

Direct Mail Plus E-Mail Improve ROI

Reduce expenses and increase revenues at the same time—it's what every business is seeking to do, especially in today's struggling economy. This added pressure has created a trend for marketing departments to reduce, and in some cases, eliminate direct mail from customer communications plans. This may be caused by the perception that e-mail offers a viable alternative to direct mail. E-mail appears to be more cost effective to produce and distribute. But a closer look at the end result reveals that this may not always be the case.

E-Mail and Direct Mail Perform Better Together

Industry studies suggest that marketing campaigns integrating e-mail with physical mail produce a significantly higher overall return on investment (ROI) than isolated e-mail or direct mail campaigns. There are several factors that contribute to the favorable cost-benefit ratio produced by integration.

Increased Revenues

Statistics show that integrated, multi-channel campaigns, and campaigns which combine e-mail and direct mail, produce consistently higher response rates. In addition, they increase customer engagement and generate more revenue dollars per household than either medium used by itself.

Reduced Costs

Coordination of e-mail and direct mail strategies, concepts and data management can streamline two typically separate processes into one efficient campaign. For example, every campaign, whether print or digital, requires strategic development, creative and copy management and execution. They also require careful list selection and management. These processes require meetings, communication, reviews and approval processes. Rather than treating the e-mail and print campaigns as two separate projects, each with their own development steps, they can be combined into a single campaign with half the meetings, reviews and approval processes. The copywriters and designers can leverage much of the material created for one channel and spin it off to create the other. This results in campaign development efficiencies, cost savings, and the freeing up of internal resources to focus on other revenue-generating projects.

Branding

Being in front of consumers through various channels builds brand awareness and familiarity, and increases the chances that the consumer will interact with an organization. Proper messaging and adjustments to individual preferences can go a long way in positive brand positioning and relationship building. Consumers today not only prefer to be able to communicate and interact through different channels, they demand it.

Recall

Reinforcing marketing messages through different media improves consumer recall. Once a consumer has been exposed to a business or product enough times to recall and recognize the brand, he or she is more likely to become a customer and respond to direct response marketing messages.

Enhanced Customer Experience

Marketers can optimize the customer experience by keeping multi-channel messaging consistent and by adjusting communications to satisfy individual preferences.

Steps for Integration

Integrating direct mail with e-mail is more of a challenge for businesses with separate departments for each marketing channel. The integrity, consistency and performance of an integrated campaign is heavily dependent on the ability of the two departments to come together and agree on the campaign objectives, strategies, tactics, design look, messaging and other factors. It is also important that data collected from each department is shared, linked, analyzed and understood before and after each campaign, to ensure maximum customer insight.

Successful Campaigns Begin with Quality Data

Like other forms of marketing today, the success of an integrated e-mail/direct mail campaign has a lot to do with the quality of the target data that is used. Along with the common data sets, such as demographics and purchase history, campaign data files should also include: consumer's self-reported and tracked preferences from different touch points, marketing contact history across channels, and results from previous communication strategies.

Using Data for Tailored Messaging

Today's technology and data-driven software make it easier than ever to customize communications to reflect consumer needs and preferences through template-driven variable content. While digital personalization of content is a common e-mail practice, new cost-effective software, and digital printing and inserting innovations, make personalization increasingly relevant to physical mail. With the proper solution in place, paper becomes almost as flexible and customizable as electronic mail, offering variability throughout package components. Envelopes, copy paragraphs, headlines, images, and inserts—the only real limit to the level of personalization and message relevance to the individual customer is a lack of data.

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Testing, Measuring and Adjusting

All of the effort involved in preparing a successful, integrated campaign goes to waste if the means for tracking, analyzing and understanding the results aren't in place. Learning from every campaign and making the proper adjustments to improve the next campaign are the signs of a savvy marketer.

Today's software solutions can help businesses gather data from the both the direct mail and e-mail campaigns and link the data to provide deeper customer profiling. As individual behaviors and preferences are recognized, digital technology makes it possible to quickly tailor and deliver more relevant and compelling personalized communications.

The Goal: Lower Costs—Higher Revenues

A better return on marketing dollars spent is the end goal. To calculate the ROI of a program, marketers consider both sides of the equation—expenses to create and deliver the message as well as the revenues generated by the campaign. Integration of physical and electronic mail can be a highly effective method for cutting production costs, while at the same time, boosting response and ultimately, revenues.

Source: MLD Staff. "Marketing Study Shows Integrating Direct Mail and E-mail Will Improve ROI." *Marketing Lists Direct Blog*. 18 March 2011. <http://www.mailings-lists-direct-blog.com/119/marketing-study-shows-integrating-direct-mail-and-e-mail-will-improve-roi/>