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“If you run or own a business, you cannot afford to be indifferent to those who ultimately control your destiny.”

Hamilton Davison
American Catalog Mailers Association

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Your ROI Is in the Mail

Yes, direct mail marketing still pays off—usually more than its digital counterparts.

Earlier today I received two pieces of direct mail, both of which made me smile.

The first was a handwritten thank-you note from a salesperson I spoke with last week from staffing agency Creative Circle. So rare are handwritten notes these days that I open anything resembling one as enthusiastically as I open a greeting card. And when the note is truly personal and genuine, it brightens my day. I'm certain many other prospects and customers feel the same.

What's more, with a bit of poetic license you can consider that thank-you note as direct mail, because it was personalized (based on “data” from our conversation) and included a call-to-action (to contact her for my creative staffing needs).

Next was a little puffy envelope—just the right size for something more fun than a standard news release. And, indeed, it was. The package contained a personalized, color one-sheet about a new eBook from Pegasystems, “5 Ways to Maximize Customer Value,” and three cookies. The connection: According to the note, “Marketing that works…is about offering the right cookie to the right person at the right time…. The result? Fewer wasted cookies. More repeat customers.” And might I add, I wasted none of the cookies.

The note included the eBook’s URL and a related hashtag, as well as Pegasystems’ social links. The mailer was more homey than slick, and I think that was the point. The cookies got me to read the note (and smile—I mean, who doesn’t love cookies?); curiosity led me to check out the URL.

Direct mail über alles

As Stephanie Miller, VP, member relations, and chief listening officer, of the Direct Marketing Association, points out in “Direct Mail Fallacies and Realities” (page 18), “DMA research shows that ROI from direct mail outpaces the success of its digital and social cousins.” And, as noted in “Stamping Out ‘Or Current Resident’” (page 10), according to CMO Council, the response rate for targeted direct mail is 4.4%, compared to email’s rate of 0.12%; 79% of consumers act on direct mail immediately, versus 45% who do the same with email; and 40% of consumers polled said they tried a new business after receiving direct mail, while 70% said they renewed relationships with businesses they had previously ceased using after receiving direct mail. Not surprisingly, Winterberry Group projects that direct mail spending will increase 1.1%, to $44.5 billion, in 2014.

Marketing that works…is about offering the right cookie to the right person at the right time....

But direct mail isn’t just effective on its own; it’s also effective at bolstering the performance of its digital brethren. Brands with a compelling message or offer that link direct mail and digital can expect “a 10 to 30 percent uplift in conversion…when combining the two channels,” Richard Rushing, senior director of digital strategy at agency Epsilon, says in “Blurred Lines” (page 6). Even a simple pURL added to a direct mail piece can make a significant impact, as Robert Morris University discovered with a recent campaign. “Compared with the university’s generic campaigns, the dynamic content and pURLs produced a 79% lift in response rates,” Jason Compton writes.

So, while digital may have more “shiny object” appeal, direct mail done well is as effective as ever—and often more effective than digital channels—at delivering solid returns.

Ginger Conlon
Editor-in-Chief
Direct Marketing News
Blurred Lines

5 ways to blend direct mail and digital that add flair—and effectiveness—to any campaign.

By Jason Compton

D igital marketing can enhance the reach and precision of a direct mail campaign. Direct mail can spice up an otherwise intangible digital campaign. Whichever approach marketers take, blending the two disciplines can improve performance, heighten engagement, and bring new creative opportunities to an entire marketing organization.

Assuming that a compelling and relevant offer makes the most of both the direct mail and digital worlds, “a 10 to 30 percent uplift in conversion is a good target when combining the two channels,” says Richard Rushing, senior director of digital strategy at agency Epsilon.

And mailers don’t have to go it alone. Agencies and the U.S. Postal Service can guide brands on ways to integrate the two. “Our objective is to share in some of the risks associated with evolving print,” says Gary Reblin, VP of new products and innovation at USPS. To that end, USPS offered a 2% discount for the 2013 holiday season for mailers with mobile barcodes or augmented reality (AR) capabilities. According to Reblin, more than one in every six direct mail pieces sent in November and December 2013 used these technologies.

Here are five ways to blur the lines between direct mail and digital marketing.

Drive digital interactions with mailers

A straightforward, attractive direct mail piece can spark campaigns that have a heavy dose of social media, AR, and hash tagging. Mobile app developer Snaps—whose namesake program whimsically adds virtual stickers, logos, locations, and even iconic characters to smartphone photos in real time—enhances many of its digital campaigns with mailers and handouts.

