

The Benefits of Direct Mail Marketing

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G U N D E R S O N D I R E C T





Foreword from Gunderson Direct

Direct mail is dead READ! Direct mail is back and driving more response than ever! Improvements in targeting, printing, attribution analytics and multi-channel experiences have propelled direct mail to a top performing channel for marketers.

In the following marketing charts, you'll learn why direct mail is having a resurgence — driving both higher response and conversions for B2B and B2C marketers.

Mail is tangible, targeted, scalable and trustworthy. Direct mail is delivering better-qualified leads and, in turn, more sales! One thing's for sure — everybody checks their mailbox!

We hope you find the following charts helpful when considering the marketing channel mix for your organization.



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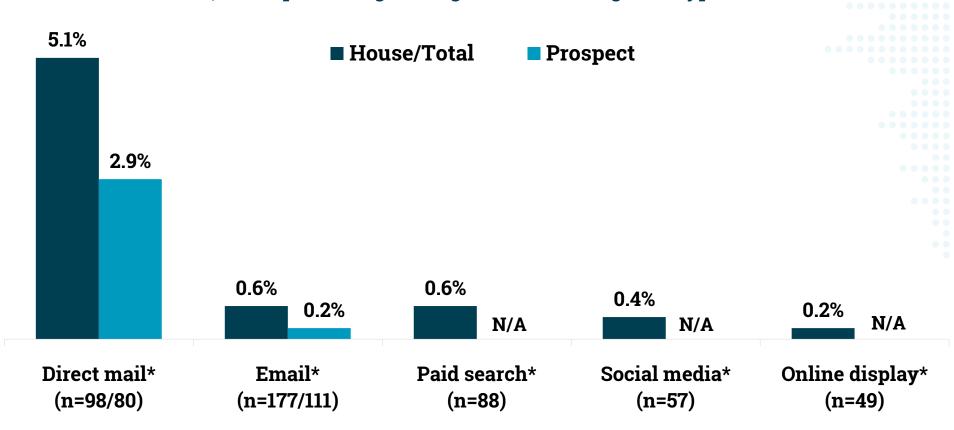
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Direct Mail Response Rates Lead All Direct Media



Direct mail shines when it comes to response rates, eclipsing digital media channels for both house and prospect lists. Study results from the Data & Marketing Association (DMA) also reveal that oversized envelopes enjoy the highest response rates for both B2B and B2C advertisers, while producing the highest ROI among mail types.



*Calculated as CTR x Conversion Rate

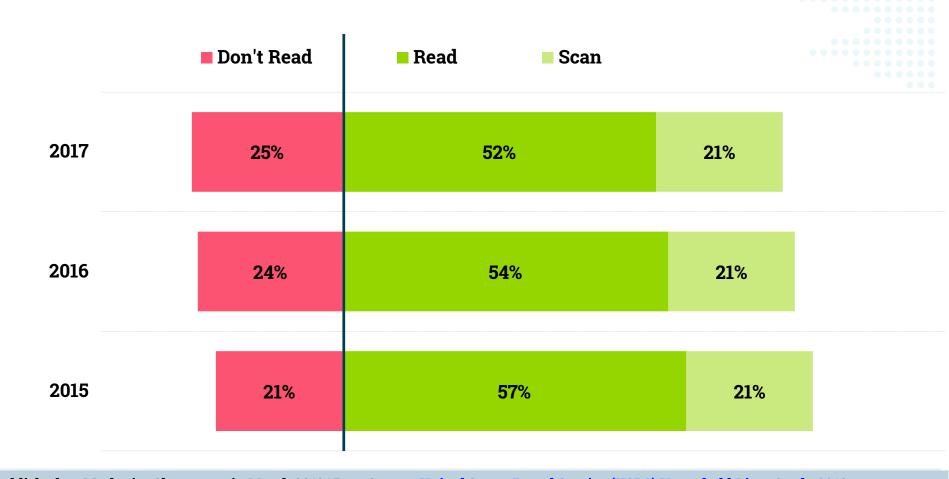
Published on MarketingCharts.com in June 2017 | Data Source: Data and Marketing Association (DMA) / Demand Metric (2017)

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

Most Households Continue to Pay Attention to Direct Mail



Direct mail's high response rates make sense given that households continue to pay attention to advertising mail. In fact, three-quarters of US households in 2017 read or scanned advertising mail, broadly consistent with prior years, per USPS data.



