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The Power of Direct Mail

The myth – Direct mail doesn't work because most people will throw it in the bin

The reality.....

If you are totally new to the subject "Direct Mail" simply refers to anything you send people in the post – letters, brochures etc.

Let me start by telling you that there are many myths and lots of nonsense surrounding Direct Mail. The main one being that it just doesn't work because most people will throw it in the bin. This conclusion is arrived at by the fact that you and I throw most of the mail we receive in the bin – therefore the logic is that it is a waste of money. The truth is that 90 out of 100 people may decide to throw your mailing in the bin. But what if 5 people glance at it, 5 more read it and one of those buys from you – you may well have a highly profitable mailing. When it is done well direct mail can make your profits soar. When it's done badly it can eat up your marketing budget instantly. So please be careful!

Another myth is that there is a magical percentage conversion rate that a successful mailing campaign should receive. In other words, you should 'expect' 3% (or some other percentage) of the people you mail to buy from you. This is a very dangerous assumption.

First of all, the price of what you are offering is a key factor. If you are selling a photo frame at £9.95 you will get a different response that if you are selling a yacht at a few million pounds.

Secondly, it's not the percentage response that counts. The key is whether the mailing is profitable or not.

Thirdly and most importantly, no one can ever predict the response from direct mail

campaign. This is why TESTING is absolutely imperative in Direct mail – as it is will all your marketing activities. I cannot stress this enough to you.

You should never embark on a Direct Mail campaign without testing it on a small scale first. Why? The answer is simple; the beauty of Direct Mail is that it is statistically very predictable. Let me explain what I mean. If you send out 1000 letters and get 10 responses you can predict with some certainty that if you send out 2000 letters (to the same group) you can expect to get in the region of 20 responses. The reverse is also true. If you send out 1000 and get 1 response and lose money on the mailing, it is highly unlikely that if you send out 2000 or 3000 letters that you will have a profitable mailing.

All the mailings you consider will fall into two categories. The first is mailing to your existing clients. The second is mailing to potential new clients.

Most businesses and organisations are keen to attract new clients – so let's focus on this at the moment. Having said that, you should not forget about your existing clients – after all it was them who help build your business.

Here are 8 fundamentals relating to direct mailing.....

- 1 Remember to Test any Direct Mail campaigns for new customers on a small scale before you start to roll out the full campaign.
- 2 Consider testing rented mailing lists relevant to your target market. There are thousands of highly accurate mailing lists which can be a great way of reaching new people
- 3 Always include a letter with any brochure you send – it will increase the response rate, especially if it has a catchy headline.
- 4 Make sure that the contents of your mailing focus on the benefits of your product or service. You want it to be



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- about your potential customer and what you can do for them rather than just being about you.
- 5 Don't limit Direct Mail to pure selling. You can use it to say 'thank you' to customers. You can use it to ask for referrals or to introduce your customers to a company you've partnered with. It's only limited by your imagination.
 - 6 If you repeat a successful mailing three weeks later you can expect a response rate around 50% of the original
 - 7 Test mailing postcards - they are cheaper than a normal mailing and in some cases will produce a higher response rate
 - 8 If you follow up a mailing with a phone call you can increase the response rate by up to 1000%

Direct Mail is a huge subject - but these principles should help you make a start on your next campaign and avoid costly mistakes in the future.

Jackie Thompson from Haybury Marketing specialises in helping small and medium sized businesses and organisations to effectively market themselves. To find out how to extend the marketing your business without spending a fortune, email jackie.thompson@hayburymarketing.com