

Warne's Marketing

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Direct Mail Success

50% of success depends on the list, the other 50% on the proposition, the offer, the timing and the creative package.

IN RETAIL THE MAGIC PHRASE IS "location, location, location." In direct mail it's "list, list, list."

Lists are markets. You need to know your best markets to choose lists wisely. Your proposition has no value, or interest, to the person who isn't a prospect.

Unwanted is Junk

Junk mail is direct mail the recipient doesn't want.

Some 20% to 25% of consumer direct mail is thrown away unopened; 45% is just glanced at; 30% is opened and read fairly thoroughly.⁽¹⁾

With the increasing costs of direct mail, it's essential to create mailings that will be read and acted upon.

The first step is always exacting list selection and development. Mailings sent to logical recipients are not perceived by them as junk... they're received as interesting information or offers of value.

Today's Semantics

So that we're all on the same wave length, let's clarify the semantics. Direct mail is one technique of direct response marketing.

Direct response uses one or more mediums to elicit direct action. Almost any medium applies:

newspapers, magazines, radio, TV, matchbooks. Indeed, everything that can be used to elicit a direct response.

Two of the most cost-efficient and effective techniques of direct response are direct mail and telemarketing. Both offer the opportunity to target an exact profile of the best prospects. Efficiencies are derived by targeting the smaller segments whose profile suggests they are most likely to buy and/or buy more.

The ideal target is a qualified database of customers and prospects...

by your database. Keep reaching out to find and qualify new prospects by testing other selected lists. Work to grow the base to grow the business.

Test, Test and Test

While the list is paramount, direct mail response also depends upon four other factors – the proposition, the offer, the timing and the creative package.

With five factors involved, it's a gamble to try and predict response on any new direct mail activity. So test first.

You'll avoid exceeding your budget on an unexpectedly high response to sample or premium offers. You'll avoid swamping your sales people with more leads than they can follow-up. And, you may also avoid too high expectations.

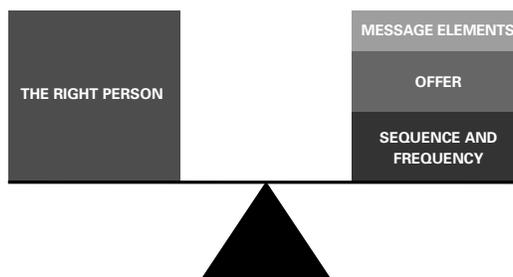
Design your tests to learn those things that make the greatest difference to your results. That's where to concentrate your efforts. List testing should come first, followed by the offer and the proposition.

Test one factor at a time. Use split-run tests to measure appeals, by sending mailer version #1 to half the list and version #2 to the other half on an every other name selection basis.

Turnover and Frequency

Your frequency of mailing should relate to the turnover of your product.

Leverage of Variables in Increasing Response



Direct mail response is affected as much by list selection as it is by the proposition, offer and mailing frequency combined. ⁽²⁾

with "fields" indicating buying interests and habits.

A database can multiply your direct marketing response by allowing you to select only those people with the greatest interest in, and need for, your specific offering. But don't be trapped

If your product is disposable, expendable or an OEM component, buying frequency can be high.

Buying frequency is obviously lower for office furniture than for office supplies, and lower for railroad locomotives than for motorcycles.

Check your customer/prospect buying habits and patterns and track response and sales to determine the most profitable frequency for your mailings.

Communications

Good direct mail, like good advertising and salesmanship follow the same basic communications principles.

Direct mail isn't a thing apart. It's an element in a total marketing and communications plan.

Defining objectives for a direct mail program is central to success. Your objectives will determine the type of mailing you prepare – your

proposition, offer, format, copy approach, and response mechanisms.

Direct mail objectives vary widely... from helping to line up new dealers... test market a new product... help build a corporate image... strengthen a weak sales territory... to the generation of profitable orders.

Without specific objectives there can't be any meaningful results measurement. Generating massive response is not, in itself, a measure of accomplishment. The degree of interest and purchase potential of respondents is far more meaningful.

Sources:

(1) A.C. Nielsen Company; survey for D.M.A.A.

(2) Marketing & Media Decisions

Direct mail response tips:

- **Put the major customer benefit in the headline.**
- **Use a benefit-loaded subhead and/or intersperse benefit subheads and hi-lites throughout the body of the copy.**
- **Add a pertinent P.S. to your covering letter.**
- **Something "Free" is the most powerful offer – a free gift with order; a free sample; a free booklet; a free audit of your needs.**
- **Put a time limit on your offer – establish immediacy.**
- **Test one element at a time – the lists; the offer; the headline; etc.**
- **Use split-run tests to measure appeals.**
- **Code response mechanisms to record test results.**
- **When you offer a premium, sell the premium before the product.**
- **Avoid reverse type.**
- **Avoid sans serif body type.**
- **Extend the guarantee. The less risk for the prospect, the higher the response.**
- **Telegraph your message on the envelope to arouse interest.**
- **Use several pieces. Never send a mailing without a letter or an offer, or both.**
- **Inexpensive mailing pieces should look dignified. While there is no predictable relationship between production costs and response rates, messy, cheap-looking mailers don't work.**
- **Check off boxes increase involvement and can help qualify respondents.**
- **Restate your major customer benefit in the response device.**
- **Use an 800 number to accept collect calls for orders or set up an e-business facility on your website.**



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