent time and money to send out mailers to the entire population of a particular ZIP code, and hoped that a chunk of the population would respond. That you were sending out mailers to all the residents, most of whom had no interest in your brand, was “an accepted cost of doing business.”

Thanks to data analytics, all that has changed.

Analytics can be used in conformity with your direct mail marketing to:

- provide insights before and after campaigns
- delivery and response rates
- how your various campaigns have resonated

One area where data analytics can play a big role is predictive analytics in direct mail campaigns.

Predictive analytics in direct mail = less money, better success

In today's direct mail marketing, success is not directly proportional to the total number of dollars spent. Instead, it depends on how well you have spent every dollar. .

FORMS OF DATA ANALYTICS



***Predictive analytics** predicts future behaviors based on the past behavior of your target audience. Based on a prospect/customer's previous history, you can send out targeted catalogs/postcards to a concentrated circle of recipients within a certain ZIP code rather than send it out to all the residents. This will help save mailing cost while improving your marketing campaigns and result in higher ROI.*



A major plus that predictive analytics has introduced in direct mail marketing is of precision. Your marketers now have a better chance of targeting the right audience in a particular ZIP code, based on their interests and behaviors. So, instead of sending out mass mailers and achieving say about 10% conversion rate, your company can save time and money by sending out only a portion of those mailers but achieving an 80% success rate.



The use of predictive analytics in your direct mail marketing gets your campaign in front of only those customer segments which will find them valuable, thus pushing up your campaign's efficiency.

In addition to predictive analytics, identity resolution models help eliminate duplicates, and recommender systems help personalize the mailing campaigns.

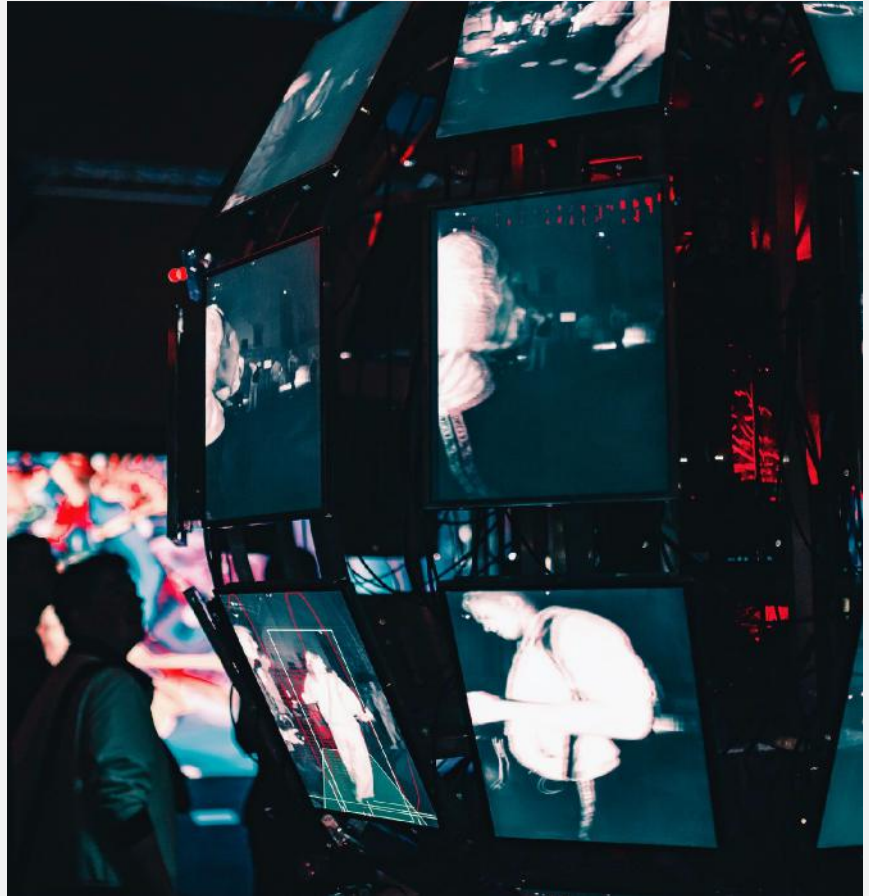
A mailing profile is not the same as a mailing list

Customer analytics can help your brand test the market first to understand which offers are more likely to resonate with your customers. Customer data gathered from channels can be used to identify your best customers, their location and which forms of direct mail can be used to reach them.

With customer analytics, you can create complete and accurate mailing profiles of individual customers by putting together data from various sources and then analyzing it to understand who is the best audience for your message.

USE OF TECHNOLOGY

Some marketers may be forgiven for thinking that there is no link between direct mailers and technology. They are mistaken in holding on to the belief that direct mail marketing is still limited to the old-world paper brochure often found in our mailboxes in the '70s and the '80s.



Direct mailers have not only come a long way in design aesthetics but also in their use of technology. But that's only the front-end. A lot of technology is now being used in the back-end operations, too.

Using Software To manage the backend

Get on to the cloud to manage workflow, customize and optimize, and measure.

Direct mail need not be the laborious, manual process it was like in the pre-tech era. Use software, preferably in the cloud, to enable access to data from anywhere and in real time for your team. It is also helpful in tracking the progress of direct mail. Add automation to your software to ensure the least amount of back-and-forth communication between team members. Use data analysis to allow for effortless tracking and measurement of the entire process.



Using Software

To manage the frontend

More and more agencies have started using innovative technology into their direct mail campaigns, adding a degree of dynamism and inter-activity into it, unthinkable of a few years ago. This not only helps them grab the eyeballs but also sets them apart from the run-of-the-mill direct mail.

