



The Power of Direct Mail

HOW DIRECT MAIL
HELPS YOU MAKE
MORE MEANINGFUL
CONNECTIONS WITH YOUR
CUSTOMERS & PROSPECTS





Direct Mail is More Powerful Than Ever!

Direct mail is driving more response and purchase than ever!

Improvements in targeting, printing, and multi-channel experiences have propelled direct mail to a top performing channel for marketers.

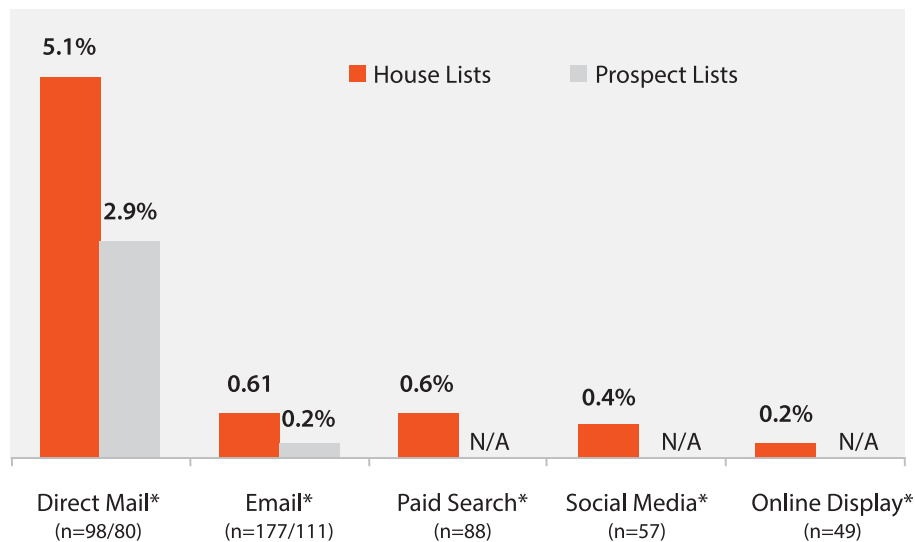
In the following pages, you'll learn why, in this digital age, direct mail is a more powerful and critical marketing tool than ever — creating meaningful connections with prospects and customers and driving both higher response and conversions for B2B and B2C marketers, as well as Not-For-Profit organizations.

We hope you find this report helpful when considering the marketing channel mix for your organization.



Direct Mail Response Rates Lead All Direct Media

Direct mail shines when it comes to response rates, eclipsing digital media channels for both house and prospect lists.



*Calculated as CTR x Conversion Rate

Published on MarketingCharts.com in June 2017 | Data Source: Data and Marketing Association (DMA) / Demand Metric (2017)

Sample sizes reported per medium, based on a survey that skewed slightly more towards B2C than B2B respondents.



Direct Mail Commands High Levels of Consumer Attention & Engagement

Consumers across generations read direct mail; they save it and share it with others. They even display direct mail that interests them in prominent areas of their homes.

READ



Nearly 7 in 10 (67%) consumers read direct mail

- Mail from known local and national businesses is the most likely to be read
- Direct mail readership is highest among 18-29 year-olds!

Engagement by age group

65+:	26%
50-64:	29%
30-49:	37%
18-29:	40%

SAVE



3 in 10 (33%) consumers who read direct mail also save it for future reference or action

- Mail from known local business is the most likely to be saved
- 18-29 year-olds save direct mail 21% more than average

Engagement by age group

65+:	26%
50-64:	29%
30-49:	37%
18-29:	40%

SHARE



7 in 10 (71%) consumers share direct mail with others in their household

- Mail from known local business is the most likely to be shared
- Young adults (18-29 year-olds) are the most likely to share direct mail

Engagement by age group

65+:	53%
50-64:	72%
30-49:	76%
18-29:	77%

DISPLAY



4 in 5 (81%) consumers display direct mail that interests them in their homes

- Mail from known local business is the most likely to be displayed
- Older adults (more than 50 years old) are the most likely to display direct mail

Engagement by age group

65+:	85%
50-64:	83%
30-49:	78%
18-29:	79%

Source: Canada Post and Harris/Decima, Direct Mail Engagement Omnibus (n = 2,022 Canadians surveyed in June 2015), July 2015.