One successful endeavor—to promote the Sochi Games with the U.S. Olympic Committee—started with hand-delivered postcards that drove users to the Snaps channel with Team USA imagery. Because the campaign hit on a chilly day in Times Square, it was easy to encourage people to pose with digitally overlaid red, white, and blue mittens, and share liberally with friends. “Even with an augmented reality mobile app, brands still should take advantage of printed collateral, particularly if there’s an event involved,” says Austin Bone, Snaps’ head of product. “It gives people something to take home with them, to remind them of the experience.”

QR codes need not be hideous

How time flies: The QR code turns 20 this year. Sometimes snubbed as an unsightly, blocky mess that can distract more than delight, the QR code remains an important tool to bring prospects and customers into a digital interaction from the printed page. Many Android phones now ship with built-in QR-code scanning, and the open standard means that a variety of smartphone apps provide a one-tap experience.

All that functionality is meaningless, however, if designers and illustrators refuse to touch QR codes because they don’t want their message to be overwhelmed by a stark black-and-white grid. These objections are unfounded. The format is actually quite flexible and allows for a surprising amount of customization, color, and branding when put into the right hands. “Yes, it does have to have a certain size and a certain amount of dead space, but you can get a lot more creative with them by incorporating your logo and making it part of your copy,” says Deborah Simpson, president of marketing printer Multi-Craft. “They don’t have to be unsightly, as they were originally.”

Change perceptions with AR

QR codes provide a link between the printed page and the digital world, typically by bringing the user to a mobile website with a call-to-action. AR mobile apps create a digital experience that pops off the page, but only when viewed through a smartphone screen. “AR creates a digital experience in itself; it’s not just redirecting to a website or to a YouTube video,” says Saskia Nijs, VP of marketing at AR vendor Layar.

Using Layar, Jaguar created a campaign in which the image of a Jaguar interior, when scanned, popped up the image and sound of the sportscar rotating on a turntable with its engine revving. A promo for the Dan Brown title Inferno brought up interactive sample chapter and bookstore purchase links hovering over the promotional image.

AR applications still rely on the artificial view provided by a smartphone camera, but leaders won’t want to wait for wearable technology to become popular before deciding how to engage audiences in relevant ways. “[Customers’] ability to act on the call-to-action is [as] important as the mail piece itself,” USPS’s Reblin says. “The [tag] can do what it’s supposed to do, but if the consumer experience is a dud you lose your sale.”

Perk up the payload

Nothing spruces up direct mail like a deliverable that has an unconventional look and
There are a host of options for dimensional mailers that literally and figuratively stand out from the crowd. Talking or singing cards and mailers have been viable for decades. Now even video is affordable for premium mailings. Entry-level LCD mailers capable of playing several minutes of video are available in modest quantities for less than $10 each.

Interactive whiteboard maker Smart Technologies designed a video-enhanced direct mail campaign around the perils of employee disengagement. A high-touch mailer sent to highly qualified prospects packed a two-part digital punch. First, a fold-out card with an LCD screen played a two-minute video outlining the problem and solutions. Then, an included USB stick took the viewer to a website with a diagnostic tool to calculate the impact of disengagement and positioned Smart’s products as the remedy. “That’s a great example of a direct mail piece that leads to a relevant digital interaction. It consultancy SWC Technology Partners built a “Reindeer Games” December campaign on the back of a humble, practical freebie: a promotional coffee mug. The mailer pointed recipients to a five-minute whimsical video, positioning SWC as a tech provider to the North Pole’s most famous resident. The game component asked viewers to count the number of times the giveaway mug appeared in the clip, with respondents entered to win a rugged video camera. “3D mailers give us the opportunity to break through the clutter,” says SWC VP Elliott Baretz. “This campaign wasn’t one we thought would have a significant impact on our [marketing] database, but we thought we would create greater awareness in the marketplace.”

Mission accomplished. Reindeer Games garnered 1,900 video views and 160 contest entries—converting just under 50% of the total mailings into registrations. “We were happy: 1,900 views, compared with other video assets, was by far our best response,” Baretz says. “Just in the first couple of hours we had more views to this video than any other video asset we have.”

Diamonds and pURLs
Want to tightly link a brand’s print and online experience? The personalized URL (pURL) remains one of the most powerful and straightforward ways to connect with a unique individual and track his progress throughout a campaign.

