

marketing sider

NEWS AND KNOWLEDGE FOR
TODAY'S MARKETER

INSPIRES!

PERSISTS!

PERSUADES!



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Why information is the world's best B2B offer

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Direct marketing 101: test for the best results

**SUPER POWERFUL
DIRECT MAIL PACKS A PUNCH**

marketing_{sider}

Dear Fellow Marketer,

"At the end of the day, we are all consumers." So says Canada Post's Jennifer Campbell, the featured expert in our cover story on the neuroscience behind direct mail.

What Jennifer means is that we're no different than our customers or prospects. We all can feel inundated by countless advertising and marketing messages; many that are irrelevant or ill-timed. As channel choices are growing, our attention spans – especially with digital media – are shrinking. How patient are you when you encounter a "slow-loading" website? If you're like most, you'll wait as little as six seconds before you abandon the page, according to stats from Kissmetrics.

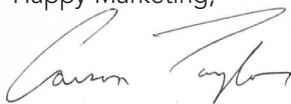
As a marketer, what can you do to cut through the noise and command attention? How can you reach your target audience in a way that's personal, memorable and has the ability to make someone feel special? The answer is the tried-and-true channel of direct mail.

Beginning on **page 6**, we're diving into a compelling 2015 study by Canada Post called "Breaking Through the Noise." It takes a look at the impact mail has on our everyday lives, so ingrained in habits that people ritualize it, attaching emotion and meaning. Based on the study data, we're sharing ways you can capitalize on this powerful channel to drive both impulse purchases and sales conversions that have longer cycles.

As always, successful direct mail campaigns are built on a commonly-accepted triad of the list, offer and creative. Take a look through the issue to find tips for starting with clean data to minimize waste and expense (**page 5**), what type of business-to-business offers drive the best response (**page 2**) and how high-impact papers can take a so-so printed piece to sensational (**page 10**).

At the end of the day, a multi-channel approach will deliver the strongest results. So when considering your next mailing, think about integrating a digital component, like a campaign landing page for recipients who like to receive mail but prefer to respond online.

Happy Marketing,



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P.S. Check out the back cover for information about our FREE guide, *The Ultimate Direct Mail Marketing Guide*. It's a must-have for your marketing resource library to help you drive better results!



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Inspires! Persists! Persuades!

Super Powerful
Direct Mail Packs a Punch



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World's Greatest B2B OFFER

Information ATTRACTS and QUALIFIES sales leads for LESS

By Ruth P. Stevens

In business-to-business direct marketing, I'm often asked about what kind of response rates to expect, about the most productive media channels, the best lists, the best time to conduct a campaign and the most effective qualification questions. I always answer the same way, much to the frustration of my listener: "It depends."

But when the subject of the best offer comes up, I don't have to hedge: "It's information."

Hands down, in most business-to-business situations, an offer of some kind of information about how to do your job better, how to solve a business problem, how to save time and money — this is the offer that will drive the best results for direct marketers.

Why? For the same reason that "free trial" is probably the

best all-around offer in consumer direct marketing. It combines the three magic ingredients:

- 1 A strong appeal that has high perceived value
- 2 An innate ability to qualify the prospect
- 3 A relatively low cost and risk

It attracts, it qualifies, and it doesn't break the bank. Bingo. The perfect offer.

But why does information pull so well in business-to-business? Because of the essential character of the business buyer. This person is trying to get a job done. When making purchase decisions, the buyer is thinking about the company and the job as well as his or her own personal benefit.

Information fits the bill perfectly. Think of the myriad benefits information can fulfill for a business buyer:

- Ideas for cutting costs or improving productivity
- Proof points like testimonials, research reports and case studies
- Insight into what's working for the competition
- Data that will help sell the idea internally
- Fresh content that makes the prospect look good, and smart, and like a valued contributor to the firm