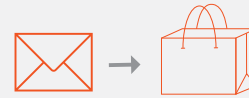


Direct Mail Drives Traffic and Purchase

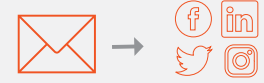
Direct mail significantly outranks its digital counterparts when it comes to driving traffic to retail stores — and as consumers migrate more of their shopping online, it is also proving to be an effective way for brands to drive traffic to their online properties.



64% visited a website in reaction to direct mail¹



47% visited a store in reaction to direct mail¹



54% Have engaged in social media as a result of receiving mail²

Direct mail also drives purchases

23% in 23% of cases, direct mail prompts respondents to take action³

33% of all print catalogues received trigger a purchase⁴

50% have purchased a product in store as a result of direct mail received⁴

43% ordered a product online in reaction to direct mail¹

¹ Swiss Post's comprehensive mail study, 2014 ² Royal Mail MarketReach, "The Private Life of Mail," January 2015


³ Belgium Post, "Letterbox Consumer Survey," (<http://letterboxconsumersurvey.be/en/>) | ⁴ Canada Post / Harris Decima, "Catalogue Shelf Life Omnibus," December 2014





Direct Mail is a Leading Brand Building Channel

Consumers interact with direct mail in an instinctive, emotionally charged way that colours how they feel about brands. Consumers say they're much more likely to feel valued when brands communicate with them through mail than email or social media. These findings suggest that while direct mail has long been known for its direct response-driving capabilities, it is also an effective vehicle for deepening customer intimacy and even transmitting brand values.

Direct mail makes consumers feel valued

 **57%** are more likely to feel valued when brands contact them through mail than email (17%)¹

 **38%** say the physical properties of mail influence how they feel about the sender¹

 **55%** have a better impression of a company if they contact them by mail than email (25%)¹

 **55%** believe that physical mail is the medium that gives the best impression of the sender²

¹ Royal Mail MarketReach, "The Private Life of Mail," January 2015 | ² Post Danmark, "Strength of the Letter 2014"



B2B Executives Warm to Direct Mail

Direct mail doesn't just hold sway with consumers. It's also a critical part of B2B marketing programs. In fact, B2B marketers are making direct mail a component of their account-based marketing programs, recognizing that it's a preferred outreach channel for executives, who seem willing to respond to it.



B2B Direct Mail

66%

of B2B executives would respond to a direct mail piece ¹

60%

of B2B marketers are adding direct mail as part of their account-based marketing initiatives ²

50%

of B2B buyers prefer to be contacted by direct mail, 3rd out of a list of 9 outreach methods ³

Published on MarketingCharts.com in March 2018 | Data Sources: ¹ InsideSales.com (2017) / ² Demand Gen Report (2016) / ³ RAIN Group (2018) Demand Gen Report data based on its 2016 "ABM Benchmark Survey Report". The InsideSales.com data is from its "State of Direct Mail" report, which surveyed 330 B2B executives. The RAIN Group data is based on a survey of 488 B2B buyers.



Direct Mail Can Play a Pivotal Role Through Every Phase of the Purchase Cycle

No matter where your customer is in the purchase cycle, direct mail can strengthen the sales process by driving the right purchasing behaviour.

See how on the following pages.



Source: Canada Post Corporation



Awareness

Direct mail ensures that your message or product gets noticed by creating an emotional pull that inspires and resonates with the target.

It puts the brand directly in the customers' hands and allows brands to control their own message.

How Primus Used Direct Mail to Create Awareness



- Competing with much larger brands means Primus had to work hard to build brand awareness and acquire new customers.
- The direct mail campaign targeted the right clients with the right message and the right offer: fast unlimited internet and home phone for \$44.95 a month for a guaranteed two-year term.
- The campaign was a tremendous success. At 578%, ROI was well above the 200% target, and marked an all-time-high ROI for Primus' unaddressed programs.

