How To
Get great
Results
with
Direct
Mail
Marketing

a simple, step-by-step guide to effective direct mail marketing from your friends at PrintMailers

Get Results.

The "How to Get Results" booklet is a compilation of the many valuable tips, techniques and strategies we've gathered since 1988 in the print and direct mail industry from hundreds (honestly, we've lost count) of successful direct marketing campaigns. Included in this guide are tried-and-tested ideas to help you:

- **Increase your response rates and sales**
- **Select the right list for maximum response**
- **Write copy that will get attention**
- **Design offers that your customers can't pass up**
- **Track and test your campaigns**
- **Schedule, plan and execute all the details**

And so much more!

Whether you are a start-up company embarking on your first direct mail effort or a seasoned marketing professional with a Fortune 500 company, we hope you'll find this information helpful. If you have any questions on how we can help you achieve your marketing goals, please give us a call **toll free at 800-656-8883.**

P.S.

To sign up for our Direct Mail **"Tip of the Week"** in your email inbox— just visit our website at www.PrintMailers.com. **It's FREE!** ;-)

The POWER of Direct Mail

The Advantages of Direct Mail over Other Advertising Media

There are many ways to advertise your product or service. Think of all the options– newspaper, magazines, TV, radio, billboards, Yellow Pages, direct mail. How do you decide which is right for you? Any effective advertising campaign will usually use a mixture of several methods to create the leverage that increases results. However, direct mail has been increasing in popularity recently because of its proven effectiveness. So why should you use advertising mail?

Because it is highly targetable... Unlike other advertising media that appeal to a mass audience, direct mail is unique in that it allows you to **pinpoint a specific audience to receive your message**. Using a variety of readily available demographic information, it's easy to zero in on exactly the type of person who is likely to buy from you. Then, your ad dollars are spent talking only to your most likely prospects. Think of it as the *"rifle shot"* approach rather than the *"shot-gun"*

Direct Mail is:

• Highly targetable

• Personal

• Measurable

• Testable

• The most accountable advertising media– you know exactly how well it works

method. Direct mail works best when you have a definable audience that is smaller than everyone on the block.

Because it is flexible... Advertising mail gives you the space and flexibility to be creative. You are limited only by your imagination, your budget, and what can be sent through the mail. Compare that to the choice of a full page or half page, 30 second or 60 second spot. Whether a one page letter, a brochure or postcard, product samples in tubes, or a complete catalog, **direct mail is flexible enough to generate leads, make sales, or just build awareness.** The ability to tailor the mail piece to the audience and purpose is like having a Swiss Army knife on a camping trip.

Because it can be personalized... With the flood of marketing messages bombarding consumers today, the advertiser who can deliver information that relates to the individual recipient has a far better chance of standing out from the crowd. In its simplest form, personalization can be no more than a laser letter addressed specifically to the recipient that also uses the receiver's name in the body copy, and concludes with an actual signature of the writer. But using the magic of computers, direct mail advertisers have the unique ability to mass market to an audience size of one. In other words, a different message can be delivered to each recipient based on what you know about that person. Think of the possibilities. The "special offer" can be tailored to each recipient's buying habits,

or different mailers can be sent to various segments of your customer list. No other media has this ability to talk individually to every recipient.

Because it is measurable... With the use of offers such as "Bring this card in & receive a free gift", direct mail has a distinct advantage in its ability to track results of an ad campaign. Response usually happens immediately after a mailing, and with a carefully designed response mechanism, it is easy to know very quickly how good the results are.

Because it can be tested... Before a full-scale mailing campaign is conducted, it is easy to run test mailings to smaller segments of your list, making different offers or using different designs. Coupled with the response measurement mentioned above, you can easily determine the most effective package before rolling out a full-scale campaign to your entire list.

Because it works... The most important reason that you should consider adding direct mail to your advertising mix is that it has **proven to get results.** All types of companies have found that it is a cost effective way to generate business, which is the reason that ad mail is one of the few forms of advertising that has grown in usage over the last few years.

This booklet will explain some ways that you can tap into the power of direct mail.

What it takes to be *successful* @Direct Mail

Congratulations! You've decided to get some facts on what it takes to plan a successful Direct Marketing project! (The optimum word being successful.) You want to know– what is it going to take? Let's just say it's like buying a "fixer-upper" house: it always takes more work than you expect, but in the end, it's worth it!

Let's examine the facts concerning direct marketing:

- The fact is, **it works.**
- The fact is, you can **prove that it works.**
- The fact is, you can (to a certain point) **make it work better.**
- The fact is, if it works for a small group, typically it **will work for a larger one.**

For those of you fearless folks who have heeded our warnings and are up to the challenge, let's roll up our sleeves and get to work!

What does it take?

Commitment: You *must* **be committed** before expecting that direct marketing will work for you. Not because we say so: it's proven that direct marketing works. Maybe you have heard someone say, "Y'know, I tried that stuff, and it just didn't work for me." The number one reason people fail (notice: it's people, not direct marketing) is because they don't get behind the idea 101%; they're afraid of it, or they don't understand it. They mail one thing, hope for the best, and quit. To make direct marketing work, you can't do a "one-time shot." **Commit to at least three mailings** (or advertisements), and commit to allocating the resources it takes to do it right. After you understand direct mail better, it will become much easier. If you're not ready to make the commitment necessary, you're better off using your resources somewhere else.

Planning: Planning is essential. Direct marketing is like a science project: if you are organized, understand the science involved (it is a science) and follow through, you will be amazed at the results. Planning begins early and is sustained throughout the project and beyond. Be sure to let the experts in on the plan, as they can offer

solid suggestions to save you both time and money.

Understanding: You must understand your business. **You must be ruthless in examining your business, and then decide what it is that you want to accomplish.** You must understand your product(s), your customers, your competitors, and your fulfillment strategy (if applicable– and often overlooked. *See Fulfillment on page 19)*. Determine what you want to accomplish, and focus all of your energy into delivering results. Ask yourself:

- **Do you want new customers?**
- **Do you want missing customers to find their way back to you?**
- **Do you want prospects?**
- **Do you just want information?**

Understand what it is that you want to accomplish, and then set goals to achieve it.

Goals: *Always set goals.* Write down what you want to accomplish. Next, make a plan and do everything in your power to get results. Let nothing get in the way of achieving those goals. Set incremental goals, set goals based on what you really want ("Improve October sales by $10,000 from previous year" is much stronger than "Improve response rates by one percent."). Set goals to reduce costs, to test different offers, different lists, etc. Remember, **write them down**, and then **be committed to accomplishing your goals.**

Advanced Direct Marketing:

If you do the following three things, you will be in the elite 10% of all direct marketers...

Track your results
You must have:
1. **Something to track** (the offer)
2. **A way to track it** (Key code, coupon, special phone number, etc.)
3. **The people to keep track** (your employees must be trained in advance).

Don't forget to ask the experts to help if you're not sure how.

Results/Cost Ratio
By collecting the costs of the mailer, and dividing it into the results achieved, you can have a clear idea of the success of a mailing (better than just tracking response rates). With this information, you can tweak your marketing by lowering the cost of the mailing, boosting the results, or a combination of the two to increase the ratio (a high number means your mailer is a winner). Remember, the idea is to get your response to pay for your mailer!

Test
Testing is taking a good mailer and making it great by distilling down exactly what it is people respond to. Testing must be done under controlled conditions; test one thing at any one time, and keep track of results. Do your testing concurrently with the "control" mailing, and keep your data from getting skewed by "Nth" selecting *(see page 18)*.

What it takes to Get Results

In direct marketing, the least sexy is most important– the list. **The List!** No one gets excited about a list, unless you realize it's what will make that *"cha-ching!"* sound. One of the biggest reasons direct marketing fails is because the list is slighted. The reason is obvious– lists are rarely exciting. If you are seeking excitement, stick with image advertising (it's a lot more fun, until you have to pay for it). If you want results, get committed to your list.

The Best List

What is your best list? It depends on what you're trying to accomplish. Do you want to sell? Mail to your customer database. If they have bought from you once, chances are good they will buy from you again. It's easier (and cheaper) to get existing customers to buy from you again.

Your own list is always your best list, because it keeps you in touch with your customers and gives you the opportunity to know more about them; if you are not currently keeping such a file, then start NOW. Your list needs to be segmented; that is to say, you should set up different categories of customers by different criteria: amount of sale– by frequency of purchase– by time of year, etc. These are important variables and should be coded into your customer database.

Prospecting for new customers? Your own list is still the most important, but for different reasons. This list can be used to profile who your best prospects are likely to be. Knowing the characteristics of your best customer can help you find other prospects like them, and determine not only who we mail to, but the nature of the mailer that will be the most effective. The largest direct marketers in the country follow these practices– it's the smart way to mail.

You may decide to use other lists in addition to your own. Lists can be bought, rented, or even borrowed. It is always smart to rely on the professionals to help you choose the right lists. They have lots of experience with different types of lists and different list companies, and know the right questions to ask. Costs will vary according to the criteria and usage. Remember, getting your message to the right people is vital– don't skimp on it!

80-20 Rule of Success in Direct Marketing is:
- Right List: 45%
- Right Offer: 35% } 80%
- Right Creative 20%

You must remind your customers you're still out there. Lands End and other catalogers never cease to remind their customers– keeping track of where they live, and what and when they buy.

The Offer

Without an Offer, you're not Direct Marketing. Without an offer, you're just retail selling in unusual places. Without an offer, how can you track your results? **You must have an effective offer to have an effective mailing.** An effective offer is one that motivates response– it answers the question of the customer "what's this going to do for *ME??*" An offer must be believable, must break through the clutter and motivate a response NOW, and must be creative... think about what motivates you to get out your credit card. Put yourself in your customer's shoes- what is it that will get them to respond? (Note: this is important: you MUST appeal to your customers, not appeal to your industry or yourself).

Copy

Your offer should be surrounded by smart copy. If you must choose between effective copy and great design, **go with copy every time**. If it's pretty, but doesn't tell customers what they need to know, it's going swiftly and surely into the recycling bin.

Writing copy and coming up with compelling offers are skills that are best left for professionals. It takes an experienced writer to do results-oriented direct marketing. When interviewing writers, ask for results. If they can give you numbers, keep talking. If they can't, say thanks and hang up.

Timing

Timing is often overlooked. It seems so obvious on the surface, but bad tim-ing can be disastrous. Sometimes it's something that's out of our hands, like natural disasters and wars. Seasonal timing is critical (ask a retailer a month or two before Christmas). By closely watching your competitors, and seeing when they mail– you can get an advantage by beating them to the punch. Following up with inquiries while they are still warm... there are so many ways timing affects efforts– don't overlook it!

Tracking

Without tracking, there is no Direct Marketing. See how it all comes together? By tracking results, you have control of your destiny! Without it, you are only guessing. Tracking is not just for success; our failures can also provide us with good information. You must consider all of the information (good or bad) and act on the results.