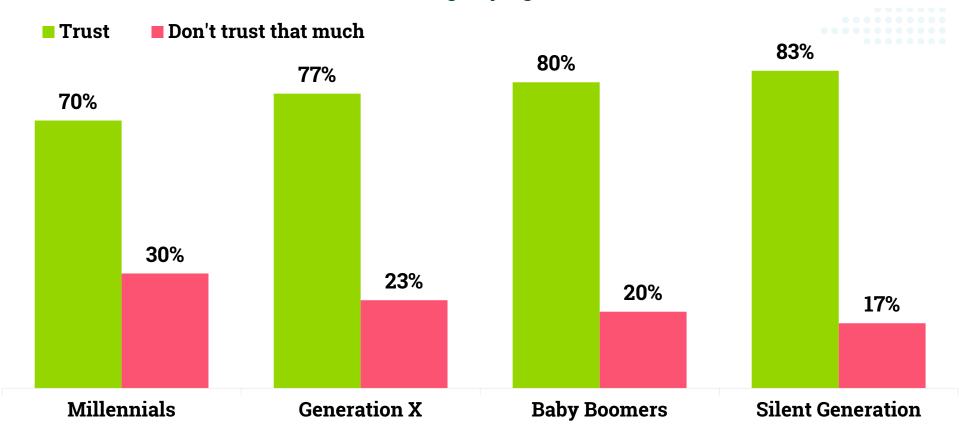
Published on MarketingCharts.com in March 2018 | Data Source: <u>United States Postal Service (USPS) Household Diary Study 2016</u>

Based on an initial survey collecting demographic and attitudinal information from about 8,500 households and a follow-up mail diary completed by about 5,200 households that collects information on the mail the households sends and receives in a one-week period.

Trust in Direct Mail is High Across Generations



Trust is a key component for advertising response, and survey data confirms that a strong majority of consumers trust direct mail when they want to make a purchasing decision. While trust peaks at 83% of the oldest generation, a healthy majority of both Millennials and Gen Xers also trust direct mail when making buying decisions.



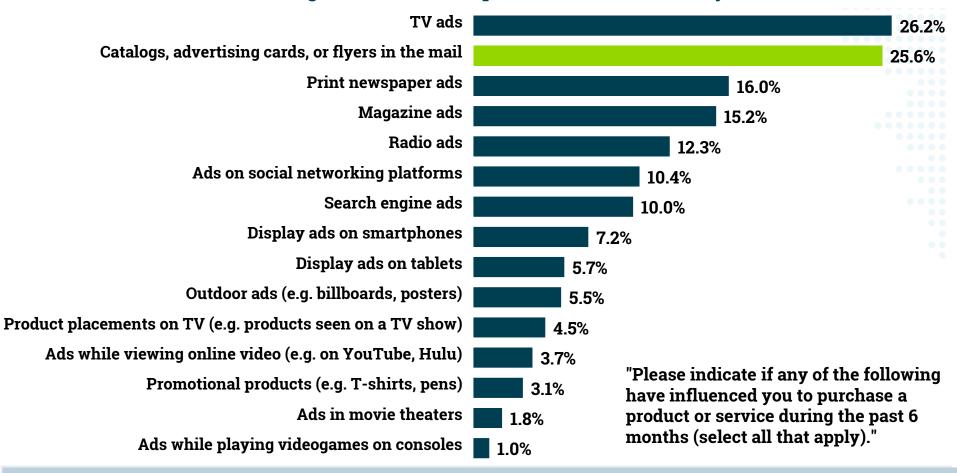
Published on MarketingCharts.com in March 2018 | Data Source: MarketingSherpa (2017)

Based on a survey of 1,196 US adults (18+)

Direct Mail Is A Top Paid Media Purchase Influencer for Baby Boomers



Trust in direct mail manifests itself in purchase influence, especially in the lucrative Boomer market. Among paid media, direct mail rivals TV advertising as the leading purchase influencer. In fact, more than one-quarter of Baby Boomers claim to have made a purchase as a result of direct mail advertising in the 6 months prior to the below survey.

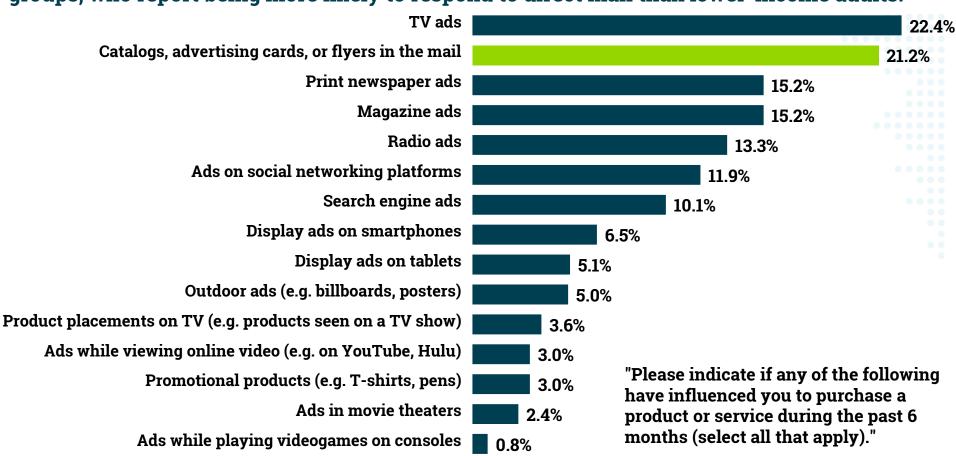


Published on MarketingCharts.com in June 2016 | Data Source: MarketingCharts / SurveyMonkey Audience (2016)

