

Testing – is it one of the main reasons that today's marketers are less informed and less knowledgeable than their counterparts of previous generations?

(Part One of a Two-Part Article)

Yes it is. I have no doubt about it.

Testing is a key part of any marketing programme - and is, without doubt, one of the most essential weapons in the contemporary marketer's armoury.

Yet, very few of today's marketers test *anything*, except perhaps a subject line or two. Some I know, have even argued with me that it is not worth doing!

I kid you not.

Others have said they can't afford to test.

Poppycock. They can't afford not to.

In his inimitable style, Drayton wrote a superb piece on testing a few years ago, in which he listed the three main reasons, besides ignorance and laziness, why marketers don't test.

As he said, all are wrong...

"First, they suffer from the fond delusion that they can predict the future. They rarely can. Second, they think they don't have time. Third, they maintain there isn't enough money.

Yet, strangely enough, I find that somehow they always manage to find oceans of time and money to sort the mess out later".

How right that is. I've seen it with my own eyes, so many times.

And I can underline this, with a great example that happened to me <u>only a week ago.</u>

I was in an email conversation with a potential client in Dubai, prior to my trip there last week. After the first exchange of emails discussing testing, which he found "really interesting", he came back to me with this:

"Unless the advertising is about a BOGOF - buy one get one free (example to illustrate the point) then measuring sales is like walking into a pitch-dark room knowing that there is no light switch".

Even in these crazy times, that really shocked me. I cannot really believe that opinions like that still exist. But clearly, they do.

To be honest, I find it all impossible to understand.

For an old ligger like me, the absence of testing these days is criminal. I was brought up on the discipline. As were so many others in DM in the halcyon days, when marketers knew what they were doing.

Testing was the rock on which we built our direct marketing church.

Testing was the reason why we knew so much - and still know more than most. Here are just some of the things we found out. Most of them are still pretty relevant today.

• Direct mail with a letter will pull, on average, 49% more than a mailing with just a brochure.

(So why do we still get brochures sent on their own?)

 A follow-up mailing to the same targets, will generally produce around 40% of the response of the first mailing.

(So why do marketers not remail?)

• Headlines <u>below</u> pictures in ads, will generate between 27% and 105% better response than headlines above a picture.

(So why do we still see ads with headlines above pictures?)

• Text email click-through rates, have for years been consistently higher than HTML. This continues. Recent published results I saw, showed between 21 and 51% higher click-through rates in A/B testing.

(So why do marketers say they prefer HTML?)

• Envelopes with a strapline offering a benefit will be opened and read by 37% more people than simple plain envelopes.

(So why do certain marketers still believe plain is best?)

• Larger ad sizes are generally a bad idea. In terms of response numbers, if you assign a rating of 100 to a full-page ad, a half-page with identical copy in the same medium, does not pull 50, it pulls about 68.

# A quarter-page pulls about 49, while a double-page spread will only pull about 141.

(So why do some marketers think that big is best? It clearly isn't.)

And for those of you that might dispute the above, let me tell you this. These are not personal opinions - they are *fact*. They have all come from testing programmes.

I have many, many more – all learnt from testing. And most of them are as valid now, as when they were initially generated.

The benefits of testing are *massive* - and I simply cannot understand why marketers today, don't test. As the great John Caples once said: "If you don't measure it, you can't prove it."

Let's look at testing in more detail - and why it is so vitally important to marketers today.

#### Why should you test?

Testing will help you become a better marketer and ensure you get more from your marketing budget.

Testing gives you the answers to questions you don't know. Things like:

Will a discounted price outpull a premium? Will a £20 price, result in more profit than a £40 price? Will blue outpull red? Will long copy outperform short copy? (It nearly always does, by the way.) Will subject line (a) be more effective than subject line (b)?

When you know these things, you can spend your budget more wisely. Smart marketers that test, waste less money. It's as simple as that.

Let's face it, the individuals out there, that you are approaching with your marketing messages - your customers and prospects - now have immense power. And they know it.

What they like and dislike should be considerably more important to you, than what <u>you</u> like and dislike. That's why smart marketers test - to discover what these likes and dislikes are.

You might not like to hear it, but your opinion is pretty worthless, compared to the opinions of your customers and prospects.

I'm sure you will have heard the phrase, "Give 'em what they want and then say, thank you".

Well, that wonderful phrase should be pinned on your wall, as it is so important. By giving them what they want, you will make them happy.

And happy customers spend more.

When it comes to testing programmes - as with most things - you must have a plan. Seat of the pants testing, is as useless as seat of the pants marketing.

And don't do 'spouse and friends' research. (I have a couple of clients that still do this – and it drives me nuts.) It is not only stupid, but it is a complete waste of time.

Your loved one and your friends are <u>not</u> your target market.

Their opinions are not worth a toss. So don't bother asking them.

Testing is to teach you what <u>individuals in your target market</u> actually want and prefer, not your spouse, secretary or neighbour.

Those three - and other family members too - are less like your targets, than anyone you know.

## What can you test?

Virtually anything that will give you valuable knowledge for the future.

That's knowledge that will make you better - and your campaigns more successful. But remember, it must be one element at a time.

Here are just a few of the things you might wish to test:

- Copy style, approach, length
- Graphics format, size, layout, design, type, colours
- Subject Lines
- Headