

IN A WIRED WORLD, WHY ARE YOU STILL USING YOUR FATHER'S DIRECT MAIL CAMPAIGN?

By Wilson Zehr

The mandate for businesses in today's volatile economy is to do more with less: cut costs, save time, trim waste. And while small businesses can't afford to keep doing things the way they've always done them, most companies continue to rely on the same outdated, expensive and inefficient marketing tools they used when carbon paper and typewriters were the heights of office technology.

At a time when the growth and success of most businesses is dependent upon the ability to deliver timely and targeted information to current and potential customers quickly, easily and as inexpensively as possible, the majority of companies continue to settle for the same direct mail tactics used in the fifties. According to the Direct Marketing Association, the average direct mail program takes more than three weeks to launch. Factor in delivery time and an additional fortnight to receive a response and you're well over a month *before* the first person-to-person conversation takes place. Still, many small-to-midsize companies lack the time and resources to deal with traditional direct mail processes and forgo the most potent advertising vehicle available; direct mail returns, on average, ten dollars for every dollar invested.

Quietly, however, the savviest businesses are sending letters, flyers and postcards using new, Web-based direct mail services. With a turn-around time of days rather than weeks, businesses can target customers, initiate contact and close deals before competitors have a chance to respond. Not only are online services faster than traditional mail processes, they are often less expensive for short and medium print runs. For companies needing to reach their customers quickly and cost-effectively, the search for a quantum leap from the mail-it-and-wait age to the Internet age has arrived.

Of the \$200 billion spent annually on advertising in the U.S., \$40 billion is on direct mail. For businesses, the advantages are numerous:

FLEXIBILITY: Direct mail allows a variety of formats, offers and messages that customers can read at their own leisure. You can include tear-off reply forms, coupons, and return envelopes.

AFFORDABILITY: Unlike radio, newspaper or TV, you can pick the size of your mailing depending on your business and your budget. You can send a few dozen mail pieces, a hundred, a thousand, or more.

TARGETABILITY: List services such as Experian and InfoUSA have compiled databases of every resident in the country. You can pick your recipients based on location, income, gender, and many other attributes. Some companies have online services where you can try different attributes and preview your results before purchasing an address list.

MEASURABILITY: By keeping track of who responds to your mailing, you can immediately calculate your return-on-investment. You can start with small test mailings, try different offers, and pick the one with the best response rate.

COST EFFECTIVENESS: According to the Direct Marketing Association, direct mail has the highest return on investment of any marketing method. On average, direct mail returns \$10 in sales for every \$1 invested.

Yesterday's old-fashioned direct mail seems outdated (even dull) compared to electronic marketing techniques such as fax, email or Internet. But direct mail is still one of the fastest-growing ways of promoting your business. Take care to consider total costs when comparing direct mail to phone-based or electronic communication. For example, people commonly assume that email is inexpensive or free. In actuality, email addresses are scarce and cost upwards of \$0.25 per recipient to purchase from a list company. Even then, coverage is poor and you still won't be able to reach many customers in your local area.

Yesterday's direct mail also required expertise in graphics, commercial printing, letter assembly and postal regulations, as well as the intricate tasks of creating the document, sending it to a commercial printer, receiving a hardcopy proof for inspection, finding errors, and repeating the process over again. In addition to their financial and economic benefits, today's online campaigns have eliminated this time consuming and mind-numbing component of launching direct mail.

The process itself for launching a direct mail campaign using the Internet is simple and straightforward. Once business users register at their chosen online site, they can immediately begin sending direct mail quickly and conveniently. The best sites will support the most popular formats and options for direct mail: black & white, highlight color, or full four-color printing; 8 ½ X 11 or 8 ½ X 14 paper; Standard A or first-class postage; closed face or windowed envelopes; business reply envelopes; business reply cards; and inserts. Furthermore, the most advanced sites will allow you to submit documents in Microsoft Word format, Adobe PDF format, or through pre-defined templates. In all cases, you will have the ability to use variable data to personalize messages for each recipient.

After users navigate to the site using their Web browser, they are prompted to specify the format and options for the direct mail piece and to upload their message, which can be viewed online to assure accuracy and then adjusted as required. The next step is to either select a previously loaded mailing list or upload a new one. For those businesses without mailing lists, its best to select a site that can provide highly targeted lists directly or through partners.

At this point the online mailer pays for the message, either with a credit card or using a pre-approved purchase order, and directs the site to launch the campaign. Make sure your system examines the job, and can locate the right facilities for production based on factors such as the equipment required, queue sizes, mail cut-off times, and geographic proximity, and then routes the campaign for production. The best systems will route the job to multiple facilities to further expedite production and delivery.

At local production facilities mail pieces are rapidly produced on high-speed printing and inserting equipment and then presented to the postal service for delivery. Again, the best systems can take direct mail from proof to postal service in a matter of hours. From there the U.S. Postal Service delivers your direct mail to the target recipients.

Direct mail continues to grow and will be pervasive for the foreseeable future. At a time when every business needs to communicate with its customers and prospects quickly and cost effectively, direct mail is the best solution. And, now that it can be launched with the same software we're all familiar with from the comfort of our desktop PCs, those marketing dollars will find their targets more quickly and allow you beat your competitors to the punch.

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