DM DIRECT MARKETING MAGAZINE

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Dimensional mail in B2B marketing
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AN INSIGHT SQUARED POP-UP CARD THAT'S AESTHETICALLY PLEASING AND THE PERFECT SIZE FOR DESK DISPLAY.

Dimensional mail in the digital age

BY BOB GAITO

Retail is rapidly changing—we see it all around us. Amazon is venturing into brick and mortar stores. Big boxes are wading deeper into e-commerce. Online retailers are mailing print catalogues. It seems brands everywhere are rethinking their business models and marketing strategies. Direct mail is right in the mix because, when done correctly, it's a powerful component of the kinds of multichannel marketing strategies needed to survive and thrive in today's Wild West of retail. Direct mail response rates are at their highest point in over a decade, with dimensional mail response rates at the top.

Digital marketing is nimble and quick to execute, but it doesn't pack the same punch as something tangible that you can put your fingers on. A Temple University neuromarketing study found that direct mail tops digital for engagement time, recall and purchases. Digital ads seized the attention of consumers quicker, but physical ads held that attention longer, elicited a greater emotional reaction and played a more direct role in purchase decisions. While consumers who received direct mail offers were able to recall the brand 75% of the time, consumers who received digital-only versions could remember the brand only 44% of the time.

But it's not about pitting digital marketing and direct mail against each other—because they work best together. When a catalogue mails, online sales spike across all web channels. There isn't always a clear cause-and-effect relationship between a strategy and the revenue

it generates though. That's because for most customers, the path to purchase is a journey with many potential stops along the way. In the end, direct mail and digital marketing should both be parts of a holistic customer experience. Multichannel marketing isn't just about getting your message out there in as many places as possible—you need to give customers a unified, personalized experience across your various marketing channels.

Here are some great ways to optimize your direct mail with digital channels and data to provide a holistic multichannel experience. These strategies will help you acquire new customers and market more effectively to the ones you already have:

› **Triggered postcards:** Similar to how triggered email is automatically sent when a shopper leaves your website without making a purchase, triggered postcards are automatically sent to the shopper's postal address. And just like triggered email, the postcard can contain images of products the shopper viewed on the website, as well as recommendations for similar items. One advantage of postcards is that with email, the web visitor needs to be opted-in to your email list before you can send. That's not the case with postcards. Using the right service provider, you can identify web visitors not on your list and send them a postcard. You can also use postcards as a second line of communication to follow up with triggered email recipients who don't open your emails. Because postcards are more expensive, it's important to use a service provider that captures and analyzes intent data for signs that a shopper is motivated to buy.

› **Dimensional direct mail:** Dimensional mail brings higher response rates, but is even more expensive than flat mail—which makes sending to the right people more important than ever. Some of your best audiences for dimensional mail are former customers and prospects that you've had previous contact with. Recency is important, so the time delay associated with traditional methods for defining a mailing list can undermine your efforts. To make the most of dimensional mail, you should be using recent online engagement data—including who's been on your website, what they looked at and carted, and who's been engaging with your emails. For example, former customers who opted-out of your emails yet recently visited your website are likely to be worth the higher investment.

› **Email:** Messaging such as "Your Spring Catalogue is on the way, keep an eye out for it" will often increase catalogue engagement, leading to higher conversions. Send this just prior to the expected in-home date.

› **Facebook audiences:** The average Facebook user spends more than 30 minutes per day scrolling through their newsfeed. You can easily reinforce direct mail using Facebook Audiences and vice versa. The right service provider will be able to match your mailing list to email addresses and help get you set up with a Facebook Audiences campaign in sync with your direct mail. Think of it this way: if you commit to a cost of $0.50 per catalogue to get in front of a consumer, the incremental one or two cents to supplement that with a coordinated Facebook ad is a good investment.

› **Injectable content:** Many of your customers will also subscribe to online publications, such as the *New York Times* or *Wall Street Journal,* that may allow you to inject ads into the emails they send to their subscribers. Like with Facebook Audiences, once you match your mailing list to email addresses, you can simultaneously reach them on this channel. This is a great strategy for digitally reaching prospects who haven't opted into your email list. Your service provider will need to be able to link email addresses to your mail file and your broker should be familiar with vendors who can facilitate injecting your ads.

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› **Hotlines:** The most recent customer names acquired, called hotlines, are typically the most responsive to direct mail. In many cases, marketers restrict hotlines to recent purchasers only. Increasing your hotline pool by adding website visitors who didn't make a purchase can be an effective strategy for increasing hotlines and response rates. Is your catalogue about to go out? You can look to see who's been on your website lately and add visitors who are not on your current list. You can also test including new names with different levels of engagement, such as cart abandoners only or cart abandoners plus product browsers. Recency is king—it always has been and likely always will be. By introducing real-time web consumer feeds (visitors and purchases) to your mail stream you can improve recency in ways that historically have not been possible. The result: improved response rates and increased sales.

› **Predictive models:** Web visitor and email engagement histories can help you improve your mailing segmentation strategy. Many direct mailers use predictive models to drive mailing segmentation and mail/no mail decisioning. In many cases, purchase recency is one of the strongest variables in the model mix. An effective strategy can be to "re-activate" older buyers based on recent engagement from web visits and/or email opens and clicks. Check with your modeling team to see if they can incorporate web and email engagement data to increase your model's effectiveness. We have seen that housefile models that use recent online data average a response rate lift of 43% and a dollars per book lift of 26%.

› **Intelligent lightboxes:** Sometimes it's challenging to measure the extent that direct mail is driving customers to your website. Purchasers are typically asked to enter a catalogue code at checkout, but this often doesn't happen. In addition, this tracking method fails to measure the increased engagement of customers who are driven to the website but don't make a purchase at that time (which is still valuable, because the more engaged they are with your brand, the more likely they are to make a purchase in the future). With intelligent lightbox technology, recent catalogue recipients can be identified and welcomed—with their activities tracked from the moment they enter your website. Look for a vendor that can link your mail file to your real-time website visitors and pre-populate the catalogue source code.

As you can see, there are many ways to leverage digital channels and data to reinforce your direct mail programs and vice versa. The key to success with offline programs is to use expertise in list brokerage and analysis. While the benefits of successfully deployed direct mail campaigns will yield great results, there can be greater risk because the cost per contact is typically much higher. You need resources with expertise in both digital and direct mail program management to be successful in this landscape. ✓

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