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PRINTtips

Economies of Scale... Marketing with Postcards



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A postcard mailing campaign, properly planned and carried out, is an efficient and cost-effective way to market to customers and prospects. Less time-consuming and costly to produce than a brochure or folded self-mailer, a postcard is more affordable, yet no less effective. Whether your objective is business promotion, product or service advertising, brand identity, donation solicitation, or a service or event reminder, a postcard gets the job done efficiently and cost-effectively.

Postcards play nicely with others

Because postcards don't require opening for the message to be seen, they have an impact even on those who don't actively engage with them. A well-designed postcard has the main message in plain view and catches the reader's eye with a strong headline or graphic, resulting in a high read rate. Although a postcard typically — though not always — has less space to deliver the message than a self-mailer, the postcard's reach can be extended by referring to a website for more details. Postcards have a longer "shelf life" than e-mail and are easy to file for future reference.

Postcards work best for short messages and for generating leads (not closing sales). And they are remarkably effective when compared to electronic mail. According to the Direct Marketing Association's Statistical Fact Book 2012, the average response rate for direct mail



was 4.4% for both business-to-business and business-to-consumer mailings compared to 0.12% for web-based e-mail. That explains why use of direct mail is growing as an element of business marketing plans.

Postcards and EDDM

Every Door Direct Mail (EDDM), a program launched in December 2010 by the United States Postal Service (USPS) to help businesses tap into the power of direct mail, has become a very popular way to use postcards. EDDM is a way to mail to every address in a specific area (defined by carrier route or ZIP code) at the very lowest postage rate available and without needing to put an address on the mail piece. This makes it the lowest cost-per-piece direct mail option.

Economies of Scale... Marketing with Postcards (cont.)

“The specific dimensional requirements may be confusing to interpret ...”

“For others, regular targeted direct mail is best.”

“... determine if there is a sufficient concentration of the target audience ...”

The USPS has specific rules that apply to EDDM mailings and are similar to those governing non-EDDM direct mail. One of those is the size of the mail piece. Since 2010, the initial size specifications have been steadily expanded and now provide an extremely wide range of choices for postcards, ranging from average to super size. (The specific dimensional requirements may be confusing to interpret, but we can help you determine if the size you have in mind fits the requirements.)

Besides size restrictions, other EDDM requirements include wording and placement of the indicia; wording to use in place of the address; how the mail must be bundled and labeled; what paperwork must accompany the mailing; how postage is paid; and how many pieces of mail can be sent each day. Businesses which want to use EDDM can work with a printer and/or commercial mailer like TechneGraphics, or do everything themselves.

EDDM versus regular targeted mailing

For some kinds of businesses, EDDM is an ideal way to conduct a direct mail marketing campaign. For others, regular targeted direct mail is best. The businesses that benefit the most from EDDM are those whose target customers can be found clustered in a carrier route or ZIP code. Usually this means the business serves a broad spectrum of the population at large — people of all ages and income levels. Some examples are take-out or casual dining restaurants, general retail stores, florists, bakeries, convenience stores, automobile service and repair, car washes, personal services (beauty and barber shops, dry cleaners, and drug stores), and home services (home, carpet and window cleaning, landscaping/yard service, pest control, and handyman services).

The key to knowing whether to use EDDM or more targeted direct mail is to determine if there is a sufficient concentration of the target audience in a carrier route or ZIP code. First the business defines its target audience with measurable demographics like household income, age of head of household, presence of children, etc. With

this information, it is possible to obtain a count of households in a carrier route or ZIP code that meet the criteria. Compare that count to the count of deliverable addresses in the carrier route or ZIP code, and the answer will be clear. In general, the less restrictive the criteria, the more likely EDDM will be beneficial.

Here's an example: a local pizzeria is targeting households within a 7 mile radius that have an annual income of at least \$35,000. Using the income criterion, a commercial mail list provider can determine how many households within the radius meet the criterion. This number can then be compared to the USPS count of households. If the numbers are similar (say, 4,700 versus 5,000), then EDDM is the best way to mail.

If a business has a more highly specialized target audience, EDDM may not be the best choice. An obvious example is a swimming pool supply and service business. It is unlikely that a sufficient concentration of swimming pools could be found in a specific carrier route or ZIP code. So instead of using EDDM, this business owner should purchase a mailing list of households with swimming pools, perhaps with an additional criterion of household income.

