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Direct Mail—A Love Hate Relationship[®]

by Kathy Ellis, Business Lab Marketing Coach

A lot of business executives, marketers included, may tell you that most people just throw away direct/junk mail. If this is true, then why does it account for 13.6 percent of total advertising in this country? Between 1994 and 1999, direct mail advertising grew at an average rate of 9.4 percent annually. In 1999, it was estimated that \$42.2 billion was spent on direct mail advertising. Why? This is probably because in 1999, business-to-business direct mail accounted for \$181.9 billion in sales and consumer direct mail accounted for \$297.2 billion in sales.* Love it, or hate it, direct mail works.

The Laboratory Of Direct Mail: Direct mail companies spend a lot of time and money "testing" mail pieces. You can conduct your own test with very little time or money by paying attention to what comes across your desk. If you receive a mailing several times a year from the same company then this means this mail piece has beaten everything tested against it. Take this piece and critique it to see what elements you might be able to use with your own direct mail piece.

Tip From The Business Lab: Keep a file folder of direct mail pieces (letters, self mailers, postcards, envelopes, brochures, promotions, etc.) that catch your attention (both positive and negative attention). Ask your team to collect their own samples. When you are ready to do your own direct mail piece, take all these samples and separate them into two categories: business-to-business and consumer. Then take it one step further and separate your samples by type of response the mailing is trying to generate: a) traffic — motivating a visit to your website, your store, etc.; b) lead — motive the responder to request and receive more information; and, c) completed transaction — motivate the responder to call, order or join, etc.

Measuring Success: Direct mail advertising is designed to get a measurable response. A measurable response will depend on three main things: 1. your mailing list (who is the piece going to?); 2. your offer (what are you telling/selling/sharing with your recipient?); and 3. the copy and design of your piece (will the writing and "look" get people to read/react/take action?).

Tip From The Business Lab: The relationship you have with those on your mailing list is another important factor. Existing customers will typically need less "courting" because they already have a relationship with you and trust in your company. When determining how much to spend on your direct mail campaign, try to determine the "lifetime

value" of your customer. If the lifetime values of your customers are high, then spending more to acquire a new customer is generally a good return on your investment.

Where The Emphasis Belongs: The overall goal of your direct marketing piece will be to convey your offer, highlight the benefits and visually capture the concept underlying your message. Because you do not know which element your reader will be drawn to first, each individual element must be autonomous. As far as your copy is concerned, you can break it into the following categories: benefits, description, support copy, sweeteners and facilitators.

Briefly, benefits are what make the attributes of your product/service useful or attractive. Descriptive copy is used to replace the personal examination (i.e., the tire kicking). Support copy has to do with the validity of you, your company and the benefits you've described. Support copy includes: data/statistics/field research, examples/case studies, testimonials. Sweeteners and facilitators are typically incentives (sign-up for our "free" booklet) or choices (colors, models, etc.).

Tip From The Business Lab: Direct mail can be a letter, a postcard, a newsletter, a brochure, or an elaborate promotional package. There are many "expressions" of direct mail. The main goal of any communication with your prospect or customer is to convey your message and to help them understand how you can solve their problems. With this as your starting point, any communication can be a winning success.

More Information? If you would like to learn more about this important topic, please send an E-mail to kathy@thebusinesslab.com or fax a note on your letterhead to 281-517-0789.

Author's Note: Kathy Ellis is a Marketing Coach and the owner of The Business Lab, a full service marketing and graphic design company. We specialize in relationship marketing programs including database marketing, company brochures, client newsletters and promotional marketing materials for our clients. We share with you our FREE newsletter to showcase powerful marketing tips, techniques and ideas to help you improve your business. The Business Lab is based in Houston, TX at 281-517-0998 or by E-mail at kathy@thebusinesslab.com

* Source: DMA-1999 Economic Impact: U.S. Direct Marketing Today Executive Summary