



MASTERING DIRECT MAIL

A Comprehensive Guide to Strategic Planning, Data-Driven Targeting, Creative Design, Technological Innovation, and Sustainable Practices





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INTRODUCTION TO DIRECT MAIL STRATEGY

Whether creating your own campaign in-house or using an experienced direct mail partner such as Direct Response Media Group, it's important to narrow down what it is you hope to achieve. Planning will simplify and speed up your decision making process. This guide explores defining your direct mail objectives, budget planning and resource assessment, integrating direct mail with marketing, case studies and a strategic checklist.



3 in 5

Canadians flip through every piece of mail they receive looking for something relevant to them.

66%

of Canadians see direct mail as growing their relationship with businesses they shop at.

54%

of Canadians pay particular attention to direct mail from nearby businesses.



Home continues to be central to our lives and where decisions that really matter are made. That makes direct mail the ideal channel to break through to your target.

**Canada Post, Mail Moments 2022*

MASTERING DIRECT MAIL

STRATEGIC PLANNING AND EXECUTION OF DIRECT MAIL

DRMG



DEFINING YOUR DIRECT MAIL OBJECTIVES



First, you need to define your strategy. This will help you answer what your main objective is. Is it to create brand awareness? Acquire more first time customers? Increase repeat customers and strengthen loyalty of existing customers?

Whom do you want to reach?

Define your target: geography, demographics, interests and behaviours, lifestyle and life stage.

If you are just starting out and maybe don't have an existing database (or yours is in its very early stages), you may wish to turn to external data sources for your targeting. This is a very common practice with businesses large and small. In this case, to develop an audience list, you can use what you've learned researching your target audience.

What do you want your audience to do?

Attend an event or sign up for an e-newsletter? Make a purchase or donation at your website? Visit your physical store? Take action on social media? Talk to a rep?

What is your offer/message?

How will you get your target to act? Direct mail does better when it includes a simple message and a relevant offer to excite your customers.

Will your campaign be integrated?

Will you be doing direct mail on its own, or will it be integrated into a harmonized mix for better results?

BUDGET PLANNING AND RESOURCE ASSESSMENT



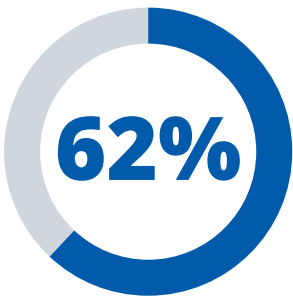
What is your budget? Knowing this will help narrow your choices, from paper quality to mailer formats to the size and scope of your campaign. Consider working with Direct Response Media Group to ensure your process fits your budget and timelines.

What data do you have? Evaluate your data so you have a good understanding of your targeting capabilities, which will factor into your results.

Working with Direct Response Media Group can provide access to industry expertise to help develop and execute successful campaigns. Their expertise allows them to enhance the direct mail process, and lay the foundations for smooth execution.

INTEGRATING DIRECT MAIL IN THE MARKETING MIX

Timing, a well-written and clear message that has a compelling call to action, these are considered priceless assets. Ensure that your direct mail coincides with your marketing objectives by choosing the right format, look, feel and message. When combining direct mail with your marketing efforts, it can lead to results such as:



of Canadians pick up the mail at least three times a week.



average number of minutes Canadians spend reading through their mail.