Source: Canada Post Corporation



Consideration

Being relevant to consumers and inspiring their curiosity is essential to driving more action.

This is the phase when consumers begin to consider and validate their potential choices.

The key is getting the right message at the right time to the people you need to reach.

How The Park Kitchen & Bar Used Direct Mail to Increase Consideration

thePark
KITCHEN & BAR

- In the competitive restaurant industry, “getting the word out” is critical for survival. The Park Kitchen & Bar was able to target a campaign to households within a specific radius of the restaurant.
- The campaign consisted of two mail drops and included coupons that recipients could redeem for extra savings at the restaurant.
- The campaign resulted in a 17% lift in sales, proving that Canada Post Neighbourhood Mail™ is a key ingredient for success.

Source: Canada Post Corporation



Purchase

Direct mail drives action by inciting the right behaviour.

Use of offers strengthens the purchase decision.

It increases organic reach and creates multiple opportunities for a brand to be seen and interacted with.

35% of promotional mail is passed along to others, in shared households.

How World Gym Used Direct Mail to Turn Interaction into Action



- World Gym Canada frequently advertises simple and easy-to-afford membership options to acquire new clients.
- While social media forms of advertising can act as effective door openers, the DM campaign helped the brand stand out as consumers are more likely to read direct mail than other forms of advertising.
- The Neighbourhood Mail™ campaign generated a response rate of more than 4.5% attracting 40,000 new members to the 30 facilities.

Source: Canada Post Corporation.



Retention

The key to building a long-term sustainable brand is to bring customers back time and again, through repeat purchase, cross-sell and up-sell initiatives.

80% of future profits come from 20% of existing customers.

Increasing customer retention rates by 5% increases profits by 25% to 95%.

How Frank And Oak Used Direct Mail to Improve Retention

- One of Canada's most exciting retail and fashion brand needed to effectively promote a new Toronto store and the company's website.
- Using information from its own database, Frank And Oak scheduled two mailings – one to a list of active customers, the other to inactive customers. They offered 25% off online and in-store purchases of \$100 or more.
- The campaign generated an impressive ROI: 200% from inactive clients and 350% from active clients.

Frank And Oak

Source: Canada Post Corporation



Advocacy

Connect with your best customers and make them champions for your brand.

57% of consumers are more likely to feel valued when brands contact them through direct mail than email (17%).

55% of consumers have a better impression of a company if they contact them by mail than email (25%).

How Princess Auto Used Direct Mail to Stimulate Advocacy



- Princess Auto provides an uncompromising commitment to customer service which distinguishes it from competitors.
- Princess Auto tapped its extensive database of loyal customers and mailed 400,000 postcards.
- For every dollar spent on the campaign, they got more than six back in sales. "Those who redeemed the offer ended up spending close to three times their normal spend," said Trevor Rempel, Marketing Analyst.

Source: Canada Post Corporation.



Direct Mail's Strengths Helps You Create Meaningful Connections with Your Customers and Prospects

Direct mail is a vital part of the marketing mix because of its measurability, effectiveness, quality experience and because it gets results.

Why direct mail works so well

It's "direct" after all.

Even when it is not personalized to an individual (and it should be whenever you can), direct mail is still received in the home directly. It may be mass produced, but it inevitably feels like this package, post card, flyer or whatever is "for me". This is a feeling, an engagement, that digital and other media simply cannot claim.

It is personal.

Direct mail at its best is a personal medium. It can be addressed to an individual. It can be targeted to some, not to others. It can customize its message and even its graphics based on known information. It can be relevant and timely. Yes, email marketing at its best shares these attributes. But it lacks something direct mail will always have, which is...

It is physical and tactile.

Ever caressed an email message? Ever picked up a tv commercial in your hand. Ever felt the quality touch of a radio spot? No other medium engages a consumer's sense of touch the way direct mail can. The paper, the shape, the folds, the weight and dimensionality, techniques such as embossing, varnish, die cuts. Done well, direct mail is an experience that one touches as much as one views.

Unparalleled creative versatility.

