

DIRECT MAIL STRATEGY AND SOLUTIONS FOR
MOTIVATING PROSPECTS TOWARDS AN ULTIMATE
BUYING DECISION



MARKETING SUCCESS WITH DIRECT MAIL

 Graphic Village

DIRECT MAIL MARKETING & MAILING INSIGHTS

We live in a digital world, a world of rapid-fire changes and fierce competition for consumer attention. Still, there's something about holding a well-designed, high-quality printed piece in your hands that works.

Direct mail marketing owns the largest portion of local advertising in the U.S. It gets higher response rates than other forms of marketing.

It's more personal, less invasive, and people trust it.

There are some exciting new trends in direct mail marketing that make it more effective:

- Personalization techniques that individualize each mailpiece;
- Predictive analysis and look-alike modeling that builds lists of prospects who mirror your best clients;
- Specialty printing effects that give mailing pieces a dynamic new look and feel;
- USPS Informed Delivery service that creates multi-channel marketing for your Direct Mail campaign to reach the Millennial and Gen Z markets.

CAMPAIGNS AND REPETITION

Sending a mailed piece to a prospect only one time doesn't mean it will get read, much less lead to a sale. It takes more than one piece. It takes a coordinated campaign with multiple touchpoints.

To ensure engagement, build your campaign using the same mailing list a minimum of four to six times. To stay top-of-mind and reach prospects when they're ready to buy, send them a mail piece every three to four weeks.

Your approach can vary. For instance, you can send recipients:

- **the same mail piece several times;**
- **a mail piece with a new design, but the same message;**
- **mailpieces that use different messages or offers.**

Responses received will determine your strategic direction. If you're confident you've compiled a good mailing list, keep mailing to them. Ultimately, your goal is to promote your brand and position yourself as the best choice for their business.



STRATEGIES

The first step in a successful direct mail marketing campaign is a strategic plan. Look at your sales data so that you know who buys what and when. Determine your target market for the campaign, set a budget, and calculate the response you need to meet your goals.

TIMING

Timing is everything. It's like priming a pump. Start your marketing campaign a few months before your peak selling seasons begin. You want to be top-of-mind with prospects when the season starts. It's why Christmas advertising begins in October.

You can stimulate higher sales during your typically slow season when you start marketing to prospects a few months in advance. If you're planning a product launch or a special event, don't wait until the last minute – prime the pump.

You cannot determine the success of a direct mail piece through just one mailing. Repetition is the key!

MULTIPLE CHANNELS

Direct mail can enhance the outcomes of other forms of marketing you use, so plan your direct mail campaign to complement and fortify them. For instance, if you've scheduled a big in-store or online promotion, focus your direct mail on those campaigns to bolster them.

TARGETED MAILINGS

A key strategy we suggest is to do smaller, targeted mailings to specific types of prospects. Groom the offer specifically for them. Multiple targeted mailings often work better than one large, "one-size-fits-all" mailing. Different sales offers to different groups can be a great strategy.

Targeted mailings let you reach different segments of your market in ways that specifically meet their needs. They also let you test offers and strategies less expensively, allowing you to make adjustments until you find what works best before having to commit to a more extensive mailing.

A Graphic Village strategist will be happy to help you develop your next direct mail marketing campaign.

USPS INFORMED DELIVERY

Informed Delivery, a new USPS email service, offers postal customers the option of being informed of what mail is on its way to their mailbox. Customers receive a daily email containing a digital preview of all the mail pieces that are in the mail stream. This offers businesses the opportunity to engage those same postal customers through an interactive multi-channel marketing campaign, combining both mail and digital formats. **Businesses that participate are provided digital portals showcasing the same information provided in the mailpiece.** If they wish, the postal customer can then click on a portal link and respond immediately instead of waiting to receive the physical mailpiece.

When targeting Millennials and Gen Z markets – who are often more comfortable responding to digital marketing channels – response rates for informed delivery campaigns can sometimes be higher than traditional mailings because they reach prospects via two marketing channels – online and mail.

Many postal customers are not yet enrolled in Informed Delivery because USPS has just begun rolling out this service; however, the post office can compare your database to its list of Informed Delivery customers. Concurrently, they can send you a headcount of recipients on your mailing list who are enrolled in the program. This provides you an idea as to whether the service makes sense for your campaign.

Please scan the QR Code below for additional information regarding **USPS Informed Delivery for Business Mailers.**



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SUCCESS VIA TARGETED MAILING LISTS

A well-conceived strategy for building a mailing list is the key to a successful Direct Mail Marketing campaign. There are two main categories of mailing lists. The first is a “house” list, which you build yourself from contact information and other data you collect from customers and prospects. The second is a “purchased” list, which is compiled by a list service company using select demographics and propensities you choose that mirror your best customers. You can buy the list for one mailing or multiple mailings.

THE HOUSE LIST

At its simplest, a house list is the collection of names and addresses of your customers and/or prospects who have indicated an interest in your products or services.

The keys to building a valuable house list are to keep it accurate and always up-to-date. As a list becomes older, it becomes increasingly inaccurate and ineffective. Update your house list frequently. Errors from outdated information can come across as insensitive and could even damage a customer relationship.

Tracking customers’ buying histories can strengthen the list’s value by letting you analyze and predict buying patterns, including purchase dates, dollar amounts of purchases, products and services purchased, and time between purchases. Accordingly, you can then schedule campaigns to coincide with customer buying patterns.



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The house list becomes even more valuable when you collect other demographic data that is pertinent to your business. It allows you to create targeted lists (known as segments) within your house list. Then you can do smaller, segmented mailings that tailor the marketing message to be more relevant and feel more personal.

THE PURCHASED LIST

We understand that comprehensive, personalized, relevant, variable communication begins with strong, curated data. Accordingly, we can partner with you to develop a strategic plan and help you identify your ideal prospect profiles. If you need to go outside your company for a mailing list, we can also connect you with a list brokering service.

Taking into consideration prospects whose attributes represent your best customer profiles, we can also research lists to identify the ones that will work best for you, and make arrangements for you to purchase the list from the right broker. The more a list reflects your targeted profiles, the more valuable it is to you.



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VARIABLE DATA PRINTING & PERSONALIZATION

Personalization is one of the most powerful tools in direct mail. New technological developments in the field of variable data printing (VDP) are now revolutionizing strategic approaches to direct mail marketing. In fact, VDP provides quantifiably higher marketing dollar returns on your investment than previously seen; and is an option that should definitely be leveraged when developing a new direct mail marketing campaign.

Exclusive to digital presses, VDP technology allows for the change of specific elements, such as text, graphics, or images, from one printed piece to the next using information from a provided database. Instead of printing 5,000 copies of a single document and delivering the identical message to 5,000 recipients, with VDP you can now print 5,000 unique documents with personalized messages and offers customized to each targeted recipient. This personalizes the mailpiece with information specific to each prospect.

ROI for campaigns that use variable data increases with the amount of personalization used. When using basic variables, like a recipient's name, ROI is about double the typical return for a non-personalized mailing. ROI is 10 to 15 times higher for fully variable mailings.

Composed entirely of variables, the only limits on the variables employed are the variable data you bring to the campaign.

VARIABLE DATA

Variable data is any characteristic, number, or identifier that can be measured or counted, like age, gender, or income. While a person's purchasing or charitable giving history can also be variable data, demographic details like age, profession, or marital status can help personalize a piece by including information on topics that are of interest to them. Using this information will make a recipient feel valued, and will more likely grab their attention.

VARIABLE DATA FIELDS

The most common use of variable data is the personalized salutation. Personalizing the letter using the recipient's first name is always better than sending a generic "Dear Friend" letter. Readers now expect it; and the more personal a conversation is, the more likely they are to respond.

Their full name and address should also appear in the address block. Personal information, like their company name or the college they attended, can also be inserted into the body text of the letter or postcard. Entire blocks of variable data text can be inserted as well. You'll need to have a data field in your mailing list for each variable.

VARIABLE IMAGES

Text isn't the only thing that can be personalized. Colors, images and fonts can be personalized as well. Accordingly, the whole look and feel of a piece can be altered to reflect the reader's interests or demographics.

Different segments of a mailing list can be assigned images or colors that correlate most closely with a recipient's demographics or propensities. A list can be segmented by school district, the church attended, or an organization to which they belong. The images used for each segment reflect their specific demographics.

