

**HOW**

**TO**

**PRODUCE**

**DIRECT MAIL**

**A SIMPLE GUIDE TO  
SUCCESSFUL DIRECT MAIL**

**SEPTEMBER 2015**

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# INTRODUCTION

Here at Royal Mail MarketReach we are committed to helping businesses produce great direct mail that will get them noticed and help them grow.

By working with leading industry bodies, we have created a useful direct mail guide to help small to medium sized businesses.

This guide will help take you through the planning and implementation of a direct mail campaign from start to finish. However, if you need more help, there's also lots of helpful advice, guides and partners on the Business Services section of our website.

There are seven sections to this guide with practical steps throughout and simple tips to get the most from direct mail.



# STRATEGY

## GETTING STARTED

Here are some simple steps for planning a campaign or series of campaigns, which will help you to determine the best outcomes from your budget.

<b>What you send</b>	Consider what you are sending. Customers prefer to receive brochures, catalogues, welcome packs, bills and statements, and loyalty rewards by mail. They like digital channels to hear about news and updates, confirmations or follow-up messages.
<b>The message</b>	Customers see mail as a communication of authority and they take it seriously. Think about what message you want to convey and what you want the customer to think about you as a result of receiving it.
<b>Integrating channels</b>	Mail and digital work together in complementary ways. As a result of receiving mail 92% of customers went online to visit the company's website and 87% purchased online.
<b>Your plan</b>	Think about the role of the individual communication in the wider context of a years' activity to ensure that you consider what the customer is going to receive from you in a longer period of time.
<b>Your objectives</b>	Have a clear idea about what you want your direct mail to achieve e.g. an increase in footfall, online sales or customer loyalty. If you have one clear goal for the mail you are sending the more likely it will be to succeed.

Source: Royal Mail MarketReach, Mail and Digital Part 2, Quadrangle, 2014.

### TOP TIP

**SUMMARISE THESE STEPS IN A PLAN THAT YOU CAN REFER BACK TO LATER.**

## **SETTING CLEAR FINANCIAL GOALS**

To determine the best outcomes from your budget, here are some further steps to consider. By setting clear financial goals from the start, you can work out what you should spend against what incremental business it will deliver. Five things you should check at the start are:

### **Financial return**

What return on your investment do you want to achieve? If you are spending £5,000, what money do you need to make back to pay for the activity and make additional revenue?

### **Volume**

How many customers or potential customers do you need to reach to make the sort of financial impact you want, is it 100's or is it 1,000's? How many sales, how many visits to your store or your website?

### **Response**

How many customers do you think will respond? This helps you to plan how many enquiries, registrations or leads you can handle and what's realistic for you. You might do a small test volume to start with to gauge response rates.

### **Fulfilment**

What will you need to do to service the responses – phone back, send something out, process vouchers? Plan ahead so you can manage the outcome.

#### **TOP TIP**

**WORK OUT YOUR MAIN GOALS AND KEEP THEM IN YOUR MIND THROUGHOUT YOUR DIRECT MAIL DEVELOPMENT.**



# AUDIENCE

## FINDING THE RIGHT CUSTOMERS

One of the most important factors for the success of your direct mail is the right targeting. This will have the single biggest impact on how effective your activity will be.

### TALKING TO EXISTING CUSTOMERS?

If you have a database, decide which customers you want to talk to.

- Consider what relationship you have with them.
- What have they ordered or what business have they done with you before?
- What are they worth to you?
- What offers or services might they be interested in from you now?
- Are you able to find a group of customers who look similar that might be interested in the same offer or service?

### WANT TO FIND NEW CUSTOMERS?

If you are looking to acquire new customers there are a number of ways you can do this.

- Think about what your customers look like, e.g. what age or gender are they and what income do they have?
- Where do they live? What sort of houses are they likely to live in? Which streets and areas are they located in?
- How many children might they have or are their children grown up and left home?