Robert Morris University worked with technology from HP’s Graphics Solutions group to develop a variable-print campaign with pURLs for prospective undergrads. From data provided by college testing services, Robert Morris sent out individualized postcards depicting degrees and hobbies of known interest to students, inviting them to connect through a pURL. Compared with the university’s generic campaigns, the dynamic content and pURLs produced a 79% lift in response rates.

PURLs work best when they’re easy to type and avoid ringing any privacy alarm bells by the recipient. “The shorter the better: a single word or two after the domain name, and a simple alphanumeric code if it’s matched to individuals,” says Joseph Beccalori, CEO of Interact Marketing. “People get creeped out when they see their name as part of the URL, even if the information is publicly available.”
Direct mail needs to address the exacting standard of today’s demanding customers. It’s time to personalize every step of the direct mail process.

By Cindy Waxer

Baudville may provide custom recognition products and programs, like trophies and employee gifts, but for a while its direct mail marketing strategies were far from award-winning. “We were certainly behind the curve as far as using the digital print options that are out there,” says Bruce Malone, Baudville director of CRM. That changed when Baudville recognized that personalization greatly heightens the customer experience.

The company launched a digital print campaign that personalized the front cover of its IDville-brand catalog to include a customized nameplate, badge, and lanyard, all displaying the recipient’s name. “It’s fully digital print, so the customer’s name will look like the rest of the print on the cover,” says Malone. “It’s also high-resolution and will appear the way we’ve wanted our personalized covers to appear all along: as if someone printed a cover just for you with your name on it.” Further pushing the personalization envelope is Baudville’s “personalization” via targeting. The company uses MeritDirect’s list management and segmentation services to target education buyers with a 92-page custom catalog specific to their needs, rather than using mass-mail delivery. And plans for later this year include personalizing pages two and three of Baudville’s catalog to reflect a direct mail recipient’s previous buying behavior and the company’s new product availability.

Direct mail gets personal

Like Malone, more and more marketers are acknowledging personalization’s power to enhance the customer experience and drive revenue, increase basket size, and convert browsers into buyers. In fact, Malone anticipates a 10 to 25% lift in response rates with its personalized education catalogs.

According to the “Real-Time Marketing Insights Study” by marketing technology provider Neolane and the Direct Marketing Association, 77% of respondents found real-time personalization to be highly important. Among today’s channels, marketers said that delivering dynamic, personalized content in email (80%), on the Web (69%), on mobile devices (53%), at the call center (49%), at the point of sale (49%), and via social channels (45%) are all highly important. Delivering personalized communications doesn’t stop there. Direct mail personalization may not be real time, but it’s just as important—in part because digital and contact center personalization set customers’ expectations to expect targeted, relevant communications across all channels.

“Successful marketers must always endeavor to interact effectively with their customers through personalization at every touchpoint to provide the right message at the right time,” says Judy Berlin, VP of marketing at XMPie, a marketing software provider. “In fact, customers are now expecting a certain level of relevant content, and increasingly notice and dismiss generic, nonpersonal material.”

At the same time, marketers are looking for new ways to personalize their direct mail efforts beyond simple salutations and even customized content. One approach is creating and maintaining lists that allow for effective segmentation. By carefully building a house
file, whether through referrals, word of mouth, social media, or simply acquiring data from third-party providers, marketers can slowly begin to identify and target the right customers for specific direct mail campaigns.

“Maintaining a high-quality database and list is paramount,” says Greg Grdodian, CEO at Reach Marketing, a multichannel marketing solutions provider. These days, marketers’ preferences may range from firmographic details to customer buying behavior. “Some [marketers] will want information on software installed, some clients just want an SIC code, some want job titles—it all depends on the client and what they’re looking for,” Grdodian says. “But the data is out there; it’s just a matter of working with a reputable firm to ensure the highest quality data is being used to enhance your customer base.”

Once marketers assemble the right list, Grdodian says, the sky’s the limit for personalized direct mail. He cites as an example a financial service company whose response rates to its direct mail campaign were dropping fast—and for good reason. “[It was] basically sending the same piece to everybody and only using the individual’s name for personalization,” he says.

So the company worked with Reach Marketing to dive into its direct marketing database and segment its customers by industry, as well as to “change the creative so that it spoke specifically to an individual’s market,” Grdodian says. For example, restaurant owners received direct mail pieces whose “look and tone” were tweaked to speak specifically to that target demographic. “The results were significantly higher [than the generic mailers], not only because the financial firm’s direct mail was geared more toward individuals, but also because it put customers at ease and gave them a sense that the organization worked with people in similar professions,” he says.

