

## **DIRECT MAILINGS AS AN ADVERTISING STRATEGY**

*by Julie Leones<sup>1</sup>*

**S**ending information by mail to previous and potential future customers can be a very effective advertising strategy for direct farm marketing and agricultural tourism operations. It is especially effective if you create your own database with the names and addresses of previous visitors or if you know the zip codes of your previous and potential customers.

Advantages of direct mail advertising are that it is more personal and targeted than advertisements in newspapers or on radio stations. It is also easier to track whether or not the ad has been effective, especially if you require customers to bring in the mailing to take advantage of a special offer. The main disadvantage is that it can be costly. Mr. Baird who teaches a course on direct mail at GateWay Community College estimates that it typically costs \$ .50 to \$1.00 per piece. One way to keep cost down is to use a postcard format, but this also limits the information that you can provide. Another disadvantage is that it requires more work than placing an ad in the newspaper.

Creating an effective direct mail advertisement requires a few key ingredients.

- First, keep your message simple.
- Second, make an offer to your customer (e.g., 10% discount on

purchases), but make sure you indicate when the offer expires. Ask the customer to bring in the direct mailing to get the discount. Including a free sample in the mailing can also entice customers. If you are sending a postcard, make sure that the offer is highly visible on the card. If you are sending a letter, make mention of the offer on the envelope. You don't need to give away the farm in your offer. You might, however, offer a discount on specific types of products which are particularly abundant that year or for products that seem to be selling slowly.

- Third, in a direct mailing letter people are most likely to read the headline, bullets and p.s. Make sure the same message is being conveyed in all three.
- Fourth, it is generally better to do a series of smaller mailings targeted at specific customers than to do one big mailing.
- Fifth, make sure that the design is attractive. If you don't have a good eye for design, find someone who does. Often print shops will have employees with some design skills.
- Sixth, follow up your mailing with phone calls to local customers.
- Seventh, make sure you are working from a good mailing list of likely customers. Developing your own list can be very effective or you can purchase lists either from other businesses which have a similar customer base or from firms that specialize in creating mailing lists based on

such characteristics as zip code. The U.S. Postal Business Center keeps a list of firms that sell mailing lists.

To reduce the costs of direct mailing you can employ several strategies. One of the most effective is to do cooperative advertisements with other farm marketers or related businesses. Sending out a mailing with advertisements for three or four businesses or more can dramatically cut your costs. However, the disadvantage is that it also cuts your visibility. Also, a potential customer may not want to wade through three or four advertisements and not bother to look at any of them. One way to keep from overwhelming the recipient of a cooperative direct mailing may be to keep all advertising and coupons on a single page or use one coupon which can be used at any of the advertising firms. The firms involved may make the same offer, or indicate that the coupon is good for different offers at different locations.

Another way to reduce costs and increase effectiveness of your direct mailings is to start working on your own mailing list. People who have bought from you before are among the most important people to target. From customer surveys we know that word of mouth is one of the most effective forms of advertising. If you can

entice your current customers to provide names of their friends, this is another way to build your mailing list. Better yet, when a current customer makes a purchase, you can offer a discount coupon to them and one to give to a friend. To get your mailing list started, you can put up a sign near the cash box that says "Would you like to be on our mailing list?" then provide forms or a registration book nearby. Let customers know how they can benefit from being on your mailing list, for example by finding out when certain products are available during the year. You can encourage customers to leave their names and addresses or their business cards for weekly, monthly, or seasonal drawings. Be sure to copy names addresses and phone numbers from checks. However, remember that customers do appreciate a chance to indicate whether or not they want to be on your mailing list.

For more information about direct mailings, contact the U.S. Postal Business Center, 4949 E. Van Buren, Phoenix, AZ 85026, phone 602-225-5454. You may want to ask if they have any publications available such as "A Short Course in Direct Mail for Small Business."

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