Testing

Testing separates the marketing professionals from the marketing remedials. But testing can only be done by those who have done all the ground work- tracking, follow up, etc. Testing utilizes a good mailing, identifies what makes it work, and then aspires to make it even better. The following pages expand on these concepts in greater detail.

the list:

Got sales? Love your list

Who you mail to is **THE** most important part of your direct mail program. Remember, one of the key advantages of direct marketing is that it is highly targetable. If you can identify the key characteristics of your current customers, you can easily find new prospects who are just like them. Depending on what you are trying to sell, there are three primary methods for consumer targeting.

The first is easy, simple **geography**. If they live or work close to your store, they are a prospect. This type of targeting might work well for a donut shop or dry cleaners, where the convenience of location is a powerful magnet, and everyone in the area has a need for your service. It is also the least expensive. Be careful though. If everyone in the entire metropolitan area might be a prospect, there may be more efficient ways to reach them all. Direct marketing based on geography works best if you have a **limited number of stores that are convenient to certain areas of town.**

The other two types of targeting, using demographics and psychographics, are based on the principle that "birds of a feather flock together." In other words, if you know what kind of

people are your current customers, you can easily find others like them. Develop a profile of your customers based on these variables, then purchase a list of similar kinds of people.

Demographics means using statements of fact about a person. Things like your age, income, home value, presence of children, etc. are examples of facts that are derived from various public records and census data.

> **Your own customer list is the best in the world** – but only if it bulges with information about each customer. *source– Guerrilla Marketing's Golden Rules*

There is no sense in advertising kids toys to someone with no children, a Mercedes to someone on food stamps, or home improvement services to an apartment dweller. Demographic data is probably the most common targeting mechanism, is readily available from most consumer list brokers, and is reasonably priced.

Psychographics define people's lifestyles and what they like to do. It is as much an art as a science. Are you a golfer or a tennis player? Do you have a penchant for pick-up trucks or sports cars? Like the theatre, or prefer the stadium? People with similar demographics could fall on either side of these questions, but why pitch a way

to hit your drive 20 yards farther to someone who is an avid tennis player? There are only a few companies that specialize in psychographic profiling. These lists are more expensive than the two previous varieties and should be used only when you have a fairly sophisticated understanding of your target market.

Database Marketing

In order to decide which is the best list to buy, orient your marketing plans to develop a customer and prospect list that is brimming with useful information. Remember, **it costs five times as much to make a sale to a stranger than it does to a customer,** so the development of a relationship with your prospects makes them customers waiting to be born.

If your business depends on getting a continuing stream of orders from a lot of different customers, use the "RFM" method *(Recency-Frequency-Monetary)*. This theory was one of the first list segmentation methods developed by direct marketers, and nearly revolutionized the industry. It is still applicable today, and can account for **90% of the reasons for repeat sales.** The theory holds that you can predict the likelihood of future sales based on an evaluation of three variables, which are readily tracked from current sales data.

Recency of last order	**35%**
Frequency of orders	**50%**
Monetary value of orders	**15%**

Use this information to group your

existing customers based on how hard it will be to get the next order, then tailor your offer accordingly.

Otherwise, you'll want to collect information from wherever you can find it that will help your sales force establish an on-going relationship with your best customers. Hold seminars about your new service for those who tell you they are interested. Invite them to a party where they get to know you better. Learn what type of people you're doing business with now, and you'll be able to accurately target your best prospects using a purchased list.

The Technical Issues

Once you have found the perfect list of prospects, be sure to use good list hygiene. Remember, our population is highly mobile, so use the National Change of Address (NCOA) service to be sure your mail goes to the right place. Add barcodes and other endorsements that help the Post Office handle your mail efficiently through automation. Be sure to get rid of duplicate names and address people using the proper gender. Nothing can make your efforts look amateurish quicker than mailing multiple pieces to the same address, one addressed to Mr. Pat Jones and the other to Ms. Patty Jones, who are in fact one and the same person. And finally, presort your list to take advantage of postal rate discounts. Your list provider should be able to handle all of these things for you at a reasonable fee.

the copy:

An Offer they can't refuse...

What you say is the next most important thing– next to who you say it to. The Copy has one purpose: **to motivate a specific person, to do a specific thing,** *now.* Do you want to sell? Then close the sale. Do you have a product/service that requires more information, or contact in order to close the sale? Then motivate them to start the process with a request for more information, a free quote or consultation, etc. You should understand what it will take to make a sale, and move them along in the process.

The Offer, The Benefit, The Close, the Call to Action

You must communicate the **urgent need** of your product or service. You must make an **emotional appeal** to the **one person** who needs what you've got (you may be mass mailing, but your offer should never be to the many– it should always be to the "one"). Spend the time to determine the **unique benefit(s)** that your product or service provides. Avoid product features that don't communicate benefits like you'd avoid boulders on the freeway. Think of it this way– bald men don't use Rogaine because it contains a .2% solution of Minoxidil! They use Rogaine to look younger and sexier (one would argue the main benefit is confidence... a by-product of growing more hair).