Mixing it up

Another way marketers are making sure direct mail delivers results is by adopting a hybrid approach to personalization. Forget about single-source lists. “Hybrid databases are performing exceptionally well now,” Grdodian says. That’s because multisource lists leverage multiple consumer and business databases compiled from a variety of sources to create a more comprehensive view of customers and prospects. Demographic, firmographic, geographic—they’re all different types of information that can be integrated into one holistic, hybrid database. Better yet, many marketers are pulling transactional data from multiple platforms, like ERP systems and point-of-sale solutions, and combining this data for a more comprehensive snapshot of customers. Because this holistic customer view comprises so many data points, marketers can more accurately personalize messaging and content, as well as personalize their direct mail by optimizing segmentation and targeting.

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The digital print revolution

New digital printing technologies also are enabling greater levels of personalization for direct mail. Debora Haskel, VP of marketing at IWCO Direct, points to continuous inkjet printers as a recent example of a technological advancement that’s inspiring greater customization in direct mail campaigns. According to Haskel, the speed and convenience of these printers is letting marketers customize a single mail piece for a customer in multiple ways—a process that used to be too time consuming.

In addition to high-speed hardware, highly scalable data publishing software is also to thank for a “digital printing revolution [that] has completely leveled the playing field,” Berlin says. “Even smaller scale marketers with low budgets can now implement Web-to-print management systems and produce sophisticated, one-to-one variable...
data print material with outbound and inbound capabilities, such as personalized URLs and QR codes.”

Some marketing experts warn, however, that there’s such a thing as overpersonalizing a direct mail piece. In some cases, delving into a consumer’s personal data too deeply can create a creepiness factor, Reach Marketing’s Grdodian points out. And personalization techniques that are too specialized may alienate or overlook entire segments of a target audience, he says.

The secret, Grdodian says, is to strike the right balance. “You don’t want to dive so deep that you’re speaking to three people,” he says. “What you want is for the individual to always feel like you’re speaking to them. After all, it’s possible to create the appearance of one-to-one communication when it’s really one-to-5,000.”

Marketers are also looking at another technology that may be the next big thing in personalized direct mail. “The age of augmented reality [AR] is coming—if it’s not already here—and print will be a unique facilitator into that world,” Berlin predicts. “With AR, marketers will be able to connect with their customers in distinctive and entertaining ways.” For example, snapping a picture on an encoded print piece with a smartphone can easily “add new levels of a digital experience through sounds, videos, and gaming,” Berlin says. “The possibilities are endless.”

Still, IWCO Direct’s Haskel emphasizes that marketers must distinguish between personalization and relevance when creating a direct mail campaign. Personalization helps shape what information goes where on a particular direct mail piece; relevance is about crafting content that speaks directly to a target audience’s needs at precisely the right time.

“What [drives] response and conversion rates,” Haskel says, “is being able to make relevant offers, not just personal offers. With some of today’s more sophisticated database analytics and mining capabilities, the ability to create relevant offers is becoming easier. The promise of one-to-one marketing that we’ve all been talking about for twenty years finally is here.”
Marketing Through Rain, Snow, Heat, and Gloom of Night

When you’re the chief marketing and sales officer at the U.S. Postal Service, your appointed rounds take you down some winding roads.

By Al Urbanski

As chief marketers go, Nagisa Manabe is in a unique position. She’s charged with creating innovative uses for an ancient service whose rates are rising precipitously and whose fate hangs in a precarious balance between impending legislation and lawsuits. A packaged goods veteran who developed her marketing chops at Procter & Gamble, Johnson & Johnson, and Diageo, Manabe is guided by a personal experience and conviction that direct mail remains a powerful weapon in the marketing arsenal. We spoke with her about her first two years of marketing a government-run monopoly.

Coming from consumer packaged goods marketing, you’re a bit of an odd bird at the Post Office, aren’t you? You’re a former customer, right?

Since the beginning of my career I’ve used the mail quite a bit. From my early days doing big sampling programs on Ivory Soap through [my tenure] at Johnson & Johnson, mail has been a critical part of my marketing success, so I don’t think it’s any surprise at all that I got to the Postal Service and thought, “Well, hey, here’s a chance to help grow a longstanding component of the marketing industry through a little bit of innovation.”

What was your charge from the Postal Service in taking over its marketing and sales operations?

