



Engaging.
Dynamic.
Effective.

A Marketer's How-To (and Why-To) Guide to Using

Direct Mail



Why Direct Mail?

With budgets and bottom-line results having greater impact on today's corporate decision making, marketers are being held more accountable for their initiatives and spending. So what can you do to improve the effectiveness of your advertising campaigns? Here's a media channel you may not have considered: Direct Mail. As part of an integrated marketing plan, Direct Mail has been proven to help drive customer traffic and sales. In addition, its results are measurable – arming you with concrete ROI numbers to demonstrate the success of each campaign. This guide has been designed by the U.S. Postal Service® as an introduction to Direct Mail. You'll find everything you need to understand the strengths of Direct Mail and how to start incorporating it into your marketing campaigns – including research, case studies, formats, and helpful resources.

Direct Mail is big with business. Businesses of all sizes use Direct Mail to help increase the response and ROI of their campaigns. In fact, according to the USPS® 2011 Revenue, Pieces, and Weight Report:

- Businesses sent over 84 billion pieces of Direct Mail.
- 51% of all mail sent was Direct Mail.



Mail benefits your business.



Direct Mail can be a powerful part of an integrated marketing campaign.



With Direct Mail, your business can:

- Determine **the best audience for your message**. Mail's targetability lets you focus media dollars on those most likely to respond.
- Choose what to measure – from offers to creative elements. You can then use this **data to improve effectiveness**.
- **Reach almost anyone** – virtually every consumer has a mailing address and reads mail on his or her own time.
- Tailor each mailpiece. Today's technologies permit **highly personalized messaging, offers, and graphics**.
- Tap into **countless creative formats**. Mail can touch literally every sense through product samples, QR Codes,[®] and more.
- **Learn more about your customers** by sending a survey or including questions on a reply card.
- Gain a high degree of financial flexibility. You can alter formats, quantities, and postage options to **fit almost any budget**.
- Decide on the depth of product detail. Mail is not limited to a 30-second TV spot – you can **tell customers the complete story**.
- Benefit from mail's pass-along value. Recipients can **share your communication** with like-minded consumers.
- Get an **extended shelf life for your message**. Mail is frequently kept for future reference and use.
- **Know your results**. As a highly trackable medium, mail lets you monitor the impact and ROI of every initiative.
- **Receive more focus**. The average household receives only two pieces of Direct Mail a day compared to 157 e-mails.

Mail reaches your audience.



Direct Mail remains one of the largest advertising channels with U.S. businesses.

Direct Mail spending rose **2.9%** from 2010 to 2011*. According to Magna Advertising Group[†], businesses spent over **\$21 billion** on Direct Mail, which represents 12% of all advertising spending.

* USPS® 2011 Revenue, Pieces, and Weight Report.
† Magna Global U.S. Media Forecast, October 2011.

Mail breaks through with

81%

of recipients read or scan their mail daily.

2010 USPS® Household Diary Study.



your message.

79%

of consumers find reading mail more convenient than going online.

ICOM, August 2010.



Mail gets read.

42%

of 25–34 year olds said they read mail immediately and find it useful.

2010 USPS® Household Diary Study.



Mail drives response.

58%

of households with incomes over \$65K purchased from Direct Mail in 2009.

2010 USPS® Household Diary Study.

Mail helps strengthen integrated marketing campaigns.

Many businesses have discovered the positive impact Direct Mail provides to an integrated marketing campaign. Because it gets directly into the homes and hands of the campaign's target, Direct Mail creates a one-to-one connection that is hard to match with broad-based media channels such as television and radio. It also lets you incorporate coupons, reply cards, mobile barcodes/QR Codes®, URLs, and other response mechanisms – making Direct Mail a workhorse for generating leads, traffic, and sales while your other media help drive interest and awareness.

According to *The Little Book of Bigger Returns* (Royal Mail Group Ltd. 2011), Direct Mail:

- **Boosted ROI by 20% when it was part of an integrated campaign.**
- **Helped improve the lift of local ads by 44% and online campaigns by 62%.**



Use mobile technology to engage.

With the rise of smartphones and tablets, mobile technology has become an effective way to engage recipients with your mailpiece and enhance their experience. Many options are available, including QR Codes, Data Matrix, SnapTags, Microsoft Tags, Augmented Reality, and Digital Watermarks.