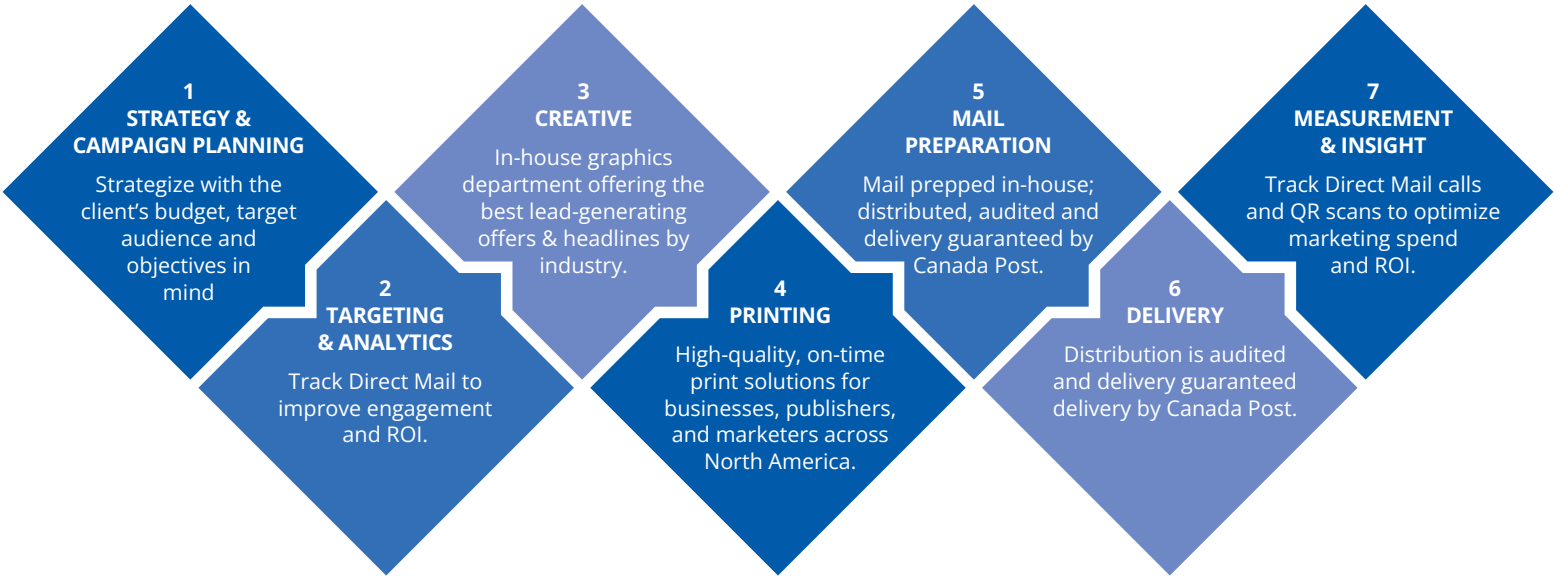


45% increase in response rates compared to a digital-only media mix;⁵

39% more attention for integrated direct mail and digital campaigns when compared with single-media digital campaigns;⁶

5% more emotional intensity triggered by integrated direct mail and digital campaigns compared to single media digital campaigns;⁶

10% higher brand recall with integrated direct mail and digital campaigns than single-media digital campaigns.⁶



*Canada Post, Mail Moments 2022. ⁵"Mix digital and physical marketing to build an integrated plan," The Globe and Mail. September 2020. Referenced from Canada Post. Amping Up the Media Mix. 2020. ⁶Canada Post. Connecting for Action. 2016.

CASE STUDIES:

STRATEGIC SUCCESSES IN DIRECT MAIL



Princess Auto identified a large (and growing) segment of customers who had not made a purchase in some time. The company knew its retention marketing efforts were in need of help. A direct mail campaign that targeted 12,000 at-risk customers saw **27.6%** of them return.



Finding new donors isn't always easy for nonprofits. **Cité de la Santé Foundation** and Canada Post partnered to identify the best prospects to target. The result was an 810% increase in the number of donors and an 880% increase in the amount of donations.



Dr. Green was in need of getting their marketing materials in the right mailboxes at the right time to increase customer acquisition and retention. From these efforts, business grew at a record pace while retaining old customers and gaining new customers in both existing and new neighbourhoods.



Wayfair.ca wanted to test how direct mail would work in addition to its digital media. When they identified the most active online shoppers, they were able to target new users and those who abandoned their carts. From direct mail retargeting, the response rate was almost double of just digital only.



Metro grocery chain was looking to build on the current success of its direct mail campaigns. By combining direct mail with social media, Metro saw a 64% higher response rate and over four times more sales and orders.



CANADIAN DOWN & FEATHER transformed website abandonments into sales by utilizing direct mail to reconnect with potential customers. The campaign proved highly successful, generating a 65% higher average order value compared to solely digital channels and leading to 56% of recipients purchasing items highlighted in the mailer.

CONCLUSION

Direct mail will continue to be a powerful tool in your marketing mix. As consumer needs, behaviours and attitudes evolve, this guide will serve as a great resource for you and your business. Use this as a reminder to define your objectives before you start, determine your budget and the resources as well as setting and measuring your goals that will help you connect with consumers in meaningful ways.

Let us help you. Contact us for any questions you may have about direct mail!



UNDERSTANDING THE VALUE OF DATA IN DIRECT MAIL



Data-driven insights can help you reach the right audiences and deliver your message into the right mailboxes. Data serves as the foundation upon which targeted and personalized direct mail campaigns are built. By harnessing accurate and relevant data, marketers can tailor their messages to specific demographics, ensuring that the content resonates with the intended audience. The value of data lies in its ability to enhance the precision of targeting, increase the likelihood of engagement, and ultimately drive higher conversion rates.

Analyzing data allows marketers to segment their audience, craft compelling messages, and optimize the timing and frequency of mailings. Moreover, the insights gained from data analytics enable continuous improvement, refining strategies based on real-time feedback. In essence, recognizing and leveraging the value of data in direct mail empowers marketers to forge meaningful connections with their audience, leading to more effective and efficient communication strategies.



BUILDING IDEAL CUSTOMER PROFILES

To accurately build out your customer profiles, you more than likely have a lot of these questions answered. Where do you find the answers to these? Your in-house data contains valuable information about your customers and their habits.

Use ideal customer profiles to target look-alikes. Now that you know the characteristics of your ideal customer, you're ready to put your data to use to acquire or retain customers, to generate awareness or to build loyalty.



What are the **demographics** of my best customers (age, income, education level)?

Are my customers clustered in specific **geographical** areas?

Where do they **spend their time** on-line?

