

Direct Mail Versus Junk Mail – What’s the Difference?

The right direct mailing list targets people who want your product or service.

The wrong list fails to target people who would want to buy from you – and it is costly. In fact, this is what people refer to as ‘junk mail’. It is junk because it is mail that is not relevant to the people it is mailed to and does not take into account their buying habits.

The direct mail mailing list is a key factor in a successful direct mail marketing campaign and a major point to consider in small business marketing strategies where marketing ROI (Return On Investment) is a key concern.

What really makes your direct mail marketing and advertising campaign successful?

The biggest single factor in the success of your direct mail marketing strategy is who you send your mailings to.

You need a list.

This can be a list of existing customers or prospects who have inquired as a result of any of your marketing efforts or a list which you purchase or in some cases obtain for free.

The mailing list must contain the names of people who are likely to be interested in the benefits of your products or services.

Don't try and sell beer to the Temperance Society or real estate to people who cannot afford it. You have to *target* your direct mail marketing efforts.

What kinds of lists are available?

The four basic kinds of lists that you can use are (you can use all four):

1. **Your own list** of prospects and customers. This is a list that you collected with your own personal marketing efforts. This is known as a house list. These people are most likely to respond to your offers, because they have responded in the past.

2. **A response list** is a list of people that have actually done something. They have either purchased something from the people who put together the list or inquired in response to some offer or asked to be on the list. They have some level of interest in the topic or purpose of the list.

These people have not previously responded to you, but they have responded to someone in a related area (if you have purchased a correctly targeted list) so you know they are at least warm. This is a direct mail mailing list you can purchase from the owner of the list (such as a magazine or company) or a list broker.

3. **A compiled list** is a list of people who were selected to be on the list because they possess the characteristics that you asked the list broker to screen for.

Examples of characteristics used to target correctly may include age, gender, geographic location, income level, etc. These are more fixed characteristics than response list characteristics, which are behavioral characteristics.

Case study: California based Sun Pacific Mortgage’s Forest Tardibuono found a great way to get the right direct mail mailing list for his company which has a very successful direct mail marketing strategy based on postcards and direct mail mailing lists.

“The title companies give us the mailing labels free. I’ll tell them we want all the homeowners in 95401 which is a zip we get most of our business from. So they’ll give us the mailing labels of anyone who is a homeowner from that lists. It saves money on labels and mailing lists. They’ll even limit searches to specific categories such as all homeowners from that zip that got a loan from certain companies and they’ll do the search according to that so I can really target the public so that the mailing will be more effective.”

Mailing lists, correctly targeted, can make the difference in a mediocre promotional campaign to a wildly successful promotional campaign. It really just depends on what you are willing to have – success or mediocrity. So which is it?

Direct Mail and Do-Not-Mail Bills

As I have just said, the road to success with direct mail is careful selection of one's mailing list. With that in mind 'junk mail' would virtually fall by the wayside. The recent Do-Not-Mail bills attempting to thwart businesses and direct mailers from reaching out to potential customers is the main reason why targeted lists are so vital in the fight to cut out junk mail.

Ten states have recently introduced Do-Not-Mail bills in their state legislatures indicating that consumers are fed up with junk mail. If these bills are passed, a company wanting to send un-requested mail to consumers would need to buy an updated copy of the state's Do-Not-Mail list and check it against their own mailing lists – adding unwanted workload to businesses that will curtail productivity in response to government red tape.

This in turn will have a severe negative impact on a state's economic development as it will be a nightmare to the small business owner, who already is fighting government red tape, payroll taxes and the like – not to mention trying to run a company in the black while keeping his staff productive and customers happy.

Junk mail is mail that is not directed to a specifically targeted mailing list. Consumers do not mind receiving mail promoting products and services they need – that is 'direct mail'...there *is* a difference.

When unsolicited direct mail (junk mail) overpowers targeted direct mail consumers begin to complain.

Which brings me to the fourth kind of list...

4. **A highly exacting segmented list** based on hi-tech systems analysis that can define key prospects for a business for purposes of hitting the mark in marketing. This precise technology, which in the past was saved only for large corporations but is now available to the small business owner, finally gives businesses and entrepreneurs the ability to micro-target their market for extreme results.

One can access very specific information about any company's consumer client base with information that goes way beyond the standard criteria of age, income and gender used in list purchasing.

Imagine if a customer base can be broken down into 70 different segments and upon doing so, one learns that 30% fall into one segment, 20% into another and the other 50% is spread across the remaining 68 segments. Why mail to the micro percentages that fall into the other 68 when one can hit the 50% most likely to purchase?

One can learn the spending and saving habits of one's customers along with details like what they enjoy reading and where they like to travel. Then an analysis is done with all that info and the geo-demographics of that client base so that one can really find his/her exact market and promote *only* to them.

Using technology like this increases response and ROI [Return On Investment].

Targeted mail lists are key in handling problems such as Do-Not-Mail bills. Bills such as these are only arbitrary solutions which will only become a bigger problem down the road.

Studies show that 70 percent of the US population prefers direct mail to email or phone calls. However, in order for it to be 'direct mail' it must 'direct' its message to people whom it is relevant and their purchasing habits.

The moral of the story is: Don't stop marketing because the government threatens to cut your lifeline (communication to your potential prospects). Market! But get a list – a targeted list. And have success.

About the Author

Joy Gendusa founded **PostcardMania** (www.PostcardMania.com) in 1998, her only assets a computer and a phone. By 2005 the company did over \$12 million in sales, employed over 100 people and made *Inc. Magazine's* prestigious *Inc 500* List as one of the 500 fastest growing companies in the nation. She attributes her explosive growth to her ability to choose incredible staff and her innate marketing savvy.