Once you've identified the major benefit, use it to repeat the offer. <mark>As you move to the close, heighten the tension– what will happen if you don't act right now! As you close, tell them what you want them to do.</mark> If you're selling, then **ask for the sale.** Tell them again (with benefits) why they should **act now**. Sweeten the deal with a **FREE offer**, and alleviate their worry with an **unconditional money-back guarantee.** Finally, **call them to action, now!** Give them a number of ways to contact you, or to order your product/service: Toll-free phone numbers, web sites, email, fax, mail, etc. Expire your offer, so they must act quickly; *"Limited to the first 500 who reply to this offer,"* gives the appearance of **exclusivity**. Whatever you do, get them to act quickly. Otherwise, you'll end up in a pile of papers– once you enter the "pile," chances are poor they'll respond at all.

The Headline

As far as the copy goes, nothing comes close to the headline. Spend most of your time word-smithing until your headline is absolutely flawless. Avoid cute, funny, meaningless gibberish. Craft your headline like your very life depended on it. One way of composing a great headline is

1. Identify a problem
2. Provide a solution in the form of a benefit
3. Provide additional incentives to use your product or service right now!

An example might be a dry cleaner who, after doing some marketplace surveys, determined *delivery* and *same-day service* were the two biggest hot-buttons for their prospective customers. The unique benefit is time for busy people, and getting their clothes back quickly. The headline would be:

Still Waiting for your Dry Cleaning?

ABC Cleaners Will Deliver Your Dry Cleaning Tonight– Or it's Free!

Communicate

Have you noticed commercials on the Cartoon Network have a different tone than the commercials on ABC News? Why? Eleven-year-olds (typically) don't watch network news *(not that many adults do anymore either, but that's a different article)*. You must know exactly whom to direct your marketing to. Everything you send is communicating a message. Is your message (and vehicle) geared to effectively communicate to your intended audience? Don't send "Scooby-Doo" mail to a CEO.

How Long?

Tell your story, present your case, and don't waste anyone's time. If you need five pages of single-spaced, double-sided to truly present your product's unique benefits, then do it! If you can convince me with a postcard, that's great! Remember, **it's only junk if I don't need it.** If it's something I need (even if you just convinced me I needed it), I'll read five pages. Keep in mind your audience. If your package is targeted at Executive level business people, you better make your case *briskly*. The best strategy for extremely busy people is to whet their appetite, and allow them to ask for more information. This accomplishes two things: you are providing them with something they want (more info), and you have pre-disposed them to say "yes" to your closer. If you understand who your audience is, and how long their attention span is, that will tell you how much copy your mail should contain.

What do you want– the Call to Action

Is there even a shadow of a doubt what you want your prospect to do? Then keep working until it's absolutely clear. Do you want them to come to your store? Tell them to bring in the Coupon! Do you want them to order over the telephone? Tell them to call your toll-free number right now!! Repeat the call to action several times. Limit the time your offer is available. Offer something for free. Overcome their objections with a money-back guarantee. Direct Mail is many things– *subtle* shouldn't be one of them. Don't leave them guessing– motivate them to act– *now*! The copy's job is to sell or start the sales process; make your offer in the form of benefits, then close the deal and call them to action *NOW*!

P.S.

It's a fact: most folks don't write well. If you're one of 'em, admit your shortcoming and find someone who does write well-preferably someone who writes for response, who understands the power of effective communication (effective = response). If you do write your own stuff, let an objective peer critique it. Be ruthless in self-criticism; eliminate unclear statements, repeat your offer many times, and, most important, close the deal.

Seven Quick Tests To Increase The Effectiveness Of Your Direct Mail Package

You've just finished your direct mail copy and are wondering if it has the "right stuff." Find an unbiased volunteer and have them help you try out these seven tests to determine the effectiveness of your project.

1. The Scan Test

Quickly look through your package. Read only the headlines, subheads, captions, postscripts, and copy that's highlighted via attention-getting devices that truly stand out. Is it clear what you are offering? Is it clear why your offer will benefit the prospect? Does it make you want to read more? It should.

Tip: If you want something to jump out at you, highlight it in yellow, print it in **bold** or underline, set it off with • bullets, or anything else that makes it stand out.

Like this!!

2. The Comprehension Test

Give the direct mail package to someone who fits your target audience profile but who is unfamiliar with your product. After one reading, can that person clearly tell you what the product or service is, what the benefits are, what the offer is and how to order? They should be able to.

3. The Differentiation Test

Does the combination of graphics and copy differentiate your product from competitors? If you asked a prospect to read your copy and your competitor's copy, would he be able to tell how your product or service is different and why it's better? Strive to clearly differentiate your product.

4. The Plug-In Test

Plug in your competitor's product name into your copy (in place of your product name). Does it work? Plug-in your product name into your competitor's copy. Does it work? If it's interchangeable, work on creating some identifiable differences.

5. The Puff Test

Go through your copy and highlight the "puff" words and phrases (like best, greatest, and other generalized adjectives). First, try to eliminate these words. Is the copy stronger? Does it flow better? Second, where possible, replace the general hype with specific facts. For example, it's more compelling to say "rated number one by…" than "this is the best product available."

6. The Believability Test

Again, have someone read your package and have them mark off claims or promises that are "hard to believe." Believability sells, hype doesn't

7. The Immediate Clarity Test

While doing the "believability" test, have the person also mark off words, phrases and ideas that aren't immediately understood by him or her. Rewrite for clarity.

creative:

Make an emotional connection

The **list** is most important, the **copy** *(offer, benefit(s), close, call to action)* is a close second, but don't forget the **creative**. Your cre-

ative package needs to do three things: **1. Get opened 2. Be visually appealing and cause an emotional response, and 3. Effectively communicate the offer.** The copy and creative are so interdependent, your copywriter and your layout person should work like "Abbott & Costello" to ensure success. It's vital that the creative complement the written word, both in style and substance. If you find the art overpowering the word, or distracting from the message, it's time to reign in that overzealous artist. Remember, the goal is to make the cash registers ring, not to win design awards.