To get help in choosing the right mailing list, try our Customer Finder by visiting [www.royalmail.com/customer-finder](http://www.royalmail.com/customer-finder)

### TOP TIP

**DRAW A SIMPLE PICTURE IN YOUR MIND OF YOUR CUSTOMER GROUP(S). GIVE THEM A NAME TO HELP YOU PINPOINT WHO THEY ARE.**

## MAKING THE BEST USE OF YOUR DATA

Whether you are using your own data or buying new data, there are a number of steps you should follow to ensure the data is of the best quality so you are maximising your valuable budget.

Step 1	Is your data accurate, complete and up to date? You can check this by looking through your data but equally your mailing house (if you are using one) may be able to help you cleanse your data. Royal Mail's AddressNow Cleanse can help you clean your data. Visit <a href="http://www.royalmail.com/address-now-cleanse">www.royalmail.com/address-now-cleanse</a>
Step 2	If you are buying data as well as mailing your own customers, you don't want to mail the same person more than once because their name appears on both files. Ensure you have thought about how to avoid duplicated data. A mailing house can help with this.
Step 3	Suppression files should be used. Suppression files help to reduce wastage by removing deceased persons, people who've moved (gone-aways), those on Mailing Preference Service (who have opted out of receiving direct mail) and people who are a credit risk. All of this can be done by a mailing house and will cut down on wasted mailing pieces.
Step 4	Is your data held in the right format that can be used by a third party? Is each piece of address information held in a separate field e.g. Mr, Brian, Grove, 1 Chestnut Grove, Grove GR44 8BB. It is important to have clearly separated fields for mailing.
Step 5	Using any data, you should be aware of the rules of the Data Protection Act. More information on this can be found by visiting <a href="http://www.gov.uk">www.gov.uk</a> . You can also read our recent report about how consumers feel about sharing their personal data <a href="http://www.mailmen.co.uk/campaigns/permission-to-talk">www.mailmen.co.uk/campaigns/permission-to-talk</a>

### TOP TIP

**KEEPING DATA UP TO DATE AVOIDS WASTAGE AND KEEPS YOUR COSTS DOWN.**

# CREATIVE

## WORKING OUT YOUR MESSAGE

60% of people say that good advertising mail helped to keep the sender's business top of mind. Getting your message across clearly and with impact is a key factor on the effectiveness of your mailing. On the next few pages are some of the key creative principles which, if you apply them, will help your campaign do well.

<b>1. Key message</b>	This is the most important part of any communication. What is the single most important thing that will make someone buy your product or want your service? Why is someone going to want what you can provide?
<b>2. Attention</b>	Get the reader's attention, your mailing pack has to stand out from the crowd and make people read it. Have an eye-catching headline on the outer envelope for example, 'free gift' or 'exclusive deal'.
<b>3. Interest</b>	Capture the customers' interest by demonstrating a clear benefit to them.
<b>4. Desire</b>	You can inspire desire by putting a limit on the offer you are giving e.g. there are a limited number that can be sold. You can show how other people have benefited with their stories.
<b>5. Conviction</b>	Providing evidence is a good way to show other people that your claims are genuine: provide customer testimonials, money-back guarantees or scientific proof of your offer.
<b>6. Action</b>	The best call to action is written plainly and precisely so that the customer is clear what they need to do next to benefit. Give a clear deadline for customers to respond to and be clear about how you want them to respond: visit, call, go online or use a reply device.

### TOP TIP

**MAKE SURE YOU HAVE WORKED OUT YOUR KEY MESSAGE FIRST. THE REST WILL FOLLOW.**

## DEVELOPING A FORMAT

There are some standard formats within direct mail, which have been tried and tested and do well. You need to consider what elements you must include in your mailing pack to ensure you get the best results and spend only what you need to. It is important to keep costs down whilst still getting your message across.