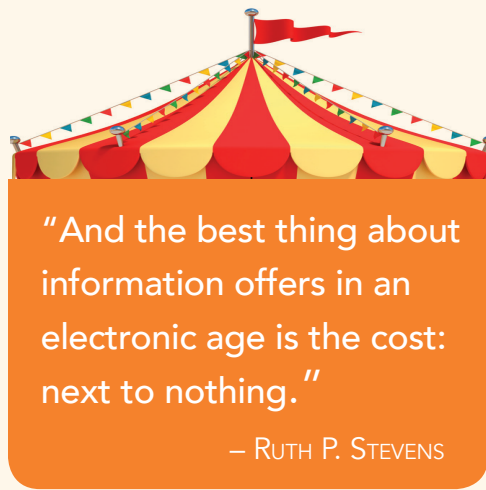
The most attractive information is very specific, gives immediate assistance on the job, and is deeply relevant to the business buyer. Thus, in turn, only business people who actually have that need are likely to respond. This means an innately qualified prospect. Compare the attractiveness of an offer for "10 Tips for Making Your Business More Profitable" to an offer like a "Free T-Shirt." I rest my case.

And the best thing about information offers in an electronic age is the cost: next to nothing. Sure, you can spend money. You do have to write the piece, or otherwise acquire the intellectual property. But when converted to a pdf download from your website, the incremental cost per piece is zero. Even when packaged as a book, a CD or a video, information is cheap on a cost/benefit basis. The variable production cost may be similar to that t-shirt, but the perceived value on the part of the prospect is far higher.

Of course, "information" is not just an offer. It's a category. Information offers come in all kinds of forms, each with its strengths and weaknesses. Let us consider how to get the most out of the leading formats:

WHITE PAPER | White papers have been somewhat abused of late, but they are still at the top of the list among powerful information offers. The secret to an effective white paper today is value. Make it very specific, both in title and content. Give an objective, non-sales-y piece of research that analyzes a business problem and its potential solutions. If you do include information about your product or service, put it in a discreet sidebar.

"10 TIPS" BROCHURE | Well, it doesn't have to be exactly 10 tips. But the content needs to be short, snappy and easy to



skim. Choose a theme that addresses an important pain point and provides real business value. Here are some examples:

- 10 Tips for Making Your Business More Profitable
- 7 Ways to Reduce Your Accounting Expenses
- The Top 5 Strategies for Cutting Cycle Time

CASE STUDY | Business buyers crave case studies because they make the solution real. A case study not only conveys credibility (the product works!) but also offers an appealingly voyeuristic view of how it works.

NEWSLETTER | Newsletters can be delivered in hard copy or electronically. In either case, they make a powerful offer if they are strongly positioned as material that will help readers do their jobs better. Self-serving copy is the kiss of death here. The key benefit of newsletters to marketers is their use as an ongoing communication device. If the content is useful, the newsletter is a low-cost way to nurture the customer relationship over time.

How to choose

The best way to choose among these myriad information offer types is to map the information to the prospect's stage in the buying process. For example, early in the process the buyer is analyzing the business problem and researching solutions. At this stage white papers and research reports are ideal for establishing your credibility as a supplier.

Later in the process, the buyer might be interested in case studies that provide real-life examples of your product at work. Similarly, a product demo may be the perfect offer to move the prospect along the buying process. ■



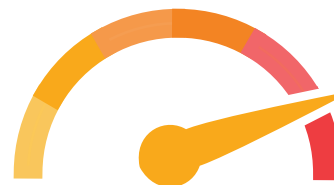
Ruth P. Stevens' expertise in customer acquisition and retention derives from a decade and a half of hands-on marketing for both large enterprises and start-up companies. Just prior to beginning her consulting practice, she served as chief marketing officer at an Internet company in New York City. Ruth is a frequent contributor to a variety of marketing publications and author of "Trade Show and Event Marketing" and "Maximizing Lead Generation: The Complete Guide for B2B Marketers." She is past chair of the Business-to-Business Council of the Direct Marketing Association.

Mail lands at the TOP OF THE HEAP

Nearly 6 Times Stronger Than Digital

With a house list, direct mail scores a 3.7% response rate vs. 0.62% for all digital channels combined.

Source: *DMA Response Rate Report*, Direct Marketing Association, 2015



Commands Attention

Eight of 10 people say they read mail the same day they receive it.

Source: *Consumers and Direct Mail*, Canada Post / TNS, 2013

50%

of people purchased a product in-store in the past six months as a result of receiving direct mail.

Source: *Direct Mail Omnibus*, Canada Post / Harris Decima, 2014



Tied to Online Tracking

22% of marketers use some type of online tracking capability, like personalized URLs.