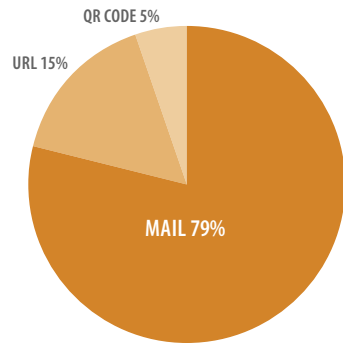


CASE STUDY: How Direct Mail helped power an integrated shipping campaign from the U.S. Postal Service®

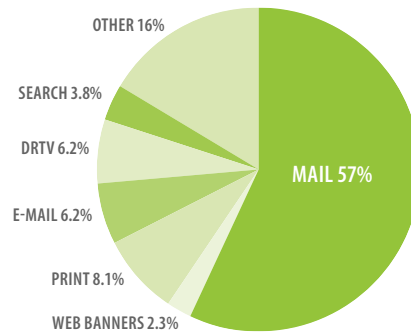
To battle low market share in the shipping sector, the U.S. Postal Service developed an integrated marketing campaign to promote a service that had fared extremely well in focus group research: Priority Mail Flat Rate® Boxes. Despite the fact that the United States was in the midst of a down economy, the campaign:

- Increased sales volume by 53%.¹
- Created a 46% product revenue increase.¹
- Exceeded response goals by 54%.²

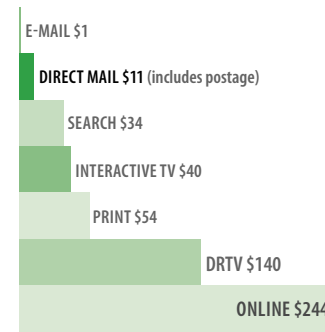
One of the biggest contributors to the campaign’s success: Direct Mail. In fact, as part of an integrated campaign focused on generating response, mail outperformed all other marketing channels combined.



Direct Mail delivered responses. Given the choice, recipients overwhelmingly responded by mail.³



Mail generated over half of the campaign responses.⁴



Mail delivered one of the lowest costs-per-lead,⁴ resulting in an ROI of 107%.⁵

1 Two-year compound annual growth rate (CAGR) of Flat Rate Box volume since May 2009. USPS® monthly Revenue, Pieces and Weight Report.
 2 FY10 USPS campaign data.
 3 USPS campaign data based on Direct Mail drops 3/14/11–5/8/11.
 4 USPS campaign data, May 2009–July 2011.
 5 Campbell Ewald analysis based on USPS campaign data and 2009 Colography data. Includes estimated postage.

Why Direct Mail works.

Some of the ways mail delivers for you.

- **Selective.** Mail lets you target your most loyal customers – or a select group of consumers.
- **Measurable.** Mail can be tracked to test the effectiveness of formats, offers, mailing lists, and more.
- **Reach.** All of your customers have a mailing address, giving you direct access to everyone doing business with you.
- **Personal and private.** Mail creates a one-to-one communication between you and a customer.
- **Relevant.** Mail allows you to tailor a message to a specific audience or demographic set.
- **Control.** You choose when you want to mail and what format you send.
- **Tangible.** Consumers save mailed coupons for future use and share mailings with others.
- **Interactive.** Today, mail works with smartphone technology to create a unique and powerful bond with the recipient.

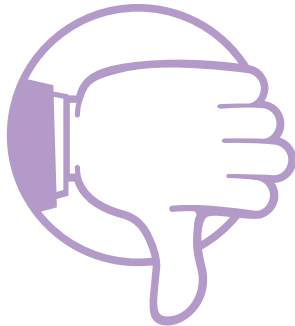


Direct Mail best practices.



Do...

- Explore the option of consulting with a direct marketing agency to **strategically add mail** to your integrated media campaign.
- **Feature an offer prominently** on the front of your mailpiece to boost readership and response.
- Choose the **format, list, and offer for highest ROI**, rather than lowest cost.
- **Track responses** to measure the effectiveness of the mailpiece and your offers.
- Include mobile barcodes/QR Codes®, offer certificates, product visuals, and other elements to **engage the recipient**.
- **Use mail to achieve your business goals** for customer acquisition, relationship building, and stakeholder communications.



Don't...

- Begin your Direct Mail campaign without a clear, measurable objective.
- Overwhelm the reader with **too much copy or graphics** so your offer or call-to-action gets lost.
- Forget to develop **mobile-friendly web pages** when providing QR Code or other mobile apps.
- **Assume** you know what your customers want or need – use your mailpiece to ask them directly.
- **Waste time** and costs – update your mailing list and eliminate bad addresses before each campaign.
- View mail as a **one-off** – it's an ongoing customer relationship tool that picks up where other media leave off.