### OUTER ENVELOPE

The outer envelope is the first thing the customer will see and needs to encourage them to open it. Make sure you have a headline that grabs them, and entices them to open the letter. Remember to check the zone around the window that you need to leave clear. Mailshots Online is a great way to create your mail pack on your computer and helps you with the guidelines.



### SALES LETTER

A letter is still a powerful way of delivering a personalised message to a customer. They value the fact their name and address is on it and if you are able to tailor the letter to them, they will find what you are saying relevant and timely.



### LEAFLET/ENCLOSURES

In addition to your letter, would your offer best be described by including some additional information, pictures of your product or a description of your offer in more detail?



### REPLY ENVELOPE/POSTCARD

People still like to get in touch by post if you have a business reply address they can use. If you don't plan to use one make sure you are clear about how you want them to respond, e.g. visit, phone, web or email.

Source: DMA Advertising Mail Guide.

### TOP TIP

**CONSIDER HOW MANY ELEMENTS YOU NEED TO GET YOUR MESSAGE ACROSS – KEEP IT SIMPLE.**

## USING TECHNIQUES TO BOOST RESPONSE

There are some useful techniques that have been used by marketers over many years that work really well to boost response to direct mail. Here are just a few which you might like to use to help your direct mail's performance.



### LIFT LETTER

This is a letter that helps to reinforce the message. It can be written by a third party e.g. an independent person who endorses your product or service. This can often carry more weight than what you say.



### TESTIMONIALS

If you have customers who have said great things about you use these to enhance what you say about yourselves. People trust what other customers say.



### GUARANTEES

Can you offer some sort of guarantee or charter that your company can honour to give consumers confidence in you?



### INCENTIVE

Can you offer some form of incentive or special offer which gives the customer an extra reason to respond?

# PRODUCTION

## GETTING YOUR MAILING PACK PRINTED

Once you have decided on a message you can work with a printer who will help you find the most cost effective way of producing your mailing. You will want to obtain more than one quote to ensure you are getting the best deal, but it is worth considering quality as part of the package, as poor quality can affect response rates.

### Find a printer

It is best to look for a selection of printers before you start so you can ensure you are getting a competitive quote. We have a directory of mail producers on our website who can help with all aspects of your mailing. Visit our Mail Made Easy directory at [www.royalmail.com/mail-made-easy/directory](http://www.royalmail.com/mail-made-easy/directory) to find one in your area.

### Discuss your needs

Discuss your plans with your printer. They are experienced at helping find the most cost effective ways of producing direct mail and should be able to give you good advice. They will also help you with the types of print you can use and the sort of paper stocks you might want.

### Compare prices

Once you have asked for competitive prices and analysed the answers you have received, select the printer that you would like to work with. This might be price-based but also based on the provider who can give you the best service, or had the most value to add to your request.

### Prepare your print

The printer will tell you how they want the material you have created provided and in what formats. Always obtain a proof once you have supplied the artwork, so you can check that the bigger print run will be right.

### Print

Once you approve the proof ensure you know how your print will be packaged and delivered.

#### TOP TIP

**ADVANCES IN DIGITAL PRINT TECHNOLOGY MAKE PERSONALISATION EASIER AND MORE COST EFFECTIVE.**

## **WORKING WITH A MAILING HOUSE**

Working with a mailing house to ensure your mail is handled correctly can help everything go smoothly. They can also help you choose the best form of postage for your needs and therefore save you money. If you are mailing for the first time don't forget you can get 20% off your first three mailings in twelve months with Royal Mail.