Direct Mail Is Also A Top Paid Media Purchase Influencer for Affluents



As with Baby Boomers, the Affluent population (those with \$100k+ in household income) ascribe plenty of influence to direct mail, placing it a close second among all paid media. Separate survey data from the USPS supports direct mail's influence with higher-income groups, who report being more likely to respond to direct mail than lower-income adults.



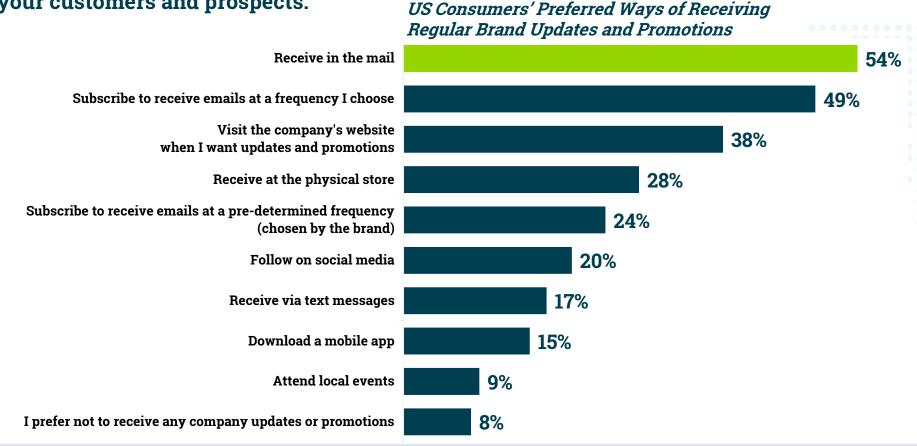
<u>Published on MarketingCharts.com in June 2016</u> | Data Source: MarketingCharts / SurveyMonkey Audience (2016)

Direct Mail is a Leading Brand Communications Channel



Several studies indicate that direct mail joins email as a leading brand communications channel. In fact, one such study – referenced below – found that direct mail outstripped other channels for communicating brand updates and promotions. In other words, once a relationship has been established, direct mail is a primary method for communicating with your customers and prospects.

ISConsumers' Preferred Ways of Receiving

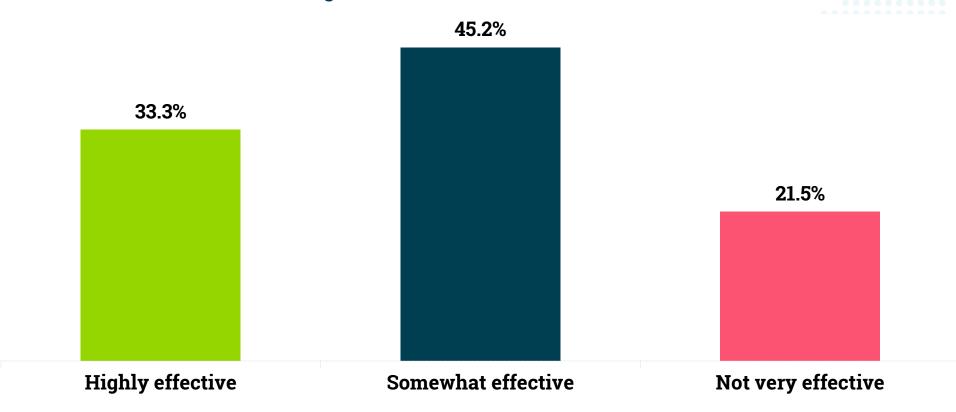


Published on MarketingCharts.com in March 2018 | Data Source: MarketingSherpa (2015)

The Majority of Users Find **Print Direct Marketing Effective**



Data cited up to now in this report makes a strong case for consumer attention and response to direct mail. But what about the marketer side of the equation? As it stands, marketers are largely in agreement. Study data from Liveclicker and The Relevancy Group – from a survey fielded among 350 US marketers – found that of the 93% using direct mail, close to 8 in 10 deemed it effective in delivering revenue and results for their business.



Published on MarketingCharts.com in March 2018 | Data Source: <u>Liveclicker / The Relevancy Group (</u>2018)

Based on a survey of 350 US marketers, of whom 93% reported using print direct marketing. Respondents were asked to rate the effect iveness of various channels in terms of delivering revenue and results for their business.