The primary thing I did when I came to the Post Office was to start the conversation [about becoming] a more customer-centric organization. What I’ve been doing is getting out on the road and meeting with customers. Folks would say to me, “Hey, this is the first executive meeting I’ve had with the Postal Service in years,” and many times I would bring the Postmaster General [Patrick Donahoe] with me to get a better understanding about what our customers actually need.

Who’d you see?

[Companies] like Pitney Bowes, Quad Graphics, and R.R. Donnelley, but also the major financial institutions and catalogers. The first job was to get an industry scan and understand what’s working, what’s not, what are their frustrations, what are the opportunities, how [we can] build business together. As a result, we’ve created new products. We’re developing new, negotiated service agreements. I think the team has actually reduced more than a third of the mailing manual, just to try to reduce the number of rules.

Do you find the Postal Service’s relationship with mailers to be symbiotic?

Mail is just a part of the marketing mix. I’ve known this since I started in the business in ’91 at Procter & Gamble. But the truth is, the physical delivery of a piece to the head of household can be one of the best ways to convert a customer. We’re trying to innovate in the mail enough so that it’s relevant. So you’ll see us doing a lot of promotion this year, trying to drive the linkage between digital and physical. You’ll also see us just straight up collaborating with mailers to develop test mail pieces and see whether or not it improves their effectiveness—just old-fashioned partnerships with key customers.

Name some mail options that even digital-heavy marketers should be looking at.

The package side of our business is experiencing explosive growth. That’s largely a result of the great shift in business to e-commerce. But what’s interesting about that is that many of these dot-com-type customers don’t use the mail very much. We’ve tested things with many of them, and I think they’ve come to realize that mail is an important part of the mix. Our catalog friends have known this for years. There’s something fun about that lean-back moment of flipping through a catalog, enjoying that experience, and then picking what you want to buy, and perhaps going online to do that.

I think that people are going to be a lot more seamless about when to use one vehicle and when to use another, and how to marry up those vehicles. Some of these newer vehicles—it’s just too easy to delete an email, to screen things out. These folks are realizing that mail serves a purpose because at least it’s one guaranteed impression.

Because you have exclusive access to boxes on every door in America?

Even the best of my television media plans or my video or my online—if you look at all of the other delivery all together, I rarely get above a 90% reach. If I’m looking at reaching 100% of U.S. households, I’ve got to have mail in the mix.
Are businesses listening to what you have to say? I think they were surprised to hear from us, you know? At first I think that they thought, “Now, why on earth is this person from the Postal Service calling on us?” It’s really all about just starting to get in and penetrate some of these customers.

One agency executive we spoke to recently remarked that, when he analyzes campaigns, he measures mail as just another tool and that it works better than digital for some clients.

That, I think, is my job at the Postal Service: to make sure that mail stays in the consideration set. I use Internet advertising. I use mobile advertising. We actually just started selling on eBay. But I want to make sure that businesses use mail when mail is more effective.

How do you go about developing new products and services for business mailers? We’ve gone to the trouble of working with our own agency and developing mock-ups for some customers, and saying to them, “Hey, we’re looking at your mail piece. That’s a terrifically effective piece, but here are three ways that we might improve on that mail piece.” Many agreed to put [the suggestions] into the mailstream, and we tested them and hope they implement them on a more regular basis.

Merging digital with physical mail is a recurring theme in the promotions you offer. Will you continue to beat that drum? We have quite a large innovation group. We have almost 100 innovators developing future platforms for the Postal Service. We also have a group working under Randy Miskanic [VP of digital solutions], working farther out with digital. But, the goal of those promotions is to talk to as many mailers as possible, which is what Gary Reblin [VP of new products and innovation] and Tom Foti [manager of direct mail and periodicals] do. They spend a lot of time with mailers, trying to understand how they’re innovating in the mail, and then looking for opportunities to encourage others to adopt.

The promotions are really born of great insight from customers. Not surprisingly, there’s a pretty high level of adoption in terms of folks using the promotions.

Some of your deals are predicated on things not-so-technological, like adding color. Believe it or not, color matters. So just encouraging folks to exper-
ment with a little bit of color to improve the effectiveness of their piece—it’s a simple thing, but it works.

There’s worry about the survival of the Postal Service. Where will the Post Office be three years from now?
We’ve had a phenomenal year in package growth, and I think that folks will continue to see all kinds of innovation from us in that space. The announcement of Sunday delivery and same-day delivery are just two examples of the ways that we’re going to continue to bring people into our package business. I think that that’s just the leading edge of a lot of this hybrid work that we’re doing. It doesn’t matter if it’s mail and package together, package and digital, digital and mail; we’re looking for the combinations that create better effectiveness for our customers. So, if everything goes well, by 2016 I would like to see mail in everyone’s media mix where mail makes sense. My old business, the consumer packaged goods business, is a great example of folks that I just can’t believe aren’t in the mail more—more sampling of new products, more interface between digital and their mail pieces. These are all huge entry-point opportunities.