How might pain points influence their **buying habits** (for example, time-starved working families)?

Are there any **life stages and/or lifestyle traits** that my customers have in common (for example, empty nesters)?

ADVANCED TARGETING TECHNIQUES

Using advanced techniques such as the geography, demographics, interest and behaviours as well as lifestyle and life stage can help you precisely target the right customers.

Through visualization, you gain insights into your current customer base, anticipate their potential evolution, and pinpoint their locations. With an abundance of data points available for exploration, the opportunities appear boundless.

Are you curious about the intersections between your customers and specific store locations? Wondering which postal codes offer the greatest potential? Interested in identifying individuals who visited your store following a direct mail campaign, as well as those who did not? Visualization provides a comprehensive understanding of these dynamics and opens up a world of possibilities for strategic decision-making.



UNDERSTAND

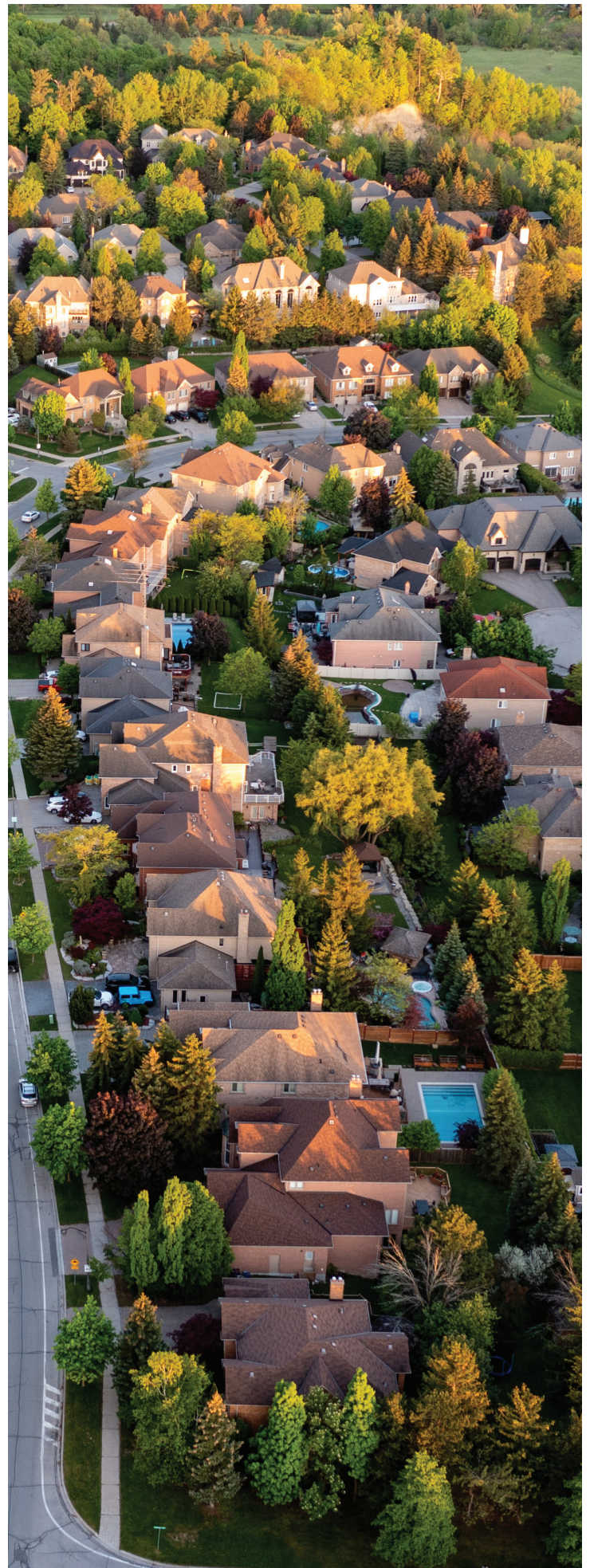


TARGET



OPTIMIZE

Postal Code targeting is another solution that uses the postal code to reach a desired audience. The location of a potential customer plays a key role in determining who is most likely to buy from you. Chances are, people who live in the same neighbourhood tend to share similar demographics, life stage, aspirations, preferences and behaviours.



PERSONALIZATION AND CUSTOMER ENGAGEMENT

Securing the loyalty of customers hinges on maintaining relevance to the specific individuals you aim to reach, irrespective of when and how they opt to engage with your brand.

Personalized Mail proves effective in fostering loyalty and attracting new customers alike. Tailoring communication to the individual preferences, behaviors, and demographics of recipients not only captures attention but also creates a sense of relevance. The ability to address customers by name, offer personalized product recommendations, and acknowledge previous interactions enhances the overall experience and strengthens the connection between the brand and the consumer.

Personalization in direct mail goes beyond just addressing recipients; it involves crafting content that resonates with their interests and needs. By leveraging data insights, businesses can create targeted and meaningful messages, resulting in higher response rates and increased customer satisfaction.