Direct mail can be pretty much whatever you can dream up. You can make it 3D or flat, an intriguing shape, a fascinating fold, any size, any paper. Put whatever you want inside of an envelope. Or create a self-mailer that begs to be played with. Add tip-ons, scratch-offs or even scented material. No other medium gives marketers as much freedom to tell their story.

[more reasons on next page >>](#)



Direct Mail's Strengths Helps You Create Meaningful Connections with Your Customers and Prospects

Why direct mail works so well (cont'd)

It is targetable, customizable, segmentable.

One campaign, multiple versions. Obviously personalized (addressed) direct mail lends itself best to trying different things to different people or groups.

But even unaddressed mail can be customized and segmented. This of course brings up the idea of testing. You can test messages, offers, audiences...pretty much any variable you can think of.

And because you can track and measure response, conversion and purchase in a variety of ways, direct mail encourages continuous improvement. You don't have to guess what works and doesn't every time you mail — you have the ability to figure it out based on actual results.

It is cost effective.

While direct mail can be pricey on a per thousand or per impression basis, the engagement, involvement, response, conversion and purchase that direct mail produces so much better than other media actually makes it highly cost-effective.

It plays well with others.

Direct mail is very effective on its own. It is also extremely powerful when combined with other media in a coordinated and integrated campaign, especially digital media. Driving response online to landing pages or microsites is one of the smartest ways to maximize your market presence. Direct mail combined with email increases overall response rates. And direct mail has always played well with media such as television, radio and out-of-home.



Let Us Help You Use the Power of Direct Mail for Your Business



DataCore is a leading mail management services company and Canada Post Expert Partner with more than 35 years of experience.

DataCore helps you leverage the power of data-driven, targeted direct mail communications to help you build your businesses and make more meaningful connections with your customers.



Smartmail Marketing[™]
EXPERT Partner



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Services & Capabilities

DataCore has the facility, equipment, processes, people and the know-how to help you achieve direct mail success.

Strategy & Creative Services

- Campaign and Program Planning
- Offer Development
- Multi-Channel Integration
- Creative Direction
- Copywriting
- Graphic Design
- Web Design & Development
- Email Marketing
- Content Development

Targeting Solutions

- Household & Business Targeting
- List/Data Rental
- Geodemographics
- Interest-based Targeting
- Mobile Phone Tracking Data
- Retail Foot Traffic Targeting

Data-Driven Printing & Personalization

- Variable Laser Imaging
- Inkjet Printing

Data Solutions

- Database Design & Maintenance
- Data Validation
- Address Correction & Standardization
- List Rental
- Data Hygiene
- NCOA
- Appending
- File Merging, Merge-Purge & Duplicate Elimination
- Data Capture

Mail Preparation & Delivery

- Personalized Mail™
- Neighbourhood Mail™
- Postal Code Targeting™
- Postal Sortation
- Folding, Tabbings, Finishing
- Machine Inserting
- Manual Inserting & Matching
- Postage Estimating
- Canada Post Standards
- Canada Post Induction
- U.S. & International Mailings

Printing & Bindery

- Offset Printing
- Digital Printing
- Folding
- Trimming
- Stitching
- Tabbing
- Diecutting

Kitting & Fulfillment

- Point-of-Sale
- Premiums & Incentives
- Literature Fulfillment
- Collateral & Brochures
- Coupons & Rebate Programs
- Digital Information Fulfillment

Digital Marketing

- Integration with Direct Mail
- Website Design & Development
- Landing Pages
- Email Marketing
- Banner Advertising
- Google Ads/PPC
- Social Media Marketing

Investor Communications

- Financial Statement & MFRP Delivery – customized to each investor
 - Quarterly / Semi-Annual / Annual

Customer Billing & Statement Solutions

- Tax & Utilities
- Financial Services
- Health Services
- Government
- Medium/Small Business

Response Management

- Response/Order Capture
- Inquiry Management
- Customer Lookup
- Inbound Mail
- Inbound Telephone
- Inbound Email
- Online Forms Management

Direct Marketing Analytics

- Campaign & Test Analysis & ROI
- Customer Lifetime Value
- RFM Analysis
- Customer Segmentation
- Allowable Cost Per Order/Lead