Postcards and online marketing

One very effective use of postcards is to integrate them with online marketing — using a postcard to deliver a compelling offer that drives a prospect to a website or landing page. Here prospects can be prompted to complete a form or quick survey, redeem a coupon, or otherwise identify themselves. This is now the basis for active follow up.

Here are the advantages of using a direct mail postcard with online marketing rather than online marketing alone:

- At the website, there's no need to ask the prospect for comprehensive contact information as there would be for prospects who get to the website through pay-per-click or a search engine. You already have contact information; you only need one piece of

Economies of Scale... Marketing with Postcards (cont.)

information (such as a code printed on the postcard) to tie back to the mailing list.

- Prospects are more likely to read the initial message on a postcard than an e-mail message. As we mentioned earlier, in 2012 the average response rate for direct mail was 4.4% compared to 0.12% for web-based e-mail. It is easy to delete an e-mail without opening it or to block an e-mail sender. With a postcard, it is hard to avoid seeing some part of the message — especially a compelling headline or graphic that may cause the recipient to pause in the process of discarding the mail piece.
- By starting with a postcard, you can develop a targeted audience. Using demographic characteristics of your current best customers, you can obtain a mail list of others whose demographics (age, gender, income level, and

more) are a match. This puts the postcard in front of prequalified leads, increasing the likelihood of response.

Postcards promote success

Postcards are a valuable part of the marketing toolkit for businesses and organizations.

Versatile postcards can be applied to many different selling and customer relations situations. They can be used by themselves or as part of online marketing.

We can help you plan and carry out an effective postcard direct mailing campaign. We are experts in using headlines, text, photographs, illustrations, and white space to grab the reader's attention and promote response. Please contact us for an appointment to discuss your next postcard project.

“... it is hard to avoid seeing some part of the message ...”

Vocabulary

Bulk mail: mail of any class that is presented in lots of at least 200 or 500 pieces.

Carrier route: all mail pieces for delivery to the same city route, rural route, highway contract route, post office box or general delivery unit.

Destination post office: the post office that is the last stop before mail delivery by letter carriers.

EDDM: an acronym for Every Door Direct Mail, a direct mail advertising program for businesses from the United States Postal Service.

Flat mail: mail that meets the physical specifications set by the USPS — rectangular in shape, flexible, uniformly thick and with physical dimensions within the minimum and maximum.

Indicia: plural of indicium. The imprinted designation on a mail piece that is an alternative way to pay for postage instead of postage stamps or a postage meter. Also called permit imprint.

Letter carrier: the USPS employee who delivers mail.

Mail panel: the area of a mail piece containing the outbound address, return address and postage payment method (postage stamp, meter mark or indicia).

Saturation mailing: a mailing to at least 90% of the addresses in a carrier route.

Self-mailer: a mail piece not enclosed in an envelope or other packaging.

Simplified address format: an alternate addressing format that uses Postal Customer or Residential Customer in place of name and address. Used when distribution is intended for each active address in a carrier route.

Standard mail: a class of mail and a postage designation. Formerly known as third class mail; often mistakenly called bulk mail.

Targeted mailing: a mailing directed at a specific group of people based on some attribute they share, such as age, location or shopping patterns.

“... a mailing to at least 90% of the addresses in a carrier route.”



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Six More Ways to Use Postcards

*“Use a postcard ...
to reward current
customers or to
attract prospects.”*

Although most postcards are used for direct mail marketing, they also have other uses. Here are six other ways:

- 1.** Feature a single product or service. Use a postcard in conjunction with a brochure or catalog to focus attention on the 20% of products or services that provide 80% of your sales. Create a series of postcards featuring those products and services, and distribute to customers and prospects.
- 2.** Convince prospects to move ahead. Postcards provide an alternative to follow up by phone or e-mail. They can also include a personal, handwritten message.
- 3.** Remind people about an event. Build attendance at an event (fundraiser, annual meeting, member event) by using a save-the-

date postcard for advance notice, and a reminder of the event after invitations are mailed.

- 4.** Provide something of value. Use a postcard as a coupon or discount certificate to reward current customers or to attract prospects.
- 5.** Feature a staff member. People buy from people. Help your customers get acquainted with your customer service and sales staff. Provide a photograph as well as interesting information about the person — perhaps an avocation or unusual hobby — that could be a conversation starter or make a connection with a customer or prospect.
- 6.** Remember a customer’s significant event. Use a postcard as a birthday greeting or to commemorate the number of years of customer loyalty.