Types of variable image data includes:

- **Special Offers**
- **Graphic Images and Photos**
- **Design Elements – Colors and Fonts**
- **Coupons**
- **QR Codes and Tracking Codes**

Studies show that response rates on variable direct mail campaigns are, on average, triple that of the same campaign without variable data – a 300 percent increase.



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THE VALUE OF MARKETING & A WELL-DESIGNED PIECE

A well-designed piece is critical to the success of a direct mail campaign. It is therefore the deciding factor in garnering a recipient's attention before they decide whether to read a piece or toss it aside.

That being said, let's cut to the chase. The goal of a well-designed direct mail piece is to create reasons for your target market to read the mailer and ultimately respond.



DIRECT MAIL FORMATS

There are three traditional types of direct mail marketing pieces, as well as several specialty mailers.

- Postcards
- Letters
- Self-mailers
- Specialty mail pieces, including flats, parcels, 3D pieces, and die-cut pieces

MARKETING ELEMENTS

Five main elements go into creating a mailing piece, regardless of size or format. These elements are graphics, copy, the offer, the call-to-action and printing.

Graphics are the most critical element because if you don't catch the eye of the recipient, they won't read the piece. But once you catch their eye, then all the other pieces become crucial to ROI.

It's important to keep USPS regulations in mind when designing. If the piece is even slightly larger or thicker than postal requirements, it will be bumped up to a higher postal rate. For a larger mailing, this could add hundreds or thousands of dollars.

GRAPHIC DESIGN

Design is the most powerful tool you can leverage in making your mail piece a memorable touch point. Hire a professional designer or art director who can creatively develop a piece that properly conveys your brand message and increases the chance of a prospect reading the mailpiece.

Good design builds brand recognition. Because people only glance at their mail, people who recognize your brand are more likely to respond. This is particularly true with repeat customers. Large brands, like Target, are highly successful with direct mail marketing because their brands are immediately recognizable. People automatically pull these pieces out of the mail pile and save them for later, more thorough reading. Bottom line – stick to your brand design guidelines.

Good design is critical to direct mail success. You have a recipient's attention for only a few quick seconds before they decide whether to read your piece or toss it aside.



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TARGETED COPY

Start with attention-grabbing headlines, then make your body copy customer-focused. What are your target audience's pain-points? Address these, make the message simple, but also relevant to what they are experiencing, then offer a solution or benefit that will excite them – motivating them to respond.

TOP-OF-MIND AWARENESS

The goal of a top-of-mind awareness strategy is to make your brand, company, product or service the first thing that comes to mind when a customer thinks about a particular industry or category. For example, realtors, mortgage lenders, and insurance companies all leverage top-of-mind awareness campaigns to their advantage. This type of strategy works best when utilized as an ongoing campaign – allowing recipients to become familiar with a company, and what it can offer them when they're ready to make a buying decision.

THE OFFER

The offer you make your target audiences will determine whether they respond or not. This is *something of value* that is provided in exchange for their response. Like Don Corleone in *The Godfather*, making an offer they can't refuse, it has to be compelling enough to entice them to act.

How does your offer become compelling? First, ideate a formula balancing just how aggressive you want to be – what you're willing to spend in your offer – in order to get each prospect to respond. Then, figure out your numbers – how many sales you need for the campaign to be profitable.

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Things to consider are: how often a purchase will be made, how many purchases, how competitive the price-point is in the industry, and the cost of each item. All will factor into the response rate calculation and what kind of offer you can afford to make. Calculations may vary from customer to customer, but a Graphic Village specialist can assist you in determining this.

THE CALL-TO-ACTION (CTA)

A call-to-action, or a CTA, is a written directive used to encourage mail recipients to take a desired action – telling them precisely what you want them to do.

A CTA can be:

- A call to buy (“visit our website to...”)
- A call for information (“for more info visit...”)
- A call to meet (“call us now to set up your free consultation”)
- A call to act (“get started now” or “join now”)

Numerous types of CTAs can be leveraged for response tracking, including a dedicated phone number, a landing page URL, a coupon, or a code. By making the offer exclusive to a campaign, all sales generated can be tracked to that specific campaign.

Combined with the tactile nature of print, design makes a difference. In fact, research has shown that direct mail with strong creative and design achieves twice the average response rate.