The use of audio and video

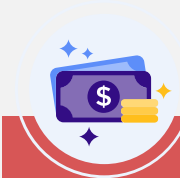
Nothing like a piece of music or even a video to grab attention. Embed video or a music track in the printed brochure. Where video is concerned, it's now possible to add a small video screen that can work with a Wi-Fi hotspot.

Augmented reality

Sounds far-fetched but no. It is possible to incorporate AR tech into a direct mailer, promising an exciting experience for the end user

Programmatic mail

Offers a highly targeted and customized type of campaign. Programmatic Direct Mail sends mail to anonymous visitors to your website when they set off certain triggers. It is effective for those who are actively searching for your products and services.



US retail chain Target, for example, often uses programmatic mail to increase sales. The personal data that customers leave behind and obtained from surveys etc. is utilized by Target to run specific marketing campaign.

DOs & DON'TS Of Direct marketing

Before you embark on your direct mail campaign, here are some dos and don'ts you need to follow to save you resources.

First, let's look at the dos:

Define your target audience: This is a given. Who is your product or service aimed at? You need to research the market before sending out those mailers.

Include a CTA: A mailer without a call to action is like leaving an incomplete message. Always have a CTA, then be it a coupon code, a survey form, a give-away, PURL, and so on.

Attention to message detail: Proof read your mail content. Ensure it is to the point and confirm it flows well. Also, think creatively. A well-designed direct mail piece leaves a lasting impression on the consumer.

Now, the don'ts....

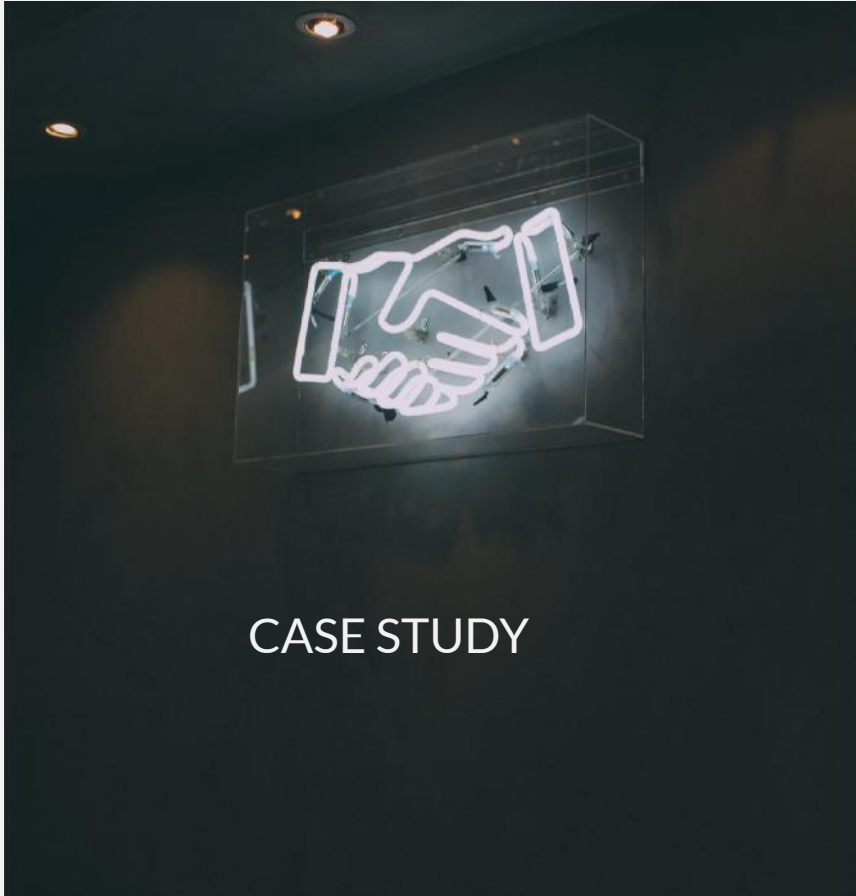
Track and analyze: Don't forget to track how many people have responded to your mailers. Create a database of the regular openers for future marketing efforts. Maybe a 'thank you' note as a followup will get you some brownie points.

Drive traffic to your website: At the end of the day, direct mail marketing is not your only marketing weapon. Some or most of your business is online. Leverage the direct mail to make people aware of your online presence.

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TIP

Unlike email, you can get as creative as you want with direct mail



CASE STUDY



The efficiencies gained have helped us deploy our marketing dollars for timely customized offer.

- VP, Marketing Lamps Plus

THIS IS HOW WE HELPED A CLIENT

A large U.S. retailer that sells fixture lighting, furniture and home décor items tapped into Express Analytics' data analytics solution to optimize its email and direct marketing programs. On examining the retailer's 10 million plus customer base the EA data analytics team found:

- (a) data from various channels like sales, emails and website were not integrated
- (b) there was no customer information database available for direct marketing

After the successful implementation of the CIM database, Express Analytics helped the retailer in optimizing its marketing spend. The solution provided:

- The ability to analyze, segment, and promote customers based on purchase history and product category
- The tracking of marketing campaign productivity effectively
- The empowerment of key members of the retail team to run their own ad-hoc reports and queries
- The successful implementation of the CIM led to the targeting of customers for new product categories

THANK YOU

For taking the time out to read this white paper.



SCHEDULE YOUR DEMO

Want to learn more about how we can help scale your business? Schedule a demo with our customer success team to learn more.

[Schedule Demo](#)



www.expressanalytics.com



info@expressanalytics.net

HQ Address:

300, Spectrum Centre Drive Suite 400,
Irvine, California- 92618

USA