Postcards and Self-Mailers

Postcards are extremely popular. They're cheap, quick, and effective *(on average, a postcard is at least 12 cents less than a letter package).* Postcards should be part of your direct mail arsenal. There's no envelope to get in the way of your pitch, and they're so succinct that most (if interesting) get read. You can also expand the amount of information contained in a postcard by doing a fold-over self mailer. Using the latest technology, you can personalize a postcard with variable text *and* graphics. Make sure your postcard contains all the

> Be careful not to exclude other more effective forms of direct mail for the added savings. It's how much profit you make, not how much it costs

response generators: the Headline, the benefit, the offer, the close, and the call to action.

Postcards should follow the famous line from an old Clint Eastwood movie– "A man's gotta know his limitations." **Keep it simple.** Focus on one, maybe two of your major selling points. **Color sells**, so definitely go with color, both

sides! Don't scrimp on the mail-panel side– that's where your prospect's name is (the most beautiful word in the world– to them). Sell with a coupon, offer something for nothing (can you say **FREE**?). If you have a product or service that is too complex to sell direct, use the postcard to entice someone to receive more information. Sell to them with your in-bound telephone or order web site, but drive them there with an intriguing postcard.

The Letter Package

The Letter Package is the "Rolls-Royce" of the direct mail world. The top 10 direct mail pieces in history are all letter packages. The reason is obvious– the letter package *(traditionally)* sells the best.

It's been said "the letter sells, the brochure tells, the reply card compels." Let the letter sell! A major component of selling is educa-

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Let's look at what makes a direct marketing letter work:

Headline is the first place your eyes will look

Bullet copy is next

"Hand-written" margin notes are a great way to add a human element to your letter.

The "P.S." is typically read before the rest of the letter, unless you have something else that catches the eye

This is where the punchy headline goes
This is the first place people look...

Joe Prospect
Incredible Inc.
1245 Inspiration Parkway
Hometown, CA 99999

Dear Joe,
    I'm writing you to let you know about an incredible offer that's only going to be available in your area for a **short time**.

- **It's so great I can't even tell you what it is**
- **I'm so sure you'll love it, I'll send it to you FREE**
- **If you're not completely satisfied, send it back for a complete refund**

    I'll give you a hint Joe: it's going to revolutionize the way you use the telephone. If you spend more than $30 dollars a month in local and long distance charges, and pay extra for internet connection, **you'll be astounded at how much money you are currently throwing away.**

    Sally Jones, one of our sales associates, will call you in the next few days to set up a time when she can tell you about this amazing device. I urge you to make time for a 20 minute presentation.

Thanks, Joe!

Jim West

Jim West
Product Manager

PS: If this product doesn't save you at least $1,000 in the next 18 months, I'll write you a check for the difference.

Joe, don't let this opportunity pass you by!!
--JW

tion, another is relationship-building, removing obstacles, and finally the close. Use all of these to your maximum advantage.

Your letter should be personalized, and utilize personalization throughout your letter. Utilize the data you have—even if you're sending 250,000 direct mail packages, personalization has the power to appear personally sent.

Looking at your mailing list, does it contain personal information or lifestyle demographics? Think of creative ways to craft your letter to zero in on prospective buyers. A list with birth-dates could be used to send a coupon to the spouse of the upcoming birthday boy or girl. Talk about someone ready to spend some cash!

Other ideas to boost response: Peel-off label, post-it note, tear-off coupon. Notice all of these engage the reader in action.

Envelope

Not every Direct Mail program has an envelope, but almost all of the most successful programs do. When the mail hits your prospect's box, you've got less than five seconds. They are standing by the trash—either they'll open it immediately, set it aside for later, or chuck your hard work in the dumpster. The envelope may be your only shot.

The Brochure

Now that you have their attention, give your prospect more information with a well-designed brochure. Color

does better than plain, large images better than small. The content should expand the information contained in the

> "Old-School" Direct Marketing uses courier to mimic a type-written letter. Most letters nowadays use Times-Roman.

letter, and it's tone should be more educational than "sales-ey." Repeat your offer and call to action. Repeat your guarantee; give your prospect all the reasons in the world to order now, and simultaneously remove all the doubts that you can.

The Response Vehicle

The type of sale you are attempting to close will often determine the response vehicle. It may be a **coupon** (the vehicle is your prospect bringing in your coupon); it may be a **business reply card** requesting more information. The higher the dollar, the more steps it will take (generally) to close the sale. If you're selling a consumer item, provide a **toll-free number,** a secure-transaction **web site**, or a **return-postage paid envelope** for their check (why not all three, and let your customer decide?). Remember, you want to make it as easy and painless as possible. Put yourself in their shoes, and make every effort to facilitate the sale.

Other Ideas

Product samples make great direct mail. Everybody loves getting something for free, and they get to use your product. *[Remember the coupon for money off.]* **Videotape** and **DVD** packages are almost a lock to get opened and viewed. Their (*relatively*) high cost is offset by the quality of leads they

generate. **Catalogs** have long been one of the more effective forms of direct selling. The explosion of catalogs, from general merchandise to the outrageously specific, testify to their effectiveness (and shelf-life). Catalogs are costly, so weigh the cost versus the potential upside. If you're considering a product catalog, get on as many product catalog lists as you can, and give yourself a free education of what works and what doesn't. Common mistakes are covers that don't sell, and catalogs with poorly designed order forms.