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THE VALUE OF MARKETING & A WELL-DESIGNED PIECE (CONTINUED)

PRINTING

First impressions matter. That being the case, a prospect's initial encounter with a brand can often be through printed materials. Accordingly, the quality of a printed piece, done right, can allow a mailer to make an immediate impact – establishing a company as professional, trustworthy as well as credible. Done poorly, the result can have the opposite effect.

Both digital and offset printing offer extremely high-quality results. The two significant deciders in choosing one over the other are the volume of pieces and the niche project requirements.

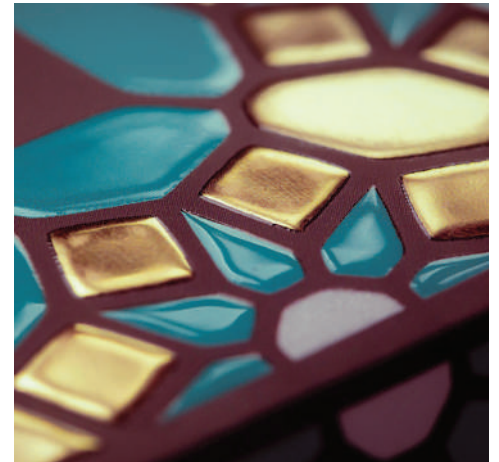
A high-quality, tactile print piece offers added value – conveying authority and importance – and is an ideal tool for building brands and delivering marketing messages.

DIGITAL PRINTING

Digital printing is better suited for *short-run printing* and printing using variable data. Digital printing, while less expensive for fast-turnaround projects, is also essential when using certain specialty printing effects

OFFSET PRINTING

Offset printing is better suited for *higher volume* jobs when content doesn't change within the run. Offset printing can also run larger sheet sizes, while providing far superior control of color than that of digital printing. If color consistency is essential to your branding, the colors will be more precise on an offset press.



SPECIALTY PRINTING

Graphic Village offers a variety of complex embellishment applications, enabling unique brand differentiation – making pieces look more expensive, attractive, and eye-catching.

- Digital Embellishments – Dimensional-Clear Polymer and Digital Foil (Scodix)
- Aqueous Coating
- Spot U/V Coating
- Die-Cutting
- Embossing



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POSTAL SERVICE GUIDELINES & DISCOUNTS

DIRECT MAIL POSTAL DISCOUNTS

When using the USPS for a direct mail marketing campaign, there are numerous rules and regulations to follow. In return for following these regulations, significant discounts on postage costs may be earned. The bottom line: you may receive steep postal discounts for making a mailing as easy as possible for the USPS to process.

When you purchase a list, it should come already formatted to meet USPS standards. However, when you are creating a house list, USPS regulations and guidelines need to be followed in order to receive discounts.

DOMESTIC MAIL MANUAL

The USPS Domestic Mail Manual (DMM) is the postal service bible. It is 1,862 online pages of USPS rules and regulations that are, nonetheless, “subject to interpretation” at a postal center when you present it for mailing.

To view the **Domestic Mail Manual** online, please scan the QR Code featured below.



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WORKING WITH PROFESSIONALS

The United States Postal Service is a \$70 billion colossus that processes about a half billion pieces of mail every day. So unwieldy is their intricate weave of rules and regulations – often changing with little warning – that it sometimes appears nonsensical.

Navigating the ever-changing USPS regulation landscape can be challenging, and executing a mailing yourself can be a nightmare. While seeming costly, using the expertise of a professional direct mail service provider is recommended in order to stay on top of it all. By partnering with Graphic Village, the postal discounts earned will far exceed the cost of working with us. After all, one slip-up can cost hundreds or thousands of dollars in postal fees.

TIP: If USPS rejects more than five percent of your mailing for not following regulations, you risk losing your postal discount.

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NINE EYE-POPPING STATS ON DIRECT MAIL

When it comes to ROI, some marketing channels are simply more effective than others. Knowing the effectiveness of each channel puts a marketer in control. For example, did you know that direct mail has an open/read rate of 42%? Or that recipients of content via direct mail purchase 28% more and spend 28% more than those who do not? Surprised? You shouldn't be. Here are nine more statistics about direct mail that you should know.