EVERY DOOR DIRECT MAIL®

Reach
every home,
every address,
every time.



Tell the whole neighborhood what your business has to offer.

Every Door Direct Mail® service from the U.S. Postal Service® lets you reach every address in the area surrounding your business. You simply select the neighborhoods you want to target, and a Letter Carrier takes your mailpiece to every address while delivering the day's mail. You don't need to know names or street addresses. Mailpieces can be addressed to "Local Postal Customer." **Other benefits:**

- Low per-piece postage rates.
- Flexible range of sizes – you can create a multipage mailing for a detailed product story or an oversize postcard for a quick sales announcement.
- Easy to include coupons, store maps, menus, event calendars, and more.

To learn more, talk to a local printer or visit usps.com/everydoordirectmail

Many local marketing service providers/printers offer Every Door Direct Mail service. They can help you produce, print, and submit your mailing to the Postal Service.™ You can also access a free online tool that takes you through the process of preparing your mailing at usps.com/everydoordirectmail. It offers a postage estimator and mapping feature that helps you select neighborhoods near your business.



HENRY C. MARKETING CONSULTANT – VOCELLI PIZZA



CHRIS A. DIRECTOR OF TRAINING – ZIPS DRY CLEANERS



EARL R. FRANCHISE OWNER – DOCTORS EXPRESS

Success stories: Companies using Every Door Direct Mail® service to build business.

Vocelli® Pizza enjoys ongoing success with Every Door Direct Mail. “I usually do it every other month,” says Daniel F., a Vocelli Pizza franchisee. “And this year versus last year, we are up 22%. We wouldn’t be up if we weren’t using Every Door Direct Mail!” It’s easy too, adds Vocelli Marketing Consultant Henry C. “You don’t need a Marketing MBA for this. You can just sit down, open up the website, and it’ll guide you through the steps.”

ZIPS® Dry Cleaners finds that Every Door Direct Mail “is the best return on investment,” says Lea C., franchise co-owner. “I recommend it to any business, especially those starting out.” Another reason ZIPS uses Every Door Direct Mail: the ability to reach every address in the surrounding neighborhoods. According to Chris A., Director of Training, “You can really market to the customer that you think will be best for your business.”

Doctors Express®, a walk-in urgent care clinic that opened in 2011, views Every Door Direct Mail as a superior option to much of the other advertising the clinic has tried. Franchise owner Earl R. keeps returning to Every Door Direct Mail because of its ability to target the local community. “A real challenge is to reach all of the 200,000... that live within the proximity here, and I can think of no more cost-effective way than Every Door Direct Mail,” he says. “This has helped us build our business. Each month, we’re seeing an increase in patient count.”

Direct Mail formats offer unlimited possibilities.

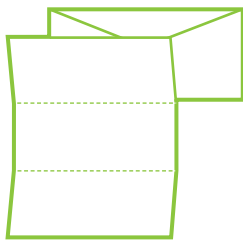
One of the greatest advantages of Direct Mail is that it offers **countless formats** – from cost-effective to highly dimensional. As a result, it gives you amazingly diverse ways to attract attention, increase sales, and build customer relationships.

Letter/envelope formats

Letters and invitations are the most personal form of Direct Mail communication. Well-crafted letters create a one-to-one connection and often elicit strong response rates.

Strengths:

- Gives your mailing a personal, intimate feel.
- Effective way to introduce your business or raise charitable funds.
- Costs little to produce.



#10 business envelope

6" x 9" envelope

Monarch envelope

Announcement envelope

Booklet envelope

Postcards

Postcards are the simplest, most cost-effective format available. They're an excellent choice for making an announcement or driving customers to a store, website, or event.

Strengths:

- Reads fast – no envelope.
- Inexpensive to produce.
- Postcard prices apply to single-panel pieces sized from 3½" x 5" to 4¼" x 6".



Standard postcard 4¼" x 6"

Double postcard

Oversize postcard 9" x 6"

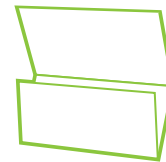
Jumbo postcard 11" x 6"

Self-mailers

Sent without an envelope, self-mailers often use unique folds to engage the recipient and organize the information.

Strengths:

- No envelope or insertion costs.
- Increased space for copy to tell a full story.
- Includes option of reply card or other response device, such as a coupon.