Other types of mailers that are gaining popularity are ones that stand out in the crowd, involve the reader, and stick around. One way to stand out is with **dimensional mailers**– mailers that are 3-dimensional. "**Snap-outs**" are made to maximize involvement (tearing off tabs) and personalization. When opened, a personalized "check" or coupon falls out of the piece (remember, anything that gets the prospect involved, even picking up a slip of paper, increases response). For the ultimate in "sticking around," try a **magnet mailer.** The extra cost is more than made up for by the shelf-life of your name and number.

Warning

One last heads-up: The Postal Service (which delivers 630 million pieces of mail every day) is *very* particular about how mail pieces are designed. The Postal Service has invested big bucks in automation, and for good reason. Automation increases the amount of mail that can be processed by about 10,000 percent over a person doing it by hand. Needless to say, if you design your mail incorrectly, you're in for a lot of extra postal expense.

Color Affects Response...

COLOR PSYCH–

Red	powerful, exciting
Black	accomplished
Blue	secure, peaceful
Brown	dependable, logical
Cream	calm
Gray	secure, calm
Green	calm, natural
Pink	sweet, soft
Tan	calm, natural
Violet	regal
White	pure
Yellow	happy, sunny

Different colors can alter our mood by inspiring serenity, agitation and even hunger. **Red** is a powerful attention-grabber, and has been shown to increase response. Here are some killer color tips:

- Use your colors consistently. Over time, consumers will learn to associate your business and its colors.
- Keep your colors simple and recognizable.
- Don't make a long-term commitment to this year's trendy color.
- Don't overdo it. Excessive non-white color coverage can overwhelm, making your material hard to read and less inviting. You might find that conservative, strategic use of spot color can be more attractive and effective than a sheet of paper painted thick with solid color coverage.
- *Don't take our word for it*. Test all the above.

follow up:

You're not finished...
you're just getting started!

Before you mail, you better be prepared for the follow up— **training, tracking,** and **testing.** And if your offer is for merchandise direct, welcome to the world of **fulfillment**. How will you handle the barrage of inquiries? How will you know where they came from? You've got to have a plan in place for what you'll do after the responses come.

Training

Training might include any of the following:

- **Telephone training,** so your prospects clearly know who they're calling (as opposed to *"Hi, WidgetInchowcanIhelpyou?"*), and the people they talk to can answer their questions or take their orders.

- **E-mail follow-up**, either train a few folks to handle responses, or develop an automated system to track and reply.

- **Sales training,** so your sales and marketing people are on the same page.

- **Fulfillment strategy** (see page 19.)

Tracking

Tracking results is what makes Direct Marketing accountable. If you track your responses, sales, inquiries, etc., you can know to the penny how effective your mailing was, and know the cumulative effect of a mailing campaign over time. To track results, you must have something to track, and you must have it in place when you design your mailer. Here are some of the best, most effective ways of

tracking results.

- **Redeemable coupons:** Not much guesswork on this one; you count up how many coupons, and keep track of when they came in and the amount of the sale. If you have multiple coupon sources, make sure you have some way of telling them apart. This can be done by color, or by printing a code that's meaningful to you.

- **Internet tracking**: The easiest way to track is to use a "bounce" page that redirects to a general page, but captures where the lead came from by using your web logs. Your response mechanism drives the prospect to your web site. When the order or form is submitted, you receive an e-mail or a dynamic data base is updated (or both). If you're familiar with web coding, it's pretty simple; if not, contact someone who is, and they can help you.

- **Key-coded tracking:** This method is used when tracking multiple responses simultaneously, especially when testing (we'll get into that later). Key codes are just the identifier that lets you know what source the response came from. Many catalogers use codes encrypted into the order form or mail panel. When you place your order, the operator will ask you for the number in the yellow box on the back; that number lets them know exactly what was mailed, when it was mailed, and may tell them more (repeat cus-

tomer, first time, etc.).

- **Key coding for telephone response** can work several ways. The best way is with a separate phone number or extension (toll free, of course) that rings to a special separate line or rolls into an automated attendant that is keeping track of the number of calls and their phone numbers with caller I.D. Or it can be as simple as "ask for Susie" on this month's mailing, and "ask for Becky" next month. (And of course, "Becky" or "Susie" always answer the phone, regardless of who answers!)

With accurate tracking, you can know exactly how effective your mail was; and armed with that knowledge, you can take your mailer to the next level— Testing.

Testing

Testing is a way to try out an idea on a small group before rolling out a large campaign– like using polling data of a small cross-section to determine how the masses will vote. The most effective testing is done with existing mail campaigns. By testing, you can take a good mailer and make it a great mailer. If you presently test your mailings, or are planning to start, congratulations! You've graduated into the elite of marketing. Here are some ground rules to testing:

1. **Maintain "Control."** A control is something that doesn't change. It's your tried-and-true mailer; devel-

op and send other "test" mailers, but continue to send out your "control" mailer. That way, you can accurately tell which is the better mailer. When you can prove that a test mailer beats the control, retire the old control, and promote the winner to the new **"Control".**

2. **Test only one thing under controlled conditions.** Remember, this is science. If you "test" more than one thing at a time, it's no longer a test (how would you know which change made the difference?). Stick with the big issues: the offer, the type of package, or the wording. If you run a test concurrent with your control (the standard mailer), you should "nth-select" your list so the list doesn't skew the results *(see sidebar)*. If it's the list you're testing, don't change the package too... remember, test one thing, and keep track of your results.