A great deal of that package business comes from e-commerce companies. So that’s a great point of new-customer engagement for you, isn’t it?
The Postmaster General often says the Internet giveth and the Internet taketh away. On the one hand, we’ve seen a shift in bill payment to online, but at the same time we’ve seen tremendous growth in our package business as more and more folks shop online. I think our reality is, the world is going to continue to change, but we believe that the role for the Postal Service is to continue to innovate in all the ways that people need us, because the fact is they still need us to deliver to every household in America.

So is the Postal Service a hulking monopoly, a fleet-footed business, or something in between?
I will tell you that I’ve been in the marketing business since 1991 and I’ve never been part of an organization that moves faster than the Postal Service. Sure, there are legislative constraints about the businesses we operate in, but if it happens to be about the core business for mail or packages, we’re able to make decisions quickly and move to market with innovations that our customers ask for. I think we’re in a lucky place. We’ve got a strong leadership team and an outstanding organization of employees who are willing to get in there and try new things.
By Ginger Conlon

All things digital may be what’s sexy today, but the longstanding channel of direct mail is still a highly effective one. In fact, according to Winterberry Group, direct mail spending is projected to increase 1.1% to $44.5 billion in 2014.

When done well (think: personalized, distinctive, persuasive), direct mail captivates customers and compels them to action. In some cases, as with the IKEA catalog, customers even keep direct mail pieces around to peruse at their leisure. Even so, it’s not uncommon for digital enthusiasts to declare the death of direct mail. So, Direct Marketing News asked several industry insiders, What’s one common misconception about direct mail marketing, and what’s the reality? Here, they share their views on direct marketing myths and truths.

**DIRECT MAIL FALLACIES & REALITIES**

**GARY REBLIN**
VP, new products and innovation, USPS
The misconception is that direct mail is old-school, too expensive, and ignored. The reality is quite the opposite. Mail is evolving and can drive purchasing using new technology. By using new mobile and digital technologies to enhance the experience of sending and receiving hardcopy mail, marketers can create an experience that no other advertising method can deliver. Currently, more than half of catalogers use QR codes to drive consumer purchases. Technology can combine the immediacy of digital media with the powerful personal touch that only mail provides. When comparing upfront costs, search and social campaigns may be appealing, but it’s the ROI that counts—and that’s the true value of using direct mail, especially for small and local businesses with targeted audiences to reach. Not everyone wants to use the Internet for everything. And, it’s hard to ignore something tangible that’s held in your hand.

**STEPHANIE MILLER**
VP, member relations, and chief listening officer, Direct Marketing Association
Myth: Direct mail is unnecessary, outmoded, and old-fashioned.
Reality: Wrong on all three counts.
1. **Direct mail works.** People read postal mail and catalogs at rates higher than email. Social media and digital technology may be in the spotlight, but DMA research shows that ROI from direct mail outpaces the success of its digital and social cousins.
2. **Direct mail is relevant.** Direct mail is the mother of all data-driven marketing. All the great things we do in digital to segment, target, customize, time, and measure our media, messaging, and more, we learned from our direct mail experience.
3. **Direct mail is “today.”** With modern data management and automation tools, we can now integrate Web (pURLs), mobile (QR codes, app alerts), and email to earn an integrated marketing ROI boost in all channels.
MIKE ERTEL
EVP, Sales and marketing, IWCO Direct
A misconception remains in some circles that direct mail costs too much. In reality it’s one of the most strategic investments you can make. Although direct mail may not be able to compete with digital channels from a per-unit cost perspective, the conventional wisdom that you get what you pay for certainly applies. When you focus on what truly matters—response rates and the ROI of your marketing spend—direct mail remains the most effective channel available. Savvy marketers who are taking advantage of four-color digital inkjet technology, complex data segmentation, and innovative formats are achieving significant, measurable results. What’s more, multivariate testing allows marketers to continually improve their offers by identifying what elements drive the best response among key customer segments. Whether you’re measuring gross response rates, cost-per-lead, conversion rates, or lifetime value, direct mail is one of the most cost-effective marketing investments available.