Ultimately, personalization in direct mail is a powerful tool for building lasting relationships and maximizing the impact of marketing efforts.



CONCLUSION AND BEST PRACTICES IN DATA MANAGEMENT

It is crucial to ensure that all addresses are comprehensive and adhere to a standardized format. Similar to managing an email subscription list, maintaining clean data involves eliminating duplicates. Duplicates not only incur unnecessary costs and hinder accurate result calculation but also risk causing annoyance to recipients who receive redundant communications. To enhance the efficiency of your customer files, allocate time to eliminate duplicates and verify the completeness of addresses – including essential details like suite numbers for precise addressing.



THE IMPORTANCE OF CREATIVE DESIGN IN DIRECT MAIL

Creative design is the foundation of successful direct mail campaigns. It's the first impression, the hook that grabs attention in a crowded mailbox. Eye-catching visuals, innovative formats, and engaging copy entice recipients to open, read, and respond. A well-designed piece not only communicates a message effectively but also evokes emotion and reinforces brand identity. By marrying aesthetics with strategy, creative design elevates direct mail from a mere advertisement to a memorable experience, driving higher response rates and a stronger return on investment.



BEST PRACTICES IN CREATIVE EXECUTION

While your brand identity is important, incorporating proven design principles can significantly enhance the effectiveness of your direct mail.

LESS IS MORE

Keep your design clean and uncluttered. Too much information overwhelms the reader and dilutes your message. Prioritize a clear value proposition and a prominent call to action (cta).

ACTIONABLE LANGUAGE

Use strong verbs and active voice to inspire action. Focus your copy on the benefits of your offer rather than simply describing your product or service.

VISUAL IMPACT

Choose high-contrast, simple images that are easy to process. Bold colors and fonts will make your message stand out.

COMPELLING CALL TO ACTION

Make your cta clear, prominent, and easy to follow. Encourage the recipient to take advantage of your offer with a specific, achievable action.

HUMAN CONNECTION

Images of people interacting with your product or service can create a personal connection and reinforce your key messages.

TRACK YOUR SUCCESS

Embed tracking mechanisms like promo codes, unique urls, or call tracking phone numbers to measure the effectiveness of your direct mail campaign. This data will help you refine future effort

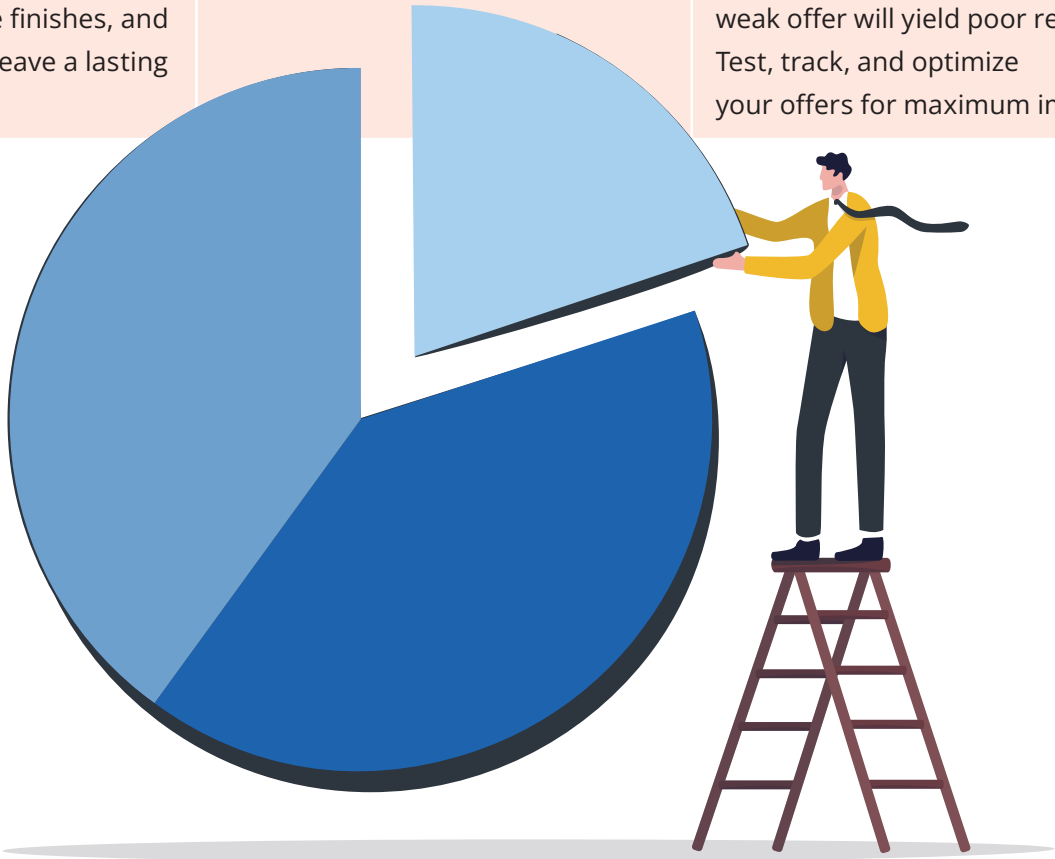
MASTERING DIRECT MAIL

CREATIVE AND DESIGN ASPECTS OF DIRECT MAIL

APPLYING THE 40/40/20 RULE IN DESIGN

To optimize your direct mail planning, we suggest allocating your time to the following:

