

Six Critical Components of a Direct Marketing Program

Executed correctly, direct marketing can be an excellent way for many companies to reach prospective new customers and build sales. One of the advantages of direct marketing is the ability to deliver a targeted message to a specific audience. It's more personal than advertising, usually more cost effective and directly measurable.

However, in our increasingly message-saturated world, executing a successful direct campaign to generate new leads has become much more difficult. Consider, for example, that ten years ago the average customer was exposed to about 1,000 sales messages per day. Now, that number is about 3,000. It's no wonder that response rates for direct mail and email have been dropping.

Direct marketing can still work. But it takes careful planning, experience and professional attention to all six of the key components. Miss one, or even skimp on one, and you're almost guaranteed failure. The components below are critical for all types of direct marketing programs, but for illustrative purposes, we'll focus on acquiring new leads.

1 » A GOOD LIST

Direct marketing should be just that—direct. And your list is one of the most important pieces. A good list should at least provide the ability to target by SIC code, geographic area and company size.

It is important to target the decision makers, and if at all possible have their names. A mailing sent to John Veep, VP of Sales, that says “Dear Mr. Veep,” will always get a better response than one generically sent to “Sales Manager”.

In addition, you should pre-qualify when possible. The best method is placing a phone call to verify the contact name, address and phone number. Lists that claim to be 93% accurate, for example, seem a lot less so when you take this step. In some cases, this is just not practical or cost effective, but if the sale is large and the list is small, prequalification can be vital.

2 » HIGH-IMPACT CREATIVE AND DESIGN

Remember, you're sending something to a decision maker. Most likely, this person receives a lot of offers on a daily basis via email, fax and mail. In a lot of cases, your target recipient isn't even opening his or her own mail! Unless your piece has the impact to break through the clutter, it's going to find the circular file before even reaching your target's desk.

Postcards or form letters are inexpensive but often don't cut it. Interesting pieces, such as those with some dimension, have a much better chance of getting attention. Do you really open every envelope you get that says Special Offer—ACT NOW!!! ?

I'll bet, however, that when you receive a box, or some piece that piques your curiosity, you may spend at least a few seconds to see what it's all about. Of course, it doesn't have to be dimensional; it just has to be creative so it is interesting and memorable. If not, you have no chance.



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3 » COMPELLING COPY

The longer you can keep them reading, the higher your chance of success. Five times as many people will read the headline as will read the copy, so it must be strong. Also, shorter paragraphs get higher readership. It is often a good idea to have a very short (less than a dozen words) opening paragraph. This gets readers into your message quickly.

Sentences should also be fairly short. Long sentences cause the reader to lose the thought. Remember, you only have seconds. They have emails to answer, more mail to open and phone calls to return.

Don't left and right-justify your paragraphs. It can make them harder to read. Also, never type your copy in all caps. Studies have shown that this reduces readership by 25%. And please, don't use black type on a dark-blue background, or yellow type on white—you get the idea. An amateur designer may think it looks cool, but 33% of your readers won't even bother.

4 » A VALUE PROPOSITION THAT HITS HOME

People buy benefits, not features. Before executing a direct marketing campaign, it is critical to create a clear, compelling value proposition that you will communicate.

Your value proposition is your message that embodies what you will do for them, what pain you can eliminate, the money you can save them or what doom you can help them avoid. It also tells them why your company is the best solution and what differentiates you from the competition.

Because this is direct targeting, you can customize this value proposition to the recipient. While your message to the CEO might focus on the bottom-line cost-savings aspect, your message to the plant manager might highlight efficiency gains.

5 » CREDIBILITY

If you're IBM or Microsoft selling a software package, your credibility is already pretty firm, right? Why, yes! But think about how they got there—a track record of success, strong branding efforts, solid PR.

Perhaps your targets have not heard of your company, or they don't associate your company with the offer you are making. You need some credibility to have any chance of success. Prospects will infer your credibility from a number of clues. The piece itself is one clue. A professional-looking piece reflects your image as a professional company. Send a photocopied letter with a typo and your image is toast. PR and branding are also clues. Have they read about your company in the trade magazine? Do you have article reprints, white papers, or success stories to share?

Websites are vital. 60% of purchasing managers review company websites before making up their short list. If your site is anything but top-notch, who knows how much business it is costing you.

6 » FOLLOW-THROUGH AND ACTION

Just like when you ask for the order in a sales call, the message should contain a clear "call to action", such as sending back a reply card for a free gift, calling for a free sample, or a special discount if they buy soon. The call to action should be clear and should come with a specific deadline.

Equally important is follow-through. This can be in the form of follow-up phone call or ongoing campaign. For example, you can send future mailings to the same list and increase your response. Usually, you can expect about 50% of the original response rate on a second mailing executed within one month of the first.



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Follow-up phone calls are among the most effective tools in B2B direct marketing. The focus here is to set up an appointment for a salesperson. Of course, don't start the conversation with "Did you get my mailer? No? OK, well..."

Also, be realistic about your resources. Unless there is a dedicated resource to make these follow-up calls, it's highly unlikely that they will ever get done. And they're so important. You want your salespeople spending as much time as possible in front of prospects and customers, right?

That's some general advice. However, there is a lot more to a successful direct marketing campaign. From our own experience, as well as the findings of countless research and case studies, it's clear that the best results are obtained when the entire campaign is viewed as a whole and executed with dedicated resources. Direct marketing is getting harder and harder, and it is easier than ever to throw money away in the name of saving it. But with the right help, proper planning, and smooth execution, your direct marketing program can be a resounding success.