RAYMOND CHIN
VP, Product management and marketing, GrayHair Software Inc.
We routinely work with experienced direct marketing professionals on campaign response analysis, including test cells. What we find is that seasoned professionals understand the impact of copy, targeted A/B splits, managing colors or artwork, and demographic and geographic segments, but rarely do they fully understand the impact of their deliverability intelligence factors.

Undeliverable mail plagues all mail lists and marketing campaigns, but marketers rarely request the optional services in the Intelligent Mail barcode (IMb) to track the deliverability of their mail pieces. This tracking information, coupled with normal marketing methods, is one of the most powerful insights into the effectiveness of direct mail campaigns. Knowing if mail pieces are destroyed, mishandled, returned, forwarded, or undelivered are key metrics available today.

The best mail piece with the best tagline using the most colorful elements is of no value if the mail piece is not delivered or is delivered outside of a targeted In-Home window.

KIM MAUCH
Postal Product Specialist, Satori Software
Younger generations (generation Y, millennials) have a reputation for immersion in digital technology that fosters the misconception they don’t value or respond to direct mail marketing. However, many marketing tests show that these generations are actually more likely to respond to direct mail marketing than online forms of advertising. A well-designed mail piece that targets their interests, has a compelling offer, and a strong call-to-action will be more effective than an email, which can easily be deleted or caught by an email filter. Because these consumers are more sophisticated, using advanced mail piece design like print-to-mobile technology, modern colors and layout, and innovative folds will attract more attention.
DEBBIE PFEIFFER  
President, Pitney Bowes Presort Services  

Today, the combination of channel complexity, information overload, and newfound competition has made it challenging for marketers to engage customers in effective, cost-efficient ways. Successful marketers have found that direct mail continues to achieve significantly high response rates and has emerged as a trusted and proven communication channel. As part of a broader campaign, direct mail can create impact, deliver relevancy, boost response rates, and drive solid business results.

A big misconception is that with the declining volume of First-Class Mail, direct mail marketing is also declining and is being replaced by email and other digital marketing. In reality, delivering marketing messages via multiple channels, including direct mail marketing will increase the return on an organization’s marketing investment.

Because successful marketing teams understand this, Standard Mail volumes—the class primarily used for direct mail—hasn’t declined at the same pace as First-Class Mail. New technology and process innovation in presort services and logistics management make Standard Mail a proven, results-oriented channel built to optimize your marketing strategy.

PATRICK BEDDOR  
National Sales Manager, Japs-Olson Company  

A big misconception is that direct mail marketing is no longer relevant. But a quick look in your mailbox will prove that direct mail is alive and well. In fact, it’s still the foundation of direct marketing campaigns and it supports other direct marketing channels. As a result, direct mail has surged in many business sectors.

Market research expert Mintel Comperemedia’s data shows that traditionally high mailing sectors like auto and telecom both saw 8% growth in direct mail volume over the past year, with more compelling big jumps in mortgage and loan (45%) and credit cards (22%). The USPS also reports a 3% growth in business mail (i.e. Standard Mail).

Innovation with direct mail continues. With new technology like the tactile interaction of different coatings (gloss, velvet, and leather), the impact on purchases is quantifiable. Today’s direct marketing communication channels have become more diverse, but statistics show that direct mail is as relevant as ever.

CLIF MCDougALL  
VP, marketing and business development, Com-Pak Services  

There’s a common misconception that email and social media work better than direct mail to acquire new customers.

A Direct Marketing Association study reports that direct mail is 10 to 30 times more effective than email. The study noted that 34 out of 1,000 customers responded to direct mail, while just one out of 1,000 customers responded to email.

When done right, direct mail is one of the most effective channels through which marketers acquire new customers. You can send targeted, relevant direct mail to anyone with a mailing address. People generally trust direct mail, know how to respond to a direct mail offer, and don’t need the technological savvy required by email or social media platforms. These are the major reasons direct mail works.
VIN GUPTA
Founder and CEO, DatabaseUSA
Most people think direct mail is too expensive and ineffective. However, our experience has been that direct mail is still more effective than email. People are inundated daily with emails and are tired of them. Direct mail sits on people's desks for a long time, becomes a reminder, and in turn, brings results for a long time. Obviously, email has its place—but don’t discontinue direct mail.