**1. BRIEF THE MAILING HOUSE WITH YOUR NEEDS – A WRITTEN BRIEF IS BEST**

**2. GET THEM TO TELL YOU HOW TO SUPPLY YOUR DATA AND PRINT**

**3. ASK TO SEE PRINTED SAMPLES BEFORE THEY ARE SENT OUT SO YOU CAN CHECK THE QUALITY**

**4. AGREE ON THE ORDER YOU WANT THE CONTENTS TO BE ENCLOSED IN THE ENVELOPE**

**5. CHECK A FULLY PRINTED AND ENCLOSED SAMPLE**

**6. AGREE THE BEST FORM OF POSTAGE FOR YOUR VOLUME**

### **TOP TIP**

**GET THE MAILING HOUSE TO PROVIDE YOU WITH A BRIEFING FORM TO HELP YOU GIVE THEM THE RIGHT INFORMATION.**

## SELECTING THE RIGHT POSTAGE

You have a number of different postage options, depending on the volumes and type of mailing pack you are sending out. These can be discussed with Royal Mail; equally, any printer or mailing house should be able to assist you and ensure you get the most for your money. This checklist covers the areas that you should consider when selecting the right postage for your direct mail.

### YOUR CHECKLIST

- Timing**  
Consider when you want your customers to receive their mail. The majority of First Class Mail arrives next working day. If you are happy to wait, 96% of Economy class arrives within four working days.

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- Size and weight**  
Larger or heavier mailing packs are more expensive to deliver, so make sure you think about this when you are designing your creative and choosing your formats.

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- Machine readable**  
If you are using a mailing house, a machine readable font will make sure they can process your mail automatically, keeping the costs down. There are 17 Royal Mail approved fonts, for more detail visit [www.royalmail.com/clearaddressing](http://www.royalmail.com/clearaddressing)

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- Volume discount**  
The bigger your mailing volume, the more you might qualify for greater discounts. Discounts start at volumes over 250 for Large Letters and 1,000 for Advertising Mail Letters.

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- Sortation discount**  
If you use a mailing house to help you sort your mail, again you can get a discount. The mailing house will charge you for sorting your mail but this may still save you money in the long run so weigh up the costs.

### TOP TIP

**THINK ABOUT YOUR POSTAGE NEEDS AS EARLY AS YOU CAN.  
THERE ARE MANY WAYS YOU CAN SAVE MONEY.**

# EVALUATION

## EVALUATING SUCCESS

The wonderful thing about mail is that you can measure whether it has worked for you or not. What response did you generate, how many customers did you convert to sale? If you accurately collect the data (using a code or coupon for example) you can understand whether the expenditure was worthwhile and this will help you decide on future investment levels in mail.

Here are some useful ways to help you measure success. There are three guiding principles.

<b>1</b>	<b>GOALS</b> <ul style="list-style-type: none"><li>■ Make sure you go back and review what your original objectives for the mailing were.</li><li>■ What were you asking customers to do - go online, visit your store or purchase from a catalogue?</li><li>■ What's most important to you to measure – sales, size of sale, visits or appointments made?</li></ul>
<b>2</b>	<b>OPTIMISATION</b> <ul style="list-style-type: none"><li>■ What is great about mail is that you can learn about what does or does not work.</li><li>■ You can see if one mailing has worked better than another.</li><li>■ And this helps you evaluate what you do in the future.</li><li>■ And make further improvements to what you do.</li></ul>
<b>3</b>	<b>TRACKING</b> <ul style="list-style-type: none"><li>■ Make sure you can track your responses.</li><li>■ Check your website can measure how many more visits are coming in.</li><li>■ Check that when a customer phones you record where they heard about you.</li><li>■ Think about how you handle more demand.</li></ul>

### TOP TIP

**KEEP IT SIMPLE. TRY TO MEASURE YOUR ORIGINAL OBJECTIVE AND LEARN FROM WHAT YOU DO.**

## USING EVALUATION TOOLS

There are evaluation tools that you might find helpful in working out how your mailing has performed. In fact, there are a number of ways you might want to understand how your investment in mail has worked for your business.

### ROI

Return on investment is a simple sum, which considers what you spent on your print and distribution and what you got back in return. So you take the total revenue generated minus the cost of your mailing, and divide this by the cost to work out the return on every pound spent. For example a ROI of 2:1 means you generated £2 for every £1 spent.