Source: *DMA Response Rate Report*, Direct Marketing Association, 2015

Marketers Love Mail . . .

Direct mail offers strong return on marketing investment (15% - 17% ROI).

Source: *DMA Response Rate Report*, Direct Marketing Association, 2015



. . . Consumers Do, Too!

59% of U.S. respondents and 65% of Canadians say, "I enjoy getting postal mail from brands about new products."

Source: *2013 Channel Preference Study*, Epsilon



Four Tips to Clean Your Customer Data and Boost Campaign Performance

Regardless of company size, direct marketers face the same challenges across-the-board when it comes to managing their customer data. Here are a few sobering statistics from Experian:

- Nine of out 10 organizations suspect their customer and prospect data might be inaccurate in some way.
- The three most common errors are incomplete, outdated or inaccurate information.
- On average, companies with a less sophisticated approach to data quality think more of their annual revenue is wasted.

If you're like most, you're collecting customer data in multiple ways: at a physical location, in face-to-face client meetings, on your website or via marketing campaigns. This influx of information can get tangled up over time.

Then, overlay this on the natural life events that occur among your customer base: On average, people change jobs every four-and-a-half years¹. And more than 35 million Americans² and four million Canadians³ move annually.

Is it any surprise your data can quickly degrade if left unattended?

Direct mail success

It's commonly accepted that up to 50% of a direct mail campaign's success is dependent upon the list. Accurate mailing lists save time and money with less returned mail and lower mailing costs, plus they help ensure better campaign performance.

Here are four ways you can make a daunting data task a little more manageable to drive better results from your direct mail programs:

1. Assign responsibility | About 20% of companies say spelling mistakes and typos are impacting their

data quality, according to Experian. Consolidating responsibility for list management under one person should lead to improved accuracy and more consistent updates.

2. Define standards | Another common error is data being entered in the wrong fields. Set company standards for how customer information is logged, organized and regularly maintained, especially if you're unable to assign one person to data management. Formatting standardization should ensure essential fields are filled, creating greater efficiencies, for example, when pulling segmented lists for targeted mailings across various personnel or departments.

3. Schedule data hygiene | Best case, data should be cleansed before every mailing. Take the time to remove duplicate addresses, names or businesses – often a result of merging multiple lists. And suppress the records of customers who've requested no mail.

4. Keep a back-up file | When you work with a data file, retain the original version. If something goes wrong, you can simply delete the corrupt file and replace it with the untouched one. It's also a good habit to compare your final data against the original to ensure updates have been processed correctly.

Bonus tip: Call in the experts | With manual processes in place, human error is the most common cause of contact data inaccuracies. Ask our mailing pros to run your mail file through National Change of Address (NCOA) to validate and update addresses. We can also use other standardization software to ensure better mail-ability and reduce costs. ■

Need help managing customer lists or sourcing prospect data? Let us know; we can help!



¹United States Department of Labor, Bureau of Labor Statistics, 2014

²Geographical Mobility: 2013 to 2014, United States Census Bureau, 2015

³Canada Post

SUPER POWERFUL

INSPIRES!

PERSUADES!


PERSISTS!



DIRECT MAIL PACKS A PUNCH

Able to rise above the noise, cut through the clutter and inspire action, direct mail remains a true marketing channel hero. When you pair its unique strengths with marketers' waning single-minded digital love affair, the result is a more balanced approach to channel selection, according to Jennifer Campbell, general manager of Commercial Marketing at Canada Post.

"Every media has gone through a shift, and there's so much more challenging us than ever before," says Campbell. "As marketers, we are treading water on a whole lot of different things but not focusing on one thing." The downside is a lack of time, attention and ultimately, great results in any one area.

Therein lies the opportunity to "get physical" . . . and connect on a more human level with printed mail. 

“Though digital marketing has been the focus of interest and dollars in recent years, it seems to have increased marketing complexity and decreased effectiveness. This creates an over-investment of interaction and under-delivery of action,” says Campbell. Case in point:

- Just 42% of marketers say they are able to measure social media ROI.¹
- Less than half (45%) feel like their Facebook efforts are working, though 52% choose it as their most important platform.²
- Nearly one in four commercial emails in the U.S. land in a spam folder or go missing, with inbox placement falling from 87% in 2014 to 76% in 2015. In Canada, the rate is slightly better with one in five emails missing the inbox, dropping from 83% in 2014 to 79% in 2015.³

Ad blocking tools, unpredictable pay-per-click costs, strict email filters and the splintering effect of ever-growing social platforms are some of the realities that can challenge digital marketing efforts. “Ultimately, it’s

being able to define the strengths of each channel to align them with your goals,” Campbell points out.

