

Understanding the Basics of Direct Mail

By Evan Mangan

Direct mail. The tried and true standby technique that many businesses use to create success. Creating an effective direct mail campaign is not something you do as an afterthought, however. There are many things that need to be considered in order to get the response you're looking for and just throwing something together and mailing it out to a bunch of people is not the way to do it. Direct mail can work for you, but it has to be done right.

Who to target?

The first thing you need to obtain is an effective, targeted list. This can be a mailing list of all your current customers, or you can purchase targeted lists of people that you know might be interested in your product or services. For example, if you're a professional decorator then mailing out a direct mail piece to everyone that bought a new home in the past six months might be a good idea. If you own a golf course, then finding a list that includes everyone in your geographic area who subscribes to a golf magazine or buys golf products online might be smart. Finding a list that is tailored to your niche market will give you a much higher rate of return on your investment, and is definitely worth your time to investigate.

So where do you buy these lists? You can purchase lists locally, often times from your Local Business Association or Chamber of Commerce. Or, you can find a marketing agency who will advise you on the various lists that are available and they will also manage the sourcing of the data.

Choosing a format

When deciding what format to use, you have a many options to choose from. You can send a letter, a postcard, a self mailer or a direct mail pack. A letter will typically be the cheapest option with a full blown direct mail pack as the most expensive.

Getting the content right

Whether you choose a letter or a pack, when developing the content you must make sure that it is going to grab and hold the reader's interest. If people are bored after the first sentence, they're going to throw it away and all your hard work and money will be wasted. If you can't write well, hire a professional writer or marketing firm to create the copy for you.

- Start with an effective headline. It must grab their attention and make them want to keep reading.
- Focus on your reader's immediate problems, and offer ways you can help solve them.
- Offer an incentive. Giving them something free is a no-threat way for them to get to know you and your business. If you own a cleaning company, then offering a free booklet on quick tips to keep your bathroom clean might be much appreciated. Focus the special offer on your niche, and make sure it's useful and informative.
- You can also use your "free gift" to track your response rate. Tell your clients to mention a code when they call or email for their free gift. This way you'll know who's coming from your direct mail campaign.
- Remember, the purpose of direct mail is not to make an immediate sale. Its purpose is to get people to take action and let you know who's interested.
- Create a sense of urgency for people. Make sure they know that this is a "limited time offer". If they want this promotion, they only have a week to get in touch with you. If there's no time limit, they won't have much of a reason to take action.
- Throw some testimonials in from some of your happy customers.
- Make it easy for people to get in touch with you. Feature your phone number prominently, and also include your email, web address, and store front address at least twice.

- Make sure your direct mail piece is well designed, whether it's a postcard, letter, or brochure. If it looks cheap, it's not going to get read.
- Don't forget about the actual envelope your letter or pack is mailed in. This will be the first thing your prospect sees, so consider making it exciting. Put some artwork on the front, and make them want to see what's inside.

Measurement

The beauty of direct mail is that it is measurable. If you set up a tracking system in advance, you can tell exactly how many people responded to the campaign and can therefore calculate the cost per response. When you track the % of these customers who convert to customers, you can then track how much each sale costs you. This is very important when planning where to spend your limited marketing money.

Your tracking system doesn't have to be complicated. Simply ensure that if people are responding to a telephone number, have a response code printed on the direct mail pack and ask the caller to quote it. If you are generating responses to a website, you can use a unique URL as the web response address e.g., www.yourwebaddress.com/offer1

Costs

So how much is all this going to cost? Well, it depends on what you're sending. Obviously postcards are going to be less expensive than a 2-page or a 4 page pack. It's going to depend on the quality of the paper you use, if it's full-colour or just black and white, and how many people you're mailing to. Some marketing firms such as MarketingSmallBusiness.co.uk will take care of the entire process for you, starting with the list targeting, layout and all the way to the actual mailing and tracking.

Direct mail can be a great way to reach new customers, but taking the time to ensure it's well done is essential to your success.

About The Author

Evan Mangan is a former Head of European Marketing for Yahoo! Mobile and was Head of International Operational Marketing for Orange. He is founder and Managing Director of The Marketing Crowd (www.TheMarketingCrowd.com), a full service marketing agency which makes the marketing techniques employed by major brands available and affordable to smaller companies.

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