3. **Use key codes** to code different test groups, so you can accurately track your results.

4. **Keep accurate records**– this is crucial!

Take action. It may be one mailing has lower response rates, but sale closing is higher. Or a more expensive package makes up for the cost by increasing the response rate. Determine what is best and then try to beat it!

Nth Select: A repeating fractional unit. For example, for an 'every 5th' sample, the computer would select the 5th, 10th, 15th, 20th... it is a way to do a controlled selection within a list.

Should you handle your own fulfillment?

Does your direct marketing project involve sending out merchandise, information packets, or other material in response to inquiries? If so, you'll have to think about how to fulfill these orders or requests. Some things to consider are:

- What kind of material must be sent, and in what quantities?
- Do you have storage space available?
- Do you have enough personnel to handle the shipments?
- Do you have a good way to process payments, if needed?

FACTORS TO CONSIDER:

The size of your company

Your available personnel

Your physical facilities

You'll want to respond quickly to these requests, as your customers expect to receive their order promptly and accurately, and you want to act while their interest is high. If you aren't prepared to handle your own fulfillment, it might be wise to enlist the help of your direct mail experts in managing this crucial task.

Loyalty Programs:

Treating Your Best Customers Like Kings is Good For Business

Eighty-percent of your business is generated by 20 percent of your customers. Does it make sense to treat those few customers who mean so much to your business extra-special? Airlines do. Major department stores do. Even the corner dry cleaner (if they are wise) offer perks to their best customers. So what does it take?

We miss you!

You should institute a program that keeps track of **last purchase**, especially when you haven't heard from one of your top 20's in a while. Let them know you miss them and give them a reason to come back.

It starts with a determination to recognize your best customers and reward them. It takes your **house list brimming with useful data**, and your dedication to **keep it up-to-date**. Then it takes a little imagination: what do your best customers want? Number one is simple: they want to feel special! Remember them on their birthday or other special occasions, and send them a coupon (or even better, a little gift!).

How do you take a good customer, and make them an even better customer? Follow the lead of the credit card companies, airlines, and department stores– **Silver, Gold, and Platinum Clubs.** Mine the middle of your list of customers, and give them the distinction of being in the "Silver Club." Let them know how special they are by letting them in on special deals that only the "Silvers" can get in on, but also tease them with what they could be in on if they were in the "Gold Club." Let them know how they can become part of the elite (typically, spend more money). The "Gold Club" has access to special offers not available to the general public, such as special shopping hours, pre-sale access, etc. "Platinum Club" gets the red carpet treatment. Perhaps a special dinner where you preview next years merchandise, access to sporting events, etc.

It's up to you how extravagant you want to make your loyalty program. If you are a small business (that wants to get bigger), have business cards printed with "punch" spaces– buy four, get the fifth free– to encourage patronage.

Do you send statements or invoices? What a great time to send out customized coupons using the data you've collected! **Take advantage of the free postage to not only collect a bill, but encourage another sale!** Loyalty programs are powerful; ask your direct marketing experts how you can benefit, what the costs are, and what you could offer.

scheduling:

What to do when

Whether you're mailing 500 or 500,000 pieces, there is a virtual laundry list of things to do to make your project successful.

Start planning your project by determining the **best "in-home" date**, or the day you want your piece in the recipient's mailbox. Your objective is to create an immediate response, so don't aim too far ahead of when you want that to happen. If you want them to come to this weekend's special sale, putting the offer in their hand on Wednesday or Thursday will prevent it from being forgotten by Saturday.

Once you've picked the in-home date, **work backwards from there to plan your production schedule**. Bulk mail delivery generally takes **2-3 days** within a local area, and possibly a week or more if going out of town. **Holidays** may affect delivery times also, so you won't be able to know the in-home day with absolute certainty. But consider all the factors, then pick the best day for mailing and mark this "drop date" clearly on your calendar. Your schedule is now firmly in your control.

How far ahead you will need to begin working will depend on what needs to be done. You'll want to start simultaneously along two fronts: **choosing the list** and **developing your creative**. If your in-house list is being used, take some time to be sure it is up to date. Otherwise, you'll want to run some list counts to find out how big your target audience is. This may take several days of refining your criteria to find the best list that matches your project budget and objectives.

Meanwhile, decide what type of mail piece you want to use and begin designing the artwork. This is often the **most time-consuming** part of any project, especially when you are starting from scratch. While it may take only a day or two to modify the copy from a previous mailer, it may take a week or two to develop an entirely new piece.

Consider the **proofing process** in your timeline. How many people in your organization need to sign off on the design and copy before it can be released to print? How long will it take them to review? Failure to get timely approvals and making repeated changes to the artwork during the proofing process are probably the two biggest culprits in missed mail dates.

Once you have chosen the list and

The one thing we haven't discussed yet is **timing**. What is the right time of year or the right day of the week to make your pitch to a prospective customer?

finalized the artwork, it's time to release the project to your **printer** and **mail house** for final production. You'll want to plan the actual timeline with them, but **a good rule of thumb is to allow a week to 10 days for printing and mail processing.** The quantity of pieces being mailed, the need for any special materials such as custom envelopes, and the complexity of the production process will all affect the time needed.

It's always a good idea to get your printer and mail house involved early in the **planning phase.** They can help you avoid common pitfalls and assist in keeping the project on schedule. It's also helpful if they have the capability to obtain the list and design the artwork. Having a **single supplier for your entire project** is a great way to shave days off the schedule.