Enter direct mail.

New research from Canada Post underscores the power of this traditional marketing strategy in a digital world. It’s mail’s physicality, connectivity and ability to deliver measurable data that enables a unique kind of human connection that drives action.

Mail gets noticed

According to the Canada Post report, *Breaking Through the Noise*, consumers say they are more likely to notice and read direct mail (53%) than email (26%) because it’s more tangible, more visible, they receive too many emails or they simply prefer to read print.

“The tactile quality of mail causes a deeper level of engagement than digital messages,” says Campbell.

Following are other key findings that should cause marketers – large and small – to stand up and take notice:

Direct mail inspires. “Checking the mail is part of most people’s ‘coming home’ routine,” Campbell points out. Checking email, for example, is much less routine-oriented, occurring throughout the day . . . or not at all.

“Marketers can tap into positive emotions that naturally occur when personal habits with mail become ritualized with meaning,” she adds.

Direct mail persists. Physical mail is well-positioned to affect both immediate or impulsive purchases and influence a purchase decision that happens over an extended period of time. “The physical format is a visible reminder throughout the purchase journey until the consumer is ready to make the decision,” says Campbell.

Besides retaining it for themselves, people also tend to pass along flyers, promotional brochures or other special mail offers. “As a result, their value is multiplied by increasing the opportunities for a brand to be seen.”

“When the average consumer is exposed to nearly 5,000 advertising messages each day, the challenge is rising above the noise to make a connection that drives the desired action.”

– Jennifer Campbell



CAN I HAVE YOUR ATTENTION PLEASE?



**Average person's
attention span**



**Goldfish
attention span**

Attention Span Statistics, Statistic Brain Research Institute, 2015

Surprisingly, the “shared” value of direct mail beats digital channels: 32% say they’ve passed along a direct mail ad, surpassing both email ads (26%) and social promotions (22%).⁴

Direct mail persuades. “Direct mail significantly outperforms digital when it comes to driving traffic to retail stores,” says Campbell. One in two people say they have purchased a product in-store over the past six months as a result of a direct mail ad.⁵

Additionally, mail is an effective way to drive traffic to online properties, like company websites or campaign-specific landing pages. “Here a marketer can collect more information online about a customer or prospect’s needs and follow up with a physical piece, further advancing a buyer on the sales journey,” Campbell notes.

Whether it’s a pizza flyer on the refrigerator, a catalog on the coffee table with the corners turned down or a fundraising appeal saved for later in a desk organizer, our personal habits at home keep mail present and visible.

In a business environment, a physical reminder can be even more important. “Owners of a small business or a senior executive at a large organization are simply busy people, likely to stack reading material on their desks for later review,” says Campbell.

For optimum results, get personal. “With today’s printing technologies, you can create one-to-one campaigns with specific imagery and content that is relevant to the individual, driving greater response.”

Of course, that requires good, clean customer data. (See page 5.) Campbell likens data-driven direct marketing to the first-name familiarity of general store shoppers of yesteryear.

“If your customer data is in good shape, you have the ability to develop that same kind of relationship where the conversations in your marketing channels are personalized, and your buyers feel personally cared about.”

Bring in reinforcements

As every superhero knows, trusty sidekicks and powerful partners are essential to coming out on top. The most successful marketing campaigns draw upon the strengths of multiple channels for the best outcomes.

By combining the targeting ability and memorability of direct mail with a visually engaging, personalized Web page *plus* the immediacy, and 24/7 availability of email . . . you can achieve breakthrough results. ■

**Want to learn more or get a free copy of Canada Post’s comprehensive research report?
Let us know.**

^{1,2} *2015 Social Media Marketing Industry Report*, Social Media Examiner

³ *Deliverability Benchmark Report*, Return Path, 2015

^{4,5} *Direct Mail Omnibus*, Canada Post / Harris Decima, 2014



From Good to **GREAT!**


Elevate Print with **HIGH-IMPACT PAPERS**

The ability to engage multiple senses – most powerfully, touch – gives print communications a decided edge over digital messages. Recent research shows (see pages 6-9) that the tactile nature of print impacts the brain differently than digital media, generating a stronger overall positive response at a subconscious level where emotionally driven buying decisions are made.