- 41% of direct mail recipients look forward to checking their mailboxes each day. (Source: Gallup)
- 73% of American consumers say they prefer being contacted by brands via direct mail because they can read it whenever they want. (Source: Epsilon)
- Direct mail offers a 29% return on investment. (Source: Marketing Charts)
- Consumers age 45-54 are the demographic group most likely to respond to direct mail pieces. (Source: ANA Marketing Knowledge Center)
- 80-90% of direct mail gets opened, while only 20-30% of email does. (Source: United States Postal Service)

- Only 44% of people can recall a brand immediately after seeing a digital ad compared to 75% of those who receive direct mail. (Source: Marketing Profs)
- Direct mail requires 21% less cognitive effort to process than email. (Source: Ipsos/Canada Post)
- Brand recall is 70% higher for consumers exposed to direct mail ads than to digital ads. (Source: Ipsos/Canada Post)
- 30% of Millennials say that direct mail is more effective at getting them to take action compared to 24% who say the same of email. (Source: Direct Marketing News)

Think direct mail is a marketing rock star? We do, too! Talk to us about creating your next direct mail campaign.

Thanks to *Small Business Genius* for compiling many of the stats cited here.

MANAGING ALL THE MOVING PARTS OF A CAMPAIGN

GRAPHIC VILLAGE CHECKS ALL THE RIGHT BOXES

The strategy and logistics of a direct mail campaign can be daunting. Graphic Village is here to help. Here's a checklist of all the moving parts of what you'll need to manage a professional campaign.

- ✓ A consultant to work with you to develop your strategic plan and help model/identify your ideal prospect profiles
- ✓ A mailing service partner to procure and manage the right mailing list for you – filled with only prospects whose attributes represent your best customer profiles and previously identified prospects
- ✓ An expert in USPS regulations who knows how to set up your mailing list and advises you on postal costs
- ✓ A writer who can convey your marketing message – with headlines that grab attention and compelling copy that keeps a prospect reading straight through to the CTA

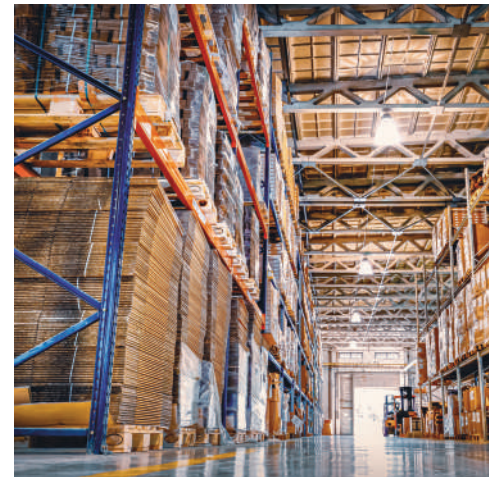
- ✓ An experienced graphic designer who can develop an eye-catching mail piece that will work within your printing and postal budgets
- ✓ A printing company with digital and offset presses who can run jobs regardless of size – who offers specialty printing embellishments and techniques, and the ability to personalize your mailpieces using variable data and images
- ✓ A partner who can leverage automated solutions to streamline and standardize processes – ensuring brand consistency, more accurate reporting, reduced costs and turn times, greater obsolescence control – thereby allowing you greater efficiencies and the scalability without draining resources

TRANSFORMING IDEAS INTO POWERFUL RESULTS

ONE COMPANY. ONE STOP.

Since 1921, Graphic Village has been recognized as an industry leader for delivering innovative solutions, quality craftsmanship, and exceptional service. With four production facilities across four states and a headquarters in Cincinnati, Ohio, we are today the largest independent print solutions provider in the Greater Cincinnati region. Using an open, collaborative approach, we closely partner with clients to develop unique, strategic experiences that enhance business and flatter a brand. We execute, with precision and accuracy, the right combination of applications, techniques and finishing to transform creative ideas into impactful, and often award-winning results. Their continued investment in people, processes, technology, and community is how we set the highest standards for quality and expertise in the industry.

- **Specialized Printing Services (Offset and Digital)**
- **Large Format Solutions and Environmental Graphics**
- **Comprehensive Finishing**
- **Folding Carton Packaging Services and Solutions**
- **Personalized, Secure Direct Mail Communications**
- **Branded Merchandise and Apparel**
- **Fulfillment and Warehousing Services**



By working openly together, communicating often, and being transparent, we generate experiences that reflect our collective expertise, collaborative mindset, and efforts to elevate creative ideas.



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