### Behaviour

Understand how your customers are responding to your mailing. Did they go online, did they phone? This helps with future planning but also tells you where you need to invest in the future.

### Response rates

If you know the likely response you will get to a mailing then you can plan for your business. If you know you generate a certain number of enquiries, then you can understand what volume of mail you need in the future to reach your business goal.

### Creative impact

Over time you can determine, if you are using more than one creative message, which is the one that works best for you. What offers are right? Do you have seasonal offers that work at different times of the year? The more you hone your approach the better results you can yield.

### Data

By using different data sources you can understand which sets of customers respond to you better. Once you know this, it can be simple to find more customers that look like your good customers and therefore improve your response rates further.

#### TOP TIP

**EVALUATE WHAT YOU CAN TO LEARN FOR YOUR FUTURE MAILINGS. THE MORE YOU UNDERSTAND THE MORE YOU CAN IMPROVE.**

# REGULATION

## WHAT THINGS YOU NEED TO KNOW

There are some important regulations surrounding mail and data that you need to be aware of.

### Data Protection

The Data Protection Act applies to firms holding information about living individuals in electronic format and, in some cases, on paper. They must follow the data protection principles of good information handling:

- Personal data shall be processed fairly and lawfully.
- Personal data shall be obtained only for one or more specified and lawful purposes.
- Personal data shall be accurate and kept up to date.
- Personal data processed for any purposes shall not be kept for longer than is necessary.
- Personal data will be processed in accordance with the rights of data subjects under the Data Protection Act.
- Appropriate measures shall be taken against unauthorised/unlawful processing of personal data or against loss or damage of it.
- Personal data shall not be transferred outside the European Union unless there is adequate data protection.

These are the fundamental principles only. For more information about the regulations, please visit [www.ico.org.uk](http://www.ico.org.uk)

## **PERMISSION**

Consent is also central to the rules on direct marketing. Businesses will need an individual's consent before they can send texts, emails, mailings or make calls to customers.

### **Best practice in terms of using customer data**

Give customers the opportunity to specify methods of communication e.g. by email, by text, by phone, by post

Record when and how you got consent, and exactly what it covers

Offer customers the opportunity to opt out of further communications

#### **TOP TIP**

**MORE INFORMATION ON BOTH OF THESE TOPICS IS AVAILABLE FROM THE INFORMATION COMMISSIONER'S OFFICE:  
[www.ico.org.uk](http://www.ico.org.uk)**

**OR FROM THE GOVERNMENT'S WEBSITE:  
[www.gov.uk](http://www.gov.uk)**

# HELP AND USEFUL SOURCES

Our Mail Made Easy directory gives you access to a network of companies that produce mail across the UK. To find out more visit **[www.royalmail.com/mail-made-easy](http://www.royalmail.com/mail-made-easy)**. Mail Made Easy partners can help with data selections, creative development, printing, fulfilment, distribution and evaluation of your mailing campaign.

We can help with a number of data needs, for example if you want to target Home Movers (great if you are a building, decorating company) we hold the Home Movers database. For more information visit **[www.royalmail.com/data-services](http://www.royalmail.com/data-services)**

You can also create your own mailshots on your own computer using our Mailshots Online tool at **[www.royalmail.com/mailshots](http://www.royalmail.com/mailshots)**

For a whole host of other useful information on getting the most from mail visit our Business Services page at **[www.royalmail.com/business](http://www.royalmail.com/business)** or the MarketReach homepage at **[www.royalmail.com/marketreach](http://www.royalmail.com/marketreach)**

# NOTES

# NOTES



We have a team of media experts and data planners ready to apply these learnings to your organisation.

To discuss how we can help you, call us on **0800 032 1018**  
or visit **[www.mailmen.co.uk](http://www.mailmen.co.uk)**

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