

Direct Mail

Viable Lead Source or a Waste of Money?

In the last issue of MarketSharp Messenger, part one of our two part series on Direct Mail detailed the basics of Direct Mail...What it is...Does it work?...HOW it works...What the benefits are...etc. In part two of the series, we will outline the specifics of implementing a successful direct mail program for YOUR company.

Using Targeted Direct Mail Is *More Important Than Ever Before!*

Direct marketing is booming like never before. In fact, **all** marketing is quickly becoming direct marketing. But it's also become more demanding and competitive than ever before. Consumer mailboxes are packed with scores of marketing messages, all competing for an individual's attention. Many fall short of their goals or fail to pay off. So what is it that makes one direct marketing effort just adequate and another a winner?

...A Well Thought-Out Plan of Attack!

If you just 'wing-it' with direct mail, the chances of ending up with an expensive, non-productive campaign are quite high. On the other hand, implementing a well-conceived direct mail program can result in a continuous flow of low-cost, high quality leads for your company!

So what are the elements of this "plan"? There are five basic steps to unleashing your direct mail powerhouse in your business.

1. **Identify Your Goals** - What are your goals? – First and foremost, your goal is to make a profit. Profits come from sales, and sales, from quality leads. Spending money to promote your "name" is not the goal here. The primary goal of your direct mail program is to develop qualified leads. It is **not** to sell your product. It isn't possible to "sell your product" in a postcard or a letter. But it IS possible to create interest in your product. You should consider setting both long-term goals (i.e. generate 275 sales this year with direct mail), and short-term goals that are campaign specific (i.e. generate 1 sale for each proximity marketing mailer).

Remember this...Goals help you keep in perspective **what's really important** so you don't spend all of your time doing what seems urgent.

2. **Develop a Budget** – Generating sales for your business costs money. Be sure to budget appropriately. "Do the math" and figure out what it will take to produce the results you are looking for based on your goals. Use your projected response rates and company closing ratios to calculate what it will take to produce a sale. (Example: 150 Radius Mailers > 3 Leads > 1 Sale). If your yearly sales goal from proximity mailers is 100 sales, plan to mail 15,000 mailers (average of 150 each sale). If your

typical cost per mailer is 40¢, then your annual budget for radius mailers is \$6000. That's a cost of \$60 per sale. Know your averages, do the math and invest in your company's success.

3. **Layout a Plan/Schedule** – Unless you layout a specific plan to accomplish your goals, your direct mail efforts will not be optimized. The creation of a “Marketing Calendar” (see article in this issue of Market\$sharp Messenger) will put you on a track to success. This calendar concept will allow you to implement timely campaigns to help insure a controlled lead flow for your company. This concept can eliminate the typical “peaks and valleys” normally associated with our business.

A good way to organize your plan/schedule is to begin by breaking down your campaigns into Prospect, Lead or Customer categories. Your plan should include both “consistent-effort” activities such as Proximity Marketing campaigns (Prospects) as well as periodic or seasonal campaigns such as price increase notices (Leads), “future interest” mailings (Customers), “second chance” mailings (Leads), etc. Be sure to compensate for less productive times of the year in generating NEW leads due to weather issues, etc. with more “direct” marketing campaigns with past leads, past customers, etc.

Remember, your goal here is to layout your roadmap to success. If done correctly, you company's lead flow should match your company's needs in sales revenues.

4. **Construct Your Campaign(s)** – In constructing individual campaigns, be sure to consider the following 3 basic components involved...
 - **Who** Will Get Your Mailing – In a word...the List! It has been said that the quality of the list accounts for about 40% of the success of a direct mail campaign. As Market\$sharp users you have a very powerful tool to help you refine your lists and target your marketing precisely. If marketing to **Prospects**, this could be as broad as all the homeowners in a given zip code or as specific as all the homeowners with ¼ mile of one of your completed jobs. If marketing to past **Leads** it could be all the leads you ran within the past 12 months who didn't buy but were originally interested in bay windows. For **Customers**, your list could be all your current customers that indicated a future interest in siding on your customer survey. The possibilities are endless to create a targeted list of candidates with the highest potential to respond to your offer.
 - **What** Will They Get – In a word...the Piece! What are you going send them...a postcard? A letter? A check mailer? Tri-fold brochure? Different types of direct mail pieces have different strengths. **Postcards** are great for quick visual impact and are your least expensive option. **Letters** can tell a more compelling story and build desire to obtain your product. Be certain that the first few lines of your letter grab their attention. **Check mailers** are great to get the envelope opened and offer a discount on a given product. Our **tri-fold mailers** require not envelope, add some color and make use of a bounce back card.

Mix it up a bit! Try a few different things and see what works best! Feel free to call us at 1-800-335-4254 and request a copy of our current mailer catalog.

- **Why** Should They Respond – In a word...the Hook! Your direct mail piece needs to have a compelling offer to motivate the recipient to respond to your “call to action” (call for free estimate, visit your website, etc.). We must remember that creating urgency is of critical importance with the types of products that most of us sell. Be sure to give a very worthwhile reason to act NOW!

With Market\$sharp, your marketing formula in constructing your campaigns is very simple... You **pick-um** (using the right list) and **print-um** (the right piece) and **prod-um** (with the right offer)! Call us to receive a copy of our “Campaign Builder” worksheet to help you put together your campaigns.

5. **Measure Your Results** – You need to “Inspect what you Expect”. One of the most attractive characteristics of direct mail marketing is its “testability”. Without a lot of risk, you can test any campaign you construct and measure the results. Be sure track how many leads you get, how many sales, average sale \$, cost per lead, and cost per sale. Knowing this information allows you to get better and better and continuously lower your marketing costs.

Yes, direct mail DOES work. It is the most used marketing method in existence. Do your homework and then begin to implement your direct mail program for your business. Feel free to call us at anytime to brainstorm ideas to help make Market\$sharp more valuable in your business.