

# WHEN TIMES ARE HARD, MAIL WORKS

BY JULIE LIESSE

New study finds mail advertising is a marketing favorite for boosting brands—and sales

In this uncertain economy, advertisers continue to put their stamp of approval on mail marketing—citing its efficiency, flexibility and its power to both build brands and drive sales.

In the 2009 Marketing in a Down Economy survey conducted by Advertising Age Custom Publishing, two-thirds of respondents said their marketing budgets have been reduced this year. But as advertisers trim budgets, mail remains a vital part of the marketing mix.

When asked if they could only use two media this year, knowing that they need to demonstrate results, respondents chose mail advertising as a strong second behind Web advertising. In fact, 55 percent say that their spending on mail advertising will stay the same or increase this year.

Mail advertising will account for more than half of 2009 marketing budgets for 8.9 percent of survey respondents. About 18 percent said mail would account for 25 percent to 50 percent of their budget, while 46.5 percent said it would total 5 percent to 25 percent.

look at it and spend time thinking about that piece.

“The consumer is going to be actively engaged with the message. Consumers don’t talk about ‘my TV network,’ but they talk about ‘my mail.’”

Mail advertising works well in conjunction with e-mail messages—but e-mail is not a substitute. The key difference, Mr. Whiteman says, is that Postal Service research shows that in 98 percent of homes the mail is brought in six days a week and consumers are actively handling that mail. By comparison, only 75 percent of online consumers look at their e-mail inbox daily.

“Consumers have less engagement on a daily basis with their e-mail as opposed to mail coming into the home,” Mr. Whiteman says. “But also, look at the behavior of consumers viewing e-mail. They look at the name of the sender and the subject line and make a judgment about whether to keep or not to keep, or to open an e-mail. For e-mail, keeping it is an exception.”

Respondents to the Ad Age survey agreed. Said one: “Mail advertising provides a tangible piece to hold and keep. E-mail

How can advertisers make mail work even harder?

■ **Be sure to use the best list possible.** Make sure your mailing list is up to date, and that you are not delivering to empty homes or customers who have moved. Take advantage of all the information available to hone in on the optimum customer targets. Says Mr. Whiteman, “It is not that hard to go through files and find the right segments to target. It takes time, but there is a lot of information available to help make those judgment calls.” Some marketers think it’s not worth the time to do that—then they make a short-term call that, at the least, wastes money and, at worst, damages the company’s brand image.

■ **Make sure the mailing is personally relevant to the consumer.** While combing through your mailing lists, make sure your offers are headed to households where they make sense. Don’t send an offer for college financial planning to a home whose children are long gone. Don’t send diaper coupons to households with no children at all.

■ **Test mail approaches for the best results.** Large advertisers are likely to use a rigorous process to test their television advertising before it goes on air. But, says Mr. Whiteman, “If you ask if they test their direct mail, in a lot of cases they won’t do that.” Investing more in the upfront design and testing will help mail work even harder.

■ **Use mail in conjunction with other media, including e-mail.** Postal Service research shows that adding mail advertising to the mix improves returns. Mr. Whiteman says the USPS has tested mail alongside other media—looking at consumers who receive advertising that includes mail, and those who receive the campaign without the mail component. “When we compared those two groups, the segment who had received mail bought twice as often as those who hadn’t received mail—and spent twice as much,” he says.

“Advertisers continue to vote for mail because of the significant level of spending they place behind mail. In the last five years, mail has been increasing its share of spending,” Mr. Whiteman says. “It can meet almost any marketing objective a company has. It can be used for direct response marketing. But it can also be used very effectively for building brands.

“It’s clear that mail is working.”

“Mail is real, tactile and shows you care more than a blanket e-mail, which is far less personal than a piece of mail.”

When asked why mail is a top media choice in this economy, respondents cited its affordability, return on investment, flexibility and targetability. In fact, 20 percent of respondents said mail advertising is extremely important to their company or clients, while 39.5 percent ranked it as important. As one respondent summed it up, “During our last six recessions, direct mail has been a winner [at] getting business.”

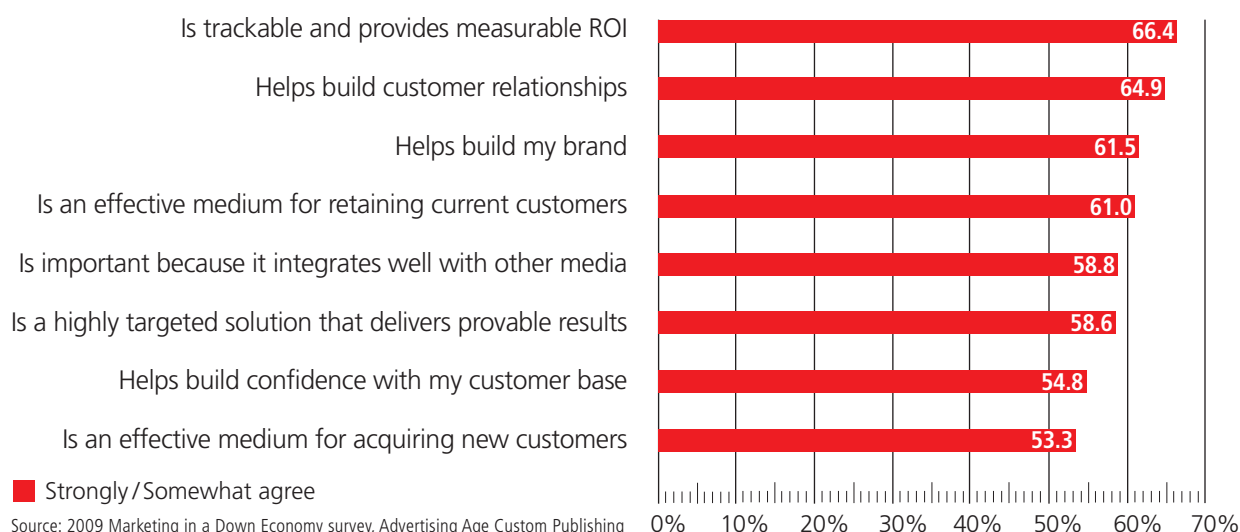
Greg Whiteman, marketing research manager for the Postal Service, says Americans have a unique relationship with mail marketing that differentiates it from other media. “Mail is theirs,” he says. “Consumers own the mail that comes into their home. They take ownership of it. They handle it—every single day. They bring it into their home, they sort it. I can guarantee to an advertiser that the day we deliver it, the consumer is physically going to hold that piece of advertising,

is trashed too easily.” Another respondent commented: “Mail is real, tactile and shows you care more than a blanket e-mail, which is far less personal than a piece of mail.”

One benefit of mail advertising in a tough economy is that it offers marketers flexibility. To save money, marketers can use postcards instead of letters, or trade down from First Class Mail to Standard Mail. Instead of sending four or five waves of a mail campaign, a marketer can cut down to three—or mix in postcards for some of the reminder mailings.

“Mail is not just one product. Mail is Express Mail, Priority Mail, First Class Mail, Standard Mail, letters, cards,” Mr. Whiteman says. “You can change some of the mix you have in terms of your options and still be in the mail as you were before. It is harder with broadcast and print to scale down but maintain your reach.”

## In these tough economic times, mail advertising:



## When you think of your use of mail advertising, what applications come to mind?