| 20% CREATIVE EXECUTION | 40% AUDIENCE | 40% OFFERING |
|--|---|---|
| Transform your direct mail into a powerful brand statement. Invest in eye-catching visuals, persuasive messaging, and a format that grabs attention. Seamlessly integrate it with other marketing channels for maximum reach. Explore premium paper options, unique finishes, and interactive inserts to leave a lasting impression. | Start by identifying your ideal audience. Their demographics, location, and lifestyle are key to reaching them effectively, whether through your own customer list or a rented one. | What's in it for your audience? What are you offering, and why should your audience care? Tailor your offer to their needs, whether it's a discount, expert advice, or a solution to their problem. Even with the best data and creative, a weak offer will yield poor results. Test, track, and optimize your offers for maximum impact. |





DISCOUNTS



REBATES



FREE GIFT



LOYALTY POINTS



CONTESTS

**Do not forget to add any fine print such as eligibility requirements, expiration dates and any other terms and conditions you need to include!*

CHOOSING THE RIGHT FORMAT AND MATERIALS

From solo cards, magazine ads to envelope inserts, there are a variety of formats to use.

SHARED MAIL

Broadly reach homes in select neighbourhoods; targeting a preferred geographic profile through monthly scheduled publications featuring local, regional and national advertisers. Shared Mail offers competitive pricing that allows advertisers to reach a broad audience at a fraction of the cost of mailing their flyer or postcard as a standalone.

SOLO DIRECT MAIL

Choose your own mailing schedule with a standalone advertisement. Shared Mail offers competitive pricing that allows advertisers to reach a broad audience at a fraction of the cost of mailing their flyer or postcard as a standalone.

PERSONALIZED MAIL

Personalized Mail™ is a one-to-one communication, allowing for a tailored message directly to customers or prospects while acquiring new customers, deepening connections with existing ones and building customer loyalty. The address may or may not have a contact name. The list of addresses can be your list of customers or can be bought/rented.



INCORPORATING TECHNOLOGY

QR CODES

QR codes are experiencing a resurgence as marketers leverage their versatility to connect with customers in a touchless world. Easy to scan with smartphones and embraced by all age groups, these codes are appearing everywhere, from restaurants to real estate, driving purchases and content engagement. As businesses prioritize first-party data, QR codes are emerging as valuable tools for collecting customer information and uncovering insights across various platforms.

Examples of industries that are using QR Codes.



| AUTOMOTIVE | | REAL ESTATE | | RETAIL | |
|-----------------|---------------------|--------------------|-----------------|---------------------|----------------------|
| Book Test Drive | Pre-Order New Model | Book Showing | Virtual Tour | Drive to Store | Connect to Website |
| Current Offer | Referral Rewards | View Image Gallery | House Valuation | Sales and Discounts | Product Instructions |
| Find a Dealer | Enter a Contest | Listing Directions | Contact Info | Brand Content | Social Media Links |

MERGING CREATIVITY

WITH EFFECTIVENESS

The marriage of creativity and effectiveness is the key to unlocking the full potential of direct mail. By embracing innovative design, compelling messaging, and targeted strategies, businesses can create campaigns that not only capture attention but also drive tangible results. From eye-catching visuals to personalized offers, each element plays a crucial role in creating a memorable and impactful experience for the recipient. As technology continues

to evolve, so too will the possibilities for direct mail, ensuring its continued relevance in the ever-changing marketing landscape. By staying ahead of the curve and embracing new trends, businesses can leverage direct mail to forge deeper connections with their audience and achieve lasting success.



INNOVATIONS IN DIRECT MAIL

Direct mail is evolving beyond traditional expectations. Cutting-edge technologies empower businesses to respond to customer signals in real time, leverage geolocation data, analyze consumer behavior, and deliver personalized messages to homes faster than ever before. Even familiar technologies are being reinvented to drive greater impact.

OPTIMIZING DIRECT MAIL CAMPAIGNS

Modern direct mail campaigns rely on data to navigate the ever-changing customer journey. With unpredictable touchpoints, continuous testing is crucial to identify successful strategies. Even established tactics need to be challenged. By incorporating small-batch testing and scaling proven results, marketers can optimize their direct mail efforts and achieve measurable outcomes, much like in the digital realm.

