TouchPoints

INTELLIGENCE FOR A NEW AGE OF MARKETING



espite rumors to the contrary, direct mail is still an effective B-to-B marketing channel for both lead generation and customer retention. To increase the response rate of a direct mail campaign, consider these tips:

1. Put it to the test. The only way to know whether a mailer will work is to test it with a small sample group before rolling it out to a broader audience. Sending a sales letter, for example, to a list of 150,000 dentists without first testing could waste tens of thousands of dollars if the mailing flops.

2. Get the list right. The success of a direct mail campaign is often determined by the quality of the mailing list. Even lists that seem similar may yield widely varying results, which is why testing is critical. Today, the common practice is to rent prospect lists from large integrated database providers, such as ReachBase and MeritDirect.

3. Test different formats. Direct mail consultant Craig Simpson says he has tested postcards, self-mailers, and envelopes for driving B-to-B prospects online. "Over and over," he notes, "the envelope package gets the highest response." Why? "My guess is that the postcard and self-mailer formats get tossed by the gatekeepers," Simpson says. Another direct mail guru, Bob Hacker, says that for lead generation, a package consisting of an envelope, a letter, a response device, and a brochure will, in some cases, exceed the response rate of a postcard or self-mailer by as much as 500 percent.

4. Provide offers that truly matter. A strong direct mail offer can outperform a weak one by as much as 10:1. For example, a car rental service once tested two offers: deep discounts on rental prices vs. free upgrades to larger cars. The deep discounts generated 10 times more revenue than the free upgrade offer.

5. Use multiple response mechanisms. Despite the fast-paced evolution of the digital age, not everyone wants to go online to respond to an offer. Give prospects their choice of response mechanism, such as a business reply card, a phone number, an email address, or a hyperlink to an offer landing page.

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SMARTER TOGETHER

The Milwaukee-based marketing agency Nelson Schmidt Inc. recently conducted a Twitter poll asking marketers if B-to-B marketing is "alive and well," "on its way out," or "dead as a doornail." Nearly 70 percent of the 339 respondents said the discipline is either dying or dead. Before you start contemplating a new career, however, Nelson Schmidt CEO Dan Nelson Jr. says the results validate that the lines between business and consumer marketing are blurring.

"The biggest consumer marketers all have distribution channels (i.e., other businesses) that are crucial to their purchase cycles and need marketing support to be successful," Nelson says. "And pure-play B-to-B marketing must ultimately communicate and resonate with a person, who happens to be consuming products and services in a professional capacity. At the end of the day, we're a community of marketers, and we need to start thinking and functioning as one. There is much that can be learned and applied across business and consumer marketing, and we can all be better marketers by focusing on the similarities, rather than the differences, between the two."