Today's multitude of papers makes it easy for marketers to match the look of their print communications – direct


mail campaigns, brochures, publications, event invitations, newsletters and business cards – with the right touch and feel.

“Materials communicate, and paper is no exception,” says Chris Harrold, vice president of Business Development and creative director at Mohawk Fine Papers. “A rough or textural paper can imply durability. A heavy, thick paper conveys weight and substance. Paper is a powerful way to make a brand impression.”



“Paper is a powerful way to make a brand impression.”

– CHRIS HARROLD



While most small business direct marketers see the value in a good mailing list and strong creative execution, the tendency to view inexpensive paper as a way to manage costs near the end of a project can be misguided, in many instances.

“Paper impacts the perceived quality of your finished piece,” says Harrold. “People expect a typical postcard to be printed on a standard card stock. However, the impression made with an invitation to a black-tie charity event or a high-end product brochure can be diminished with a low-quality paper.”

In many cases, says Harrold, the cost associated with a high-impact paper can be offset by an increase in responses to the promotional offer. “My recommendation is to sit down with your print provider and get your hands on paper samples to fully understand the takeaway for your target audience.”

Here are five ways to enhance engagement and memorability with your print materials:

1. Match texture to content. “Every project is about something, be it adventure travel or single origin chocolate,” Harrold says. “Try to find textures in your content, products or stories that you can emulate through paper. You may choose a texture that matches the weave of fabric, or a raw speckled texture that evokes the eco-friendly mission of a brand.”

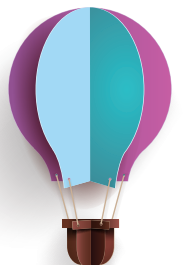
2. Use texture for contrast. Pairing dramatically different textures can heighten sophistication and elevate your content, capturing your audience’s attention through touch. “As their fingers move from one texture to another, the change in surface sparks their senses, focusing their interest on your content,” says Harrold.

3. Add pizzazz! Foil, translucent and metallic papers catch the light . . . and attention. With different opacity levels of ink, you can achieve a pleasing rainbow effect when the piece is viewed from different angles. Foil is a great option from postcards to invitations.

4. Explore every hue. “There are plenty of interesting-looking papers, from light pastels to rich and vibrant shades, that can help turn an ordinary print project into something extraordinary,” Harrold says.

5. Remember the envelope. For direct mail letters, the envelope can make or break the campaign. To know what works for you, do a split test. (See page 12 for more on testing.) Divide your list and send one group a plain white envelope and another a vibrant one, keeping the enclosed contents and messaging the same. You’ll soon discover there may be a very simple way to drive better response . . . with paper. ■

NOTE: Mohawk recently introduced a definitive guide to using fine papers to amplify print communications called, “A Maker’s Field Guide to Texture and Color.” Please let us know if you’d like a copy for inspiration to take your print projects from good to great.



TEST FOR THE BEST RESULTS



Seasoned direct marketers know much of their success with the medium is a result of continuous testing, learning and improvement.

Testing helps to identify the strongest lists, the most powerful offers and the most compelling copy and design treatments for your direct mail. Plus, it uncovers what works in the marketplace based on a minimal marketing investment.

Quick tips:

- Test your mailing against both a control group and test group to be able to compare results on the inclusion (or not!) of one element or another.
- Be sure your control group is representative of your existing customer base, meaning it includes some of your best clients.
- Make both groups large enough to be “statistically significant” and not so small as to deliver fluke results instead of repeatable outcomes.

Press restart?

Too often, marketers implement a campaign that falls short of the expected result. Rather than optimizing the campaign by trying different offers, messaging or calls to action, the entire plan is scrapped in favor of a new one.

This phenomenon is what some marketers refer to as the Gilligan Effect. If you remember the television show “Gilligan’s Island,” in each episode the castaways would come up with an elaborate plan to get off the island.