When testing, only change one element at a time so you can identify what works best.



| FORMAT | Self-mailer vs. outer envelope (OE/Letter) | Oversize or die-cut vs. Standard | Dimensional vs. Standard | Buck slip vs. no buck slip | Postcard vs. OE/Letter | |
|----------|--|----------------------------------|----------------------------------|----------------------------|------------------------|----------------|
| CREATIVE | Short copy vs. long copy | Augmented reality | Media integration and sequencing | Messaging | Response mechanism | Call to action |
| OFFER | Price terms | Time limit | Value add | % discount vs. \$ off | | |

TELL THE **STORY** OF YOUR **MARKETING** WITH **DRMG Insight™**

DRMG Insight™ allows businesses to monitor and measure the effectiveness of online & offline marketing efforts

Key Components:

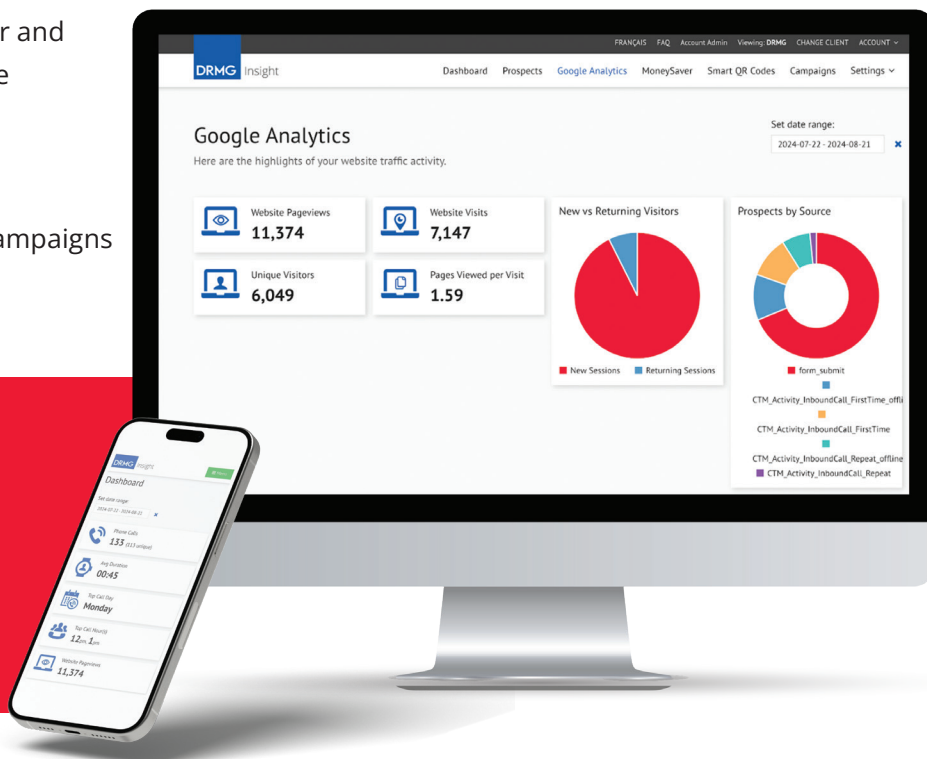
- ✓ Gain valuable insights to optimize your campaigns
- ✓ Get a complete picture of your ROAS
- ✓ Track all your efforts in one place

INSIGHTS 2.0 with new



CONNECTOR

making setup easy and simple



THE POWERHOUSE OF **ANALYTICS**

OPTIMIZED CAMPAIGNS

With these new tools, advertisers can better understand the performance of each marketing channel, campaign and creative allowing for more strategic allocation of marketing budgets and optimization of campaigns.

REAL-TIME TRACKING

The enhanced platform offers real-time tracking of customer engagement, making it easier to adjust strategies on the fly and improve overall campaign performance.

CROSS-CHANNEL INSIGHTS

The ability to track both online and offline engagements provides a holistic view of customer interactions, making it a powerful tool for integrated omnichannel marketing strategies.

GREATER ROI

By providing detailed insights into customer behavior and campaign performance, **DRMG Insight™** helps advertisers maximize their return on investment by making informed & data-driven decisions.

These points will help position **DRMG Insight™** as an essential tool for advertisers looking to gain a competitive edge through precise and actionable analytics.

MEASURING AND TRACKING DIRECT MAIL SUCCESS

Each customer interaction within your direct mail campaign should be unique and measurable. Utilize these effective tracking methods:

- **Coupon and promo codes:** Generate both in-store and online traffic. Unique codes for each campaign ensure accurate attribution.
- **Marketing URLs (MURLs):** Direct recipients to campaign-specific landing pages (e.g., [dentalcleaning.ca/freewhitening](#)) to easily track responses.
- **Personalized URLs (PURLs):** Create individual landing pages for each recipient, maximizing personalization and tracking.
- **Social media:** Encourage social sharing with dedicated hashtags (e.g., #greatoffer) to expand your campaign's reach and track engagement.
- **Dedicated phone numbers and email addresses:** Offer toll-free numbers or unique email addresses specifically for your direct mail campaign. Call tracking enables precise performance measurement and is easy to set up.
- **QR codes:** These affordable and scannable codes instantly connect users to relevant content, such as videos or landing pages, driving interaction and facilitating tracking.

By implementing these tracking mechanisms, you'll gain valuable insights into your direct mail performance and identify areas for optimization.