Sample Schedule

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1	2	3	4	5	6
	CHOOSE LIST AND GET COUNTS					
7	8	9	10	11	12	13
	ARTWORK DESIGN AND APPROVALS					
14	15 SEND TO PRINTER	16	17	18	19	20
	PRINT & MAIL PRODUCTION					
21	22 MAIL DROP	23	24	25 IN-HOME DATES	26	27
28	29	30	31			
	START GETTING RESULTS...					

appendix A

Action words.

Use proven power words. These words have been proven to add punch to your direct marketing. Try as many of these as you can in your next mailer!

Amazing	Fortune	Popular	Simplified
Approved	Free	Potential	Sizable
Attractive	Full	Powerful	Special
Authentic	Genuine	Professional	Strange
Bargain	Gigantic	Profitable	Strong
Best	Greatest	Profits	Sturdy
Better	Guaranteed	Profusely	Successful
Big	Helpful	Proven	Superior
Call	Highest	Quality	Surprise
Complete	Huge	Quickly	Terrific
Confidential	Immediately	Rare	Tested
Delivered	Informative	Reduced	Tremendous
Desired	Instructive	Refundable	Unconditional
Direct	Interesting	Reliable	Unique
Discount	Largest	Remarkable	Unlimited
Easy, easiest	Latest	Revealing	Unparalleled
Endorsed	Lifestyle	Revolutionary	Unsurpassed
Enormous	Lifetime	Safe, safest	Useful
Excellent	Limited	Sale	Valuable
Exciting	Love	Save	Want
Exclusive	Low, Lowest	Scarce	Wealth
Expert	Now	Secrets	Win, winner
Famous	Outstanding	Security	You
Fascinating	Painless	Selected	Zero %

Power Phrases

These phrases are hard-wired in the purchasing brain…

Limited Time Offer	Buy One, Get One Free	Custom-Made
Supplies Limited	Money-Back Guarantee	Next Day Air

Poison words.

Avoid these words like three-day-old sushi…

Bad	Deal	Loss
Buy	Death	Order
Contract	Fail	Pay
Cost	Hard	Sell
Dead	Liability	Wrong

FREE ADVICE!
Bet you looked here first...bet your customer's will too!

appendix B

Results Tracker

		Sample Mailer
How many pieces are you mailing		20,000
Historical or estimated value of sale to customer		$200.00
Historical or estimated number of times a new customer will buy in next year		2.2
Historical or estimated yearly revenue expected		$400.00
Typical Cost Per Piece		
Mail List Price Per Name (if applicable)		$0.05
Print/Production Cost Per Piece		$0.06
Postage Cost Per Piece		$0.19
Mailing Service (addressing, sorting and mailing)		$0.02
Creative Development		$0.01
TOTAL		**$0.33**
Predicted Results		
Total Cost of mailing		$3,300.00
Number of Responses		400
Cost Per Response		$8.25
Number of Sales		50
Cost Per Sale		$66.00
Total Sales Dollars Generated		$10,000.00
Total Campaign Return on Investment (ROI)		**$6,700.00**
Total Yearly Campaign Return on Investment		**$14,740.00**

Simple Formulas to Track Your Results

Response percentage
Orders received divided by pieces mailed
(200 orders/10,000 mailing = 2% response)

Gross profit
Income minus mailing costs
($20,000 income - $7,500 cost = $12,500 gross profit)

Cost per sale
Mailing cost divided by number of sales
($7,500 cost/200 sales = $37.50 cost per sale)

Average unit of sale (AUS)
Total income divided by number of buyers
($20,000 income/200 buyers = $100 AUS)

Cost per thousand (CPM)
Mailing costs divided by pieces mailed x 1,000
($7,500 costs/10,000 mailers x 1000 = $750 CPM)

PrintMailers Delivers Results!

Why PrintMailers? We're not just a printshop that mails *(there are plenty of those)*. **PrintMailers is a tightly integrated collection of disciplines—** from design and printing to mailing and fulfillment services— which helps businesses of all kinds get results with direct marketing and fulfillment. Because we specialize in direct marketing projects, our designers understand how to elicit response and keep mailing costs down. Our client service professionals not only keep track of your project, but help you track your results. We could go on, but the bottom line is this: integration means everyone is working as a team with one goal in mind — **delivering results for you.**

Direct marketing consists of delivering specific information to targeted prospects to generate a response. Many key elements exist in a successful campaign. *Creative design* and *list selection* are crucial. Good *database management* enhances personalization and reduces cost. *Printing* and *mailing services* are core elements. These interdependent components, as well as the people who make them happen, must complement each other to create the spark that generates results.

Fulfillment involves moving something from someone who has it to someone who needs it. Financial transactions, stockholder information, and pick-pack-ship are examples. These recurring events need to happen immediately after the information becomes available. *Inventory management* and *list maintenance* skills are critical. *Electronic file transfers* and *laser printing* are key elements. Specialized *mail handling* and *printing services* complete the project. Rapid turnaround depends on everything meshing smoothly.

Spend your time running your business

Spend your time doing what you do best— running your business! If making your business successful involves direct marketing or information distribution projects, you need a partner who understands the unique challenges of that project. Someone responsible for as much as you require— from simply printing or mailing, to managing the whole project— from idea to mailbox.

At PrintMailers, you have a committed team of professionals who sense your needs almost before you do— innovative enough to solve your unique problems. We've been helping all kinds of businesses since 1988. We're ready to deliver results for you.

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