GREG BROWN
VP, marketing, Melissa Data Corp.
One common misconception about direct mail marketing is that it’s all about driving immediate sales. Of course direct mail is a sales medium, but it also helps in building a brand, acquiring leads, and strengthening existing relationships. We use direct mail for all these reasons; it’s a perfect complement to our online efforts. Online, we’re looking to reach active shoppers, whereas with direct mail we’re trying to leverage its full potential to create awareness about our products, initiate a deeper engagement with our company, and, of course, guide consumers along the path to a sale.

PAUL ERCOLINO
President, US Monitor
There are many myths that impact every facet of direct mail marketing, including the factors that impact deliverability. One major myth is that when you send out a direct mail campaign, all the mail is delivered to your anticipated recipients on time. The truth is: Not all your mail gets where it’s supposed to go. Even when it does, sometimes it gets there too late to do you any good. Mailers who have a clear view of how their mail deliveries behave, such as the time they reach different parts of the country, can anticipate what delays are going to do to their campaigns. Today, direct mail doesn’t have to be a send-it-and-forget-it proposition. Between the IMb, mail seeds, and a strong mail monitoring strategy, mailers have the power to follow their mail’s journey through the mail stream from drop off to delivery.
Building Relationships With Elected Officials Is Good Business

It’s relatively easy—and extremely beneficial—to cozy up to members of Congress.

Mismanaging things that materially impact your business—but that you think you can’t do much about—can trip up or take down your business. Things like taxes or new regulations you’re forced to act on—or postal rates, regulations, or restrictions.

So, is there a way to influence these seemingly immovable objects that control your business—and, potentially, your marketing? It actually is possible, but it must be done both collectively and individually. Also, like everything else you do, it needs to be approached methodically and in a concerted manner.

I was once the CEO of a small company that had a tax liability worth 45% of company revenues unfairly levied on it. Since we were already carrying a large debt load, we were effectively defunct. We argued with the IRS and got nowhere. We consulted experts of all types, but no one could help. So I turned to my U.S. Senator.

Had I not previously built a relationship with him, our small company would have been toast. He said that provided we’d done our due diligence and determined we actually had a valid case, he’d try to make it right. Long story short: After completing his due diligence and determining we were an innocent victim, this senator wrote to the IRS and got us a refund. Our small company got back on its feet and this pesky tax overhang disappeared. Problem solved.

If you run or own a business, you cannot afford to be indifferent to those who ultimately make the rules in Washington. They often welcome these kinds of visits, and they take your concerns seriously. Whether you can set up a site visit or invite the Congressperson to come to your facilities for a tour.

Whether you can set up a site visit or invite the Congressperson to come to your facilities for a tour.

> Remind him how easily the decisions he makes could impact your company’s employment levels.

> Condition your support on pro-jobs legislation and let him know that you communicate his views to your employees and local suppliers.

> What’s this all worth?

> Whether you can set up a site visit or just have a productive phone conversation, you’ve laid the groundwork for your relationship.

> Support your officials with money and votes; even consider volunteering for an election campaign.

> Build a continuing relationship so the door is open going forward. While the Congressperson may not always act in your favor, you’ll at least be able to get him to take your concerns into consideration when writing or voting on future legislation.

As the catalog industry’s advocacy group, ACMA routinely shows its members how to build these relationships. If you’re sophisticated and active in representing your business’ needs before political decision makers, you’ll worry less knowing that your interests are protected.

ONE

Just who are the members of Congress to get to know? Here’s a hypothetical example:

> Your business is based in Kansas City, MO.

> You (likely) have many employees who live across the state border in Overland Park, KS.

> Your fulfillment center is in Shawnee, KS.

> Therefore, at a minimum, you’ll want to reach out to the Congressional representatives who serve all three areas. And, of course, you’ll want to reach out to Senators from Missouri and Kansas.

> If you grow and add other locations, you’ll need to establish some connections there also.

TWO

How to make contact:

> All members of Congress’s phone numbers (home state and D.C. offices) are easily accessible online.

> Request to speak with the scheduler to invite the Congressperson to come to your facilities for a tour.

> Although all members of Congress have busy schedules, they also have recesses when they return to their home states. They often welcome these kinds of meetings with constituents.

> If not feasible, at the very least see if you can set up a phone call with the member directly.

THREE

What do I say to the Congressperson?

> Tell him about your business and the jobs you represent.

> Focus primarily on any outside factors (e.g., postal matters, tax rates, regulations) that directly impact your business.

> Tie in as many of these factors as you can to your employment levels: If you’ve ever had job growth or layoffs, were they tied to changes in a law, postage rates, tax matters, etc.?

> What’s this all worth?

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Hamilton Davison is president and executive director of the American Catalog Mailers Association.