CONCLUSION EMBRACING TECHNOLOGY IN DIRECT MAIL

Direct mail's capabilities have skyrocketed. Cutting-edge technologies enable businesses to react swiftly to customer cues, leverage location-based insights, decipher buying habits, and deliver personalized messages with unprecedented speed. Even familiar tools are finding new purpose in this evolving landscape.



BEST PRACTICES FOR ENVIRONMENTALLY FRIENDLY DIRECT MAIL

Direct mail has a strong foundation in sustainability. Paper is one of North America's most recycled materials, and our forestry industry boasts low greenhouse gas emissions. Canadian paper production also relies on renewable energy and repurposes byproducts.

Your direct mail campaign is already off to a great start, but there's always room for improvement! Boost your sustainability efforts without sacrificing creativity by

choosing paper with third-party certifications like FSC or CSA. Look for options containing ag-fibre (agricultural waste) or those made with elemental-chlorine-free (ECF) virgin fibre, exceeding industry sustainability standards.

This rewritten version is more concise, emphasizes the positive aspects of paper's sustainability, and provides actionable steps for enhancing the eco-friendliness of direct mail campaigns.


SUSTAINABILITY IN DIRECT MAIL

DRMG Plastic vs Paper

As a leading Smartmail Marketing Expert Partner, DRMG has proudly served Canadian businesses for over two decades, offering innovative shared media solutions. One of our popular products is the shared wrap, which allows customers to advertise alongside non-competing businesses with printed material inserted into a plastic polybagged wrap. Acknowledging our responsibility to the environment, we committed ourselves to finding a non-plastic alternative. Our efforts to be environmentally sustainable have allowed us to reach one of many milestones by eliminating 147,000 pounds of plastic.



**Sustainable Partner
Environment Award**

Presented by Canada Post  **2022**



PREPARING AND DEPOSITING YOUR MAIL



With millions of pieces going through the mail stream every day, it's important to prepare your shipments to avoid issues or delays.

Follow these steps to ensure your mail is ready for drop-off at your chosen Canada Post facility:

- ✓ **Package securely:** Place your mail pieces upright in Canada Post containers or your own sturdy boxes.
- ✓ **Label clearly:** Attach a label to each container, clearly indicating the address of the urban or rural facility where you'll be dropping off your mail.
- ✓ **Add your Order number:** Write your Order number on each label for easy tracking.

Double-Check:

Before you head to the drop-off location, ensure your items meet the following criteria:

- ✓ **Height requirements:** Bundles must be within the specified height limits based on weight (under 500g: 15.24cm, 500g-1000g: 20cm).
- ✓ **Proper packaging:** Use labeled Canada Post containers, cardboard boxes, or pallets as needed.

By following these guidelines, you'll help ensure a smooth and efficient delivery process for your direct mail campaign.



DELIVERY GUIDELINES AND OPTIMIZATION

Delivery timelines can vary based on several factors, including the size and weight of your mail piece, as well as the distance it needs to travel. A standard local letter may arrive sooner than a bulky package destined for a different region. Take these considerations into account when planning your project schedule.



LEGAL COMPLIANCE IN DATA USAGE

In the course of gathering and utilizing consumer data for commercial purposes, such as targeting potential customers, it is typically necessary to secure informed consent. Additionally, other relevant requirements may be applicable. Similar to any marketing initiative, it is crucial to adhere to pertinent laws and, if necessary, seek legal advice for clarification.

INTEGRATING DIRECT MAIL WITH DIGITAL STRATEGIES

For maximum impact, align your online and offline communication strategies, ensuring consistent messaging across all channels. This strengthens your brand and enhances the customer experience at every touchpoint.

Explore these powerful media combinations:

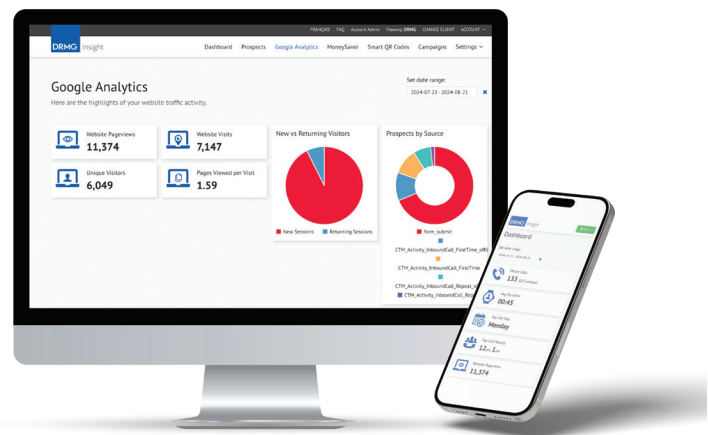
Direct mail + mobile: Leverage geolocation data and geofencing to track the customer journey and boost response rates.

Direct mail + social media: Use social data to personalize catalogues and drive traffic to shoppable social feeds.