Direct Mail Spending Trends Reflect A Resurgence



Increased spending on digital media catches the headlines these days, but advertisers aren't backing away from direct mail. Instead, new data indicates a resurgence in direct mail spending by data-driven advertisers in late 2017. The consistency in spending on direct mail in recent years stands in contrast to declines in several other traditional media channels (including print), and reflects the continued value provided by direct mail.



1 = Significant decrease

Year-End 2014 Mid-Year 2015 Year-End 2015 Mid-Year 2016

Mid-Year 2017 Year-End 2017

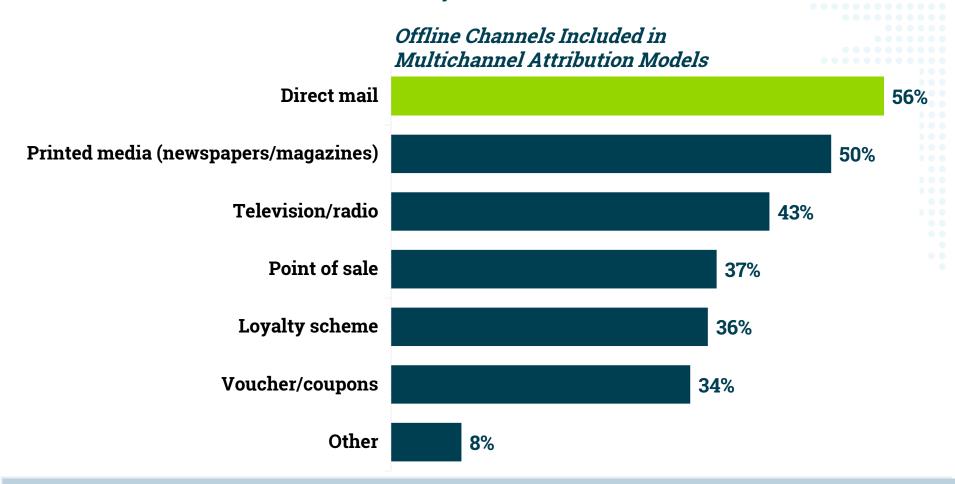
Published on MarketingCharts.com in March 2018 | Data Source: IAB / Winterberry Group (2018)

Based on an online survey of DMA members deployed in January 2018. The survey data is comprised of the responses from 455 respondents, including 156 marketers and 215 marketing services (including agency services) and technology providers. There was no Year-End 2016 study.

Direct Mail is the Offline Touchpoint Most Often Included in Attribution Models



One of direct mail's strongest value propositions – in an era of increased attention to ROI – is its measurability. So it's perhaps of little wonder that direct mail is the offline channel that international marketers are most likely to include in multichannel attribution models.



Published on MarketingCharts.com in March 2018 | Data Source: Econsultancy / AdRoll (2016)

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. That's why Bizible declared late last year that "B2B direct mail seems to be the hottest marketing channel this year."

66%

of B2B executives would respond to a direct mail piece¹

60%

of B2B marketers are adding direct mail as part of their account-based marketing initiatives²

Half

of B2B buyers prefer to be contacted by direct mail, 3rd out of a list of 9 outreach methods³



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About Gunderson Direct

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Gunderson Direct is an advanced agency partner — not a vendor — specializing in helping businesses drive leads and close business through traditional offline channels with a specific expertise in direct mail. Our goal is to deliver value on your marketing investment.

Rather than being all things to all companies, we offer focused expertise to a select set of clients. We specialize in cultivating successful, long-term client engagements that naturally lead to strong referral business. We leverage our deep expertise and smart, performance-driven strategies to exceed your marketing goals.

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CONTENT CREATION

You'll get the top-notch content we're known for.

We can create sponsored or white-labeled data-driven reports in various formats:

- Topic-based decks
- Longer research reports
- and more...

TELL ME MORE

LEAD GENERATION

We'll help you generate high-quality leads.

Use research content to reach our audience and drive leads through:

- Dedicated emails
- Native email promotions
- and more...

I'M INTERESTED

BRANDING

Ally with our trusted & unbiased brand.

Choose from several ways to present your story to our audience, including:

- On-site display ads
- Sponsored posts
- and more...

Return Path TUNE yesmail (5) SEISMIC Conductor * LISTRAK.

I'M INTRIGUED

"Partnering with MarketingCharts has helped us introduce our content to an entirely new audience not previously known to us. Working closely with the MarketingCharts team on our email sends we have enjoyed high click through rates and an influx of new, quality leads."

"Working with MarketingCharts was a great experience! They took the time to understand our business and what our goals were before launch of the project. We've seen results in terms of expanding our reach and garnering quality net new leads in our work with MarketingCharts."

"MarketingCharts has helped us reach a highly sophisticated audience that's focused on data, results, and transparency. Adding MarketingCharts to our mix of publications brings in an additional class of experienced leads for us to market towards."



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