And each week the plan would go awry because of some bumbling error committed by Gilligan. Rather than applying what they learned and adjusting accordingly, the next time there would be a brand new, equally elaborate plan. Like the castaways, marketers who subscribe to this approach will never get where they want to go.

Instead, make it your goal to learn something from your testing. And before jumping into the next thing, apply what you learn. To get definitive and actionable information, test the campaign elements one at a time. Variables include the mailing list, the offer, headlines, call-to-action, images, colors, format and timing.

You may be surprised at how your market responds compared to expectations. Once you have real market feedback (response rates and conversions), you can refine your mailing programs and quickly improve response, lower costs and generate more business. ■

Want better results from your direct mail campaigns? Ask our experts; we can help.



8 WAYS TO INCREASE RESPONSE

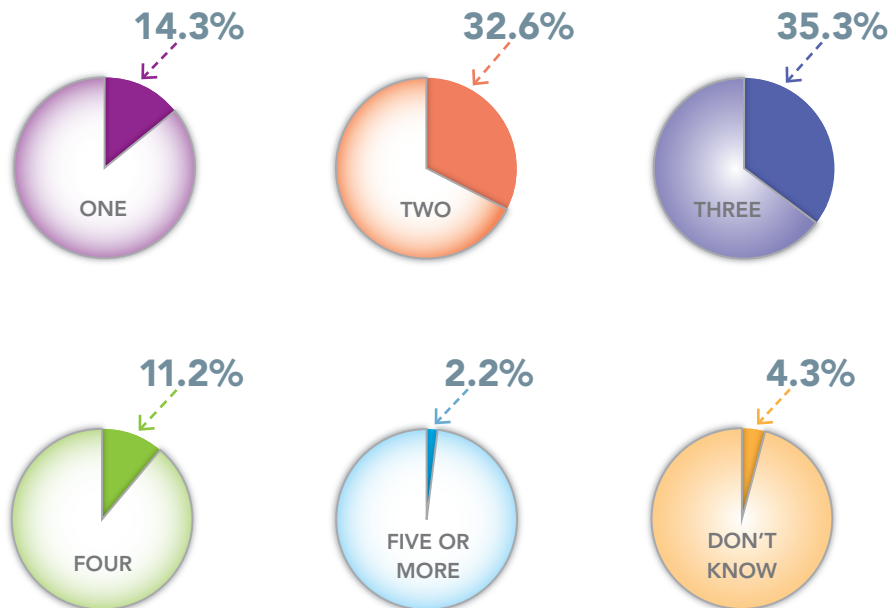
- 1 Make a strong call to action: Register today! Call now!
- 2 Eliminate barriers to response. Have online, telephone and mail-back options.
- 3 State your offer prominently and frequently, and include an expiration date.
- 4 Add a guarantee.
- 5 Include testimonials from satisfied customers.
- 6 Avoid the one-and-done syndrome. Follow up your mail with a phone call or an email.
- 7 Use a P.S. in your letter to restate your offer and your call to action. This is the second-most viewed section of a letter. (The first is the salutation.)
- 8 Use a Johnson Box, which is a block of copy positioned above the salutation in your letter where you can grab attention and persuade people to keep reading.

THE PRINT AND DIGITAL CONNECTION



According to a recent study by InfoTrends, marketers report **an average of three media types used in a typical communication/marketing campaign**. Of those that blend print with digital, 50% or more do so on most applications via integrating a personalized URL, website address or mobile barcode, or by offering a digital version of the document.

Number of Media Types Used for a Typical Marketing Campaign



Source: *Micro to Mega: Trends in Business Communications*, InfoTrends, 2015



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ASK US FOR YOUR FREE GUIDE!

“THE ULTIMATE DIRECT MAIL MARKETING GUIDE”

Research confirms that direct mail remains the one channel that keeps on delivering big results. That is, if you follow the best practices that have been tested and proven over time. To help, we've created this exclusive guide. You'll learn:

- How to optimize list selections and where to find the most targeted, pre-qualified databases
- How to “clone” your best customers when developing your prospect list
- How to add personalization and relevancy that really pays off in higher response ... and drop content that's just for show
- How to successfully integrate cross-channel campaigns with personalized direct mail and the Web at their core
- Which offers drive the highest response, depending on your goals and business type
- Best ways to build in measurability to track success and drive ongoing results



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resource for your
marketing library!