Direct mail + out-of-home: Enhance targeting precision by connecting programmatic out-of-home advertising with direct mail. Geolocation data matches mobile audiences with billboard locations, maximizing reach and ensuring the right messages are seen by the right people.



Direct mail, when integrated with digital channels, can elevate marketing campaigns to new heights. Studies reveal that such integrated approaches outperform single-media digital campaigns across key metrics, including attention, emotional connection, and brand recall. Remarkably, the highest brand recall occurs when direct mail is deployed following email, exceeding the average for other campaigns by an impressive 40%.⁶



6 Canada Post. Connecting for Action. 2016.

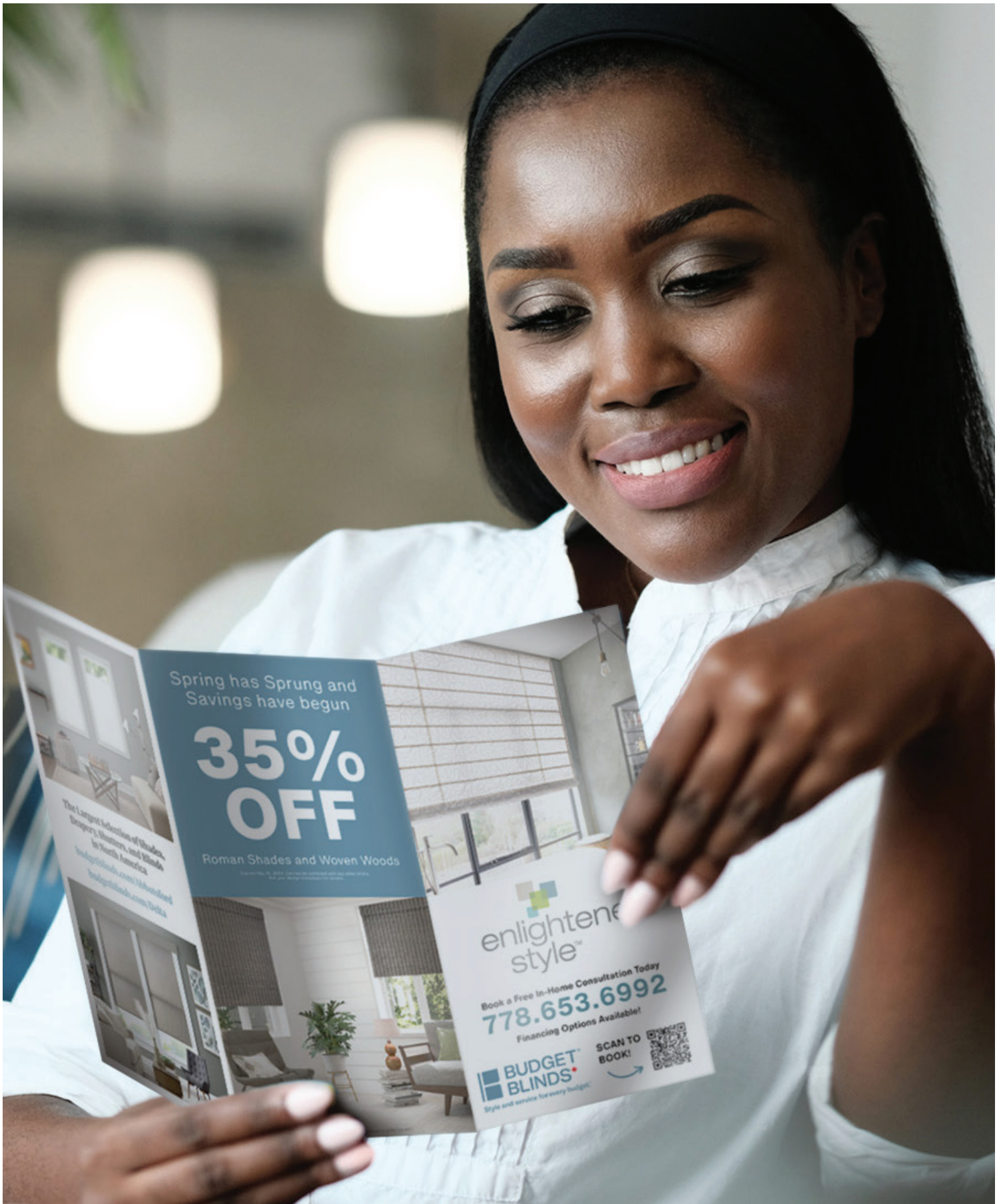
CONCLUSION

TOWARD A GREENER FUTURE IN DIRECT MAIL MARKETING

The direct mail industry is actively embracing sustainability. Paper, a renewable resource, is the most recycled material in North America, and forestry practices are continuously improving. Businesses are making eco-conscious choices by using recycled and alternative-fiber papers, reducing waste, and implementing responsible production methods.

Additionally, innovations like augmented reality and QR codes are minimizing the need for excessive print materials. By partnering with responsible suppliers and adopting greener practices, direct mail marketing can continue to thrive while minimizing its environmental impact.





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