Multi-panel self-mailer

- Gatefold
- Roll fold
- Z-fold



Sleeve mailer

Snap pak mailer

Booklet mailer

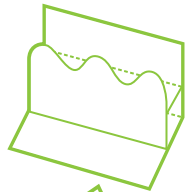


Dimensional mailers

Pop-ups and three-dimensional formats grab attention in the mailbox and help engage the audience with your message.

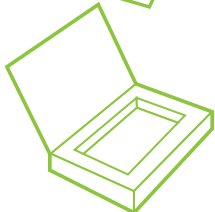
Strengths:

- Creates excitement.
- Helps boost response rate.
- Helps increase pass-along value.



Pop-up

Hinged cover box



Tube mailer

Fluted box

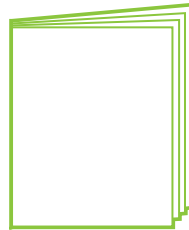
Special shape

Catalogs

Catalogs are a proven way to generate sales and drive traffic to websites. They are an important branding tool that can offer your business a host of benefits.

Strengths:

- Lets you showcase multiple product lines.
- Allows recipients to “window shop” and discover new products.



Multipage – size and thickness can vary.

Direct Mail response rates by format

| FORMAT | EXISTING CUSTOMER |
|---------------------------|-------------------|
| Letter-size envelope..... | 3.42% |
| Postcard..... | 3.99% |
| Oversize envelope..... | 3.91% |
| Dimensional mailer..... | 5.72% |
| Catalog..... | 4.92% |

DMA, “The 2010 Response Rate Report.”

Direct Mail resources.



Trade associations

Direct Marketing Association

1120 Avenue of the Americas
New York, NY 10036-6700
(212) 768-7277

the-dma.org

Mailing and Fulfillment Service Association

1421 Prince St, Ste 410
Alexandria, VA 22314-2806
(703) 836-9200

mfsanet.org

National Mail Order Association

2807 Polk St NE
Minneapolis, MN 55418-2954
(612) 788-1673

nmoa.org

Print on Demand Initiative (PODi)

1240 Jefferson Rd
Rochester, NY 14623
(585) 239-6063

podl.org

Association of National Advertisers (ANA)

708 Third Ave, 33rd Floor
New York, NY 10017
(212) 697-5950

ana.net



Trade publications

Adweek

770 Broadway, 7th Floor
New York, NY 10003

adweek.com

Advertising Age

Crain Communications, Inc.
711 Third Ave
New York, NY 10017-4036
(212) 210-0100

adage.com

Deliver® magazine

30400 Van Dyke Ave
Warren, MI 48093-2316
(586) 558-5249

delivermagazine.com

Direct Marketing News

114 W. 26th St
New York, NY 10010-6805
(646) 638-6000

dmnews.com

Target Marketing

1500 Spring Garden St
Philadelphia, PA 19130
(215) 238-5300

targetmarketingmag.com

MailPro

National Customer Support Center
U.S. Postal Service®
6060 Primacy Pkwy, Ste 101
Memphis, TN 38188-0001

Awards and seminars

Direct Mail awards

DMA International ECHO Awards –
dma-echo.org

John Caples Int'l Awards –
caples.org

Effie Awards –
effie.org

Mobius® Awards –
mobiusawards.com

Direct Mail seminars and conferences

Direct Marketing Association –
the-dma.org/seminars

Postal Customer Council® (PCC®) –
usps.com/nationalpcc

National Postal Forum –
npf.org

Online resources

Mailing list resources

infousa.com – database marketing services, data processing services, and marketing solutions

mailinglistsdirect.com – direct marketing lists

directmailconnection.com – resources and buying guide for mailing lists

Creative samples

adsoftheworld.com/taxonomy/media/dm – showcases the best and most interesting Direct Mail work worldwide

delivermagazine.com – case studies on successful creative executions

Direct Mail resources

usps.com/mail – learn about Direct Mail

uspsdmhub.com – learn about and create custom Direct Mail

directmag.com – direct marketing blogs, articles, and ideas

click2mail.com – buy or load a list, compose your message, and mail your campaign

premiumpostcard.com – create and send high-quality postcards

modernpostcard.com – full-service providers for Direct Mail

foldfactory.com – custom folding templates and folding ideas

Green marketing information

usps.com/ncsc/welcome.htm – Postal Service™ address quality information

the-dma.org/environment – best practices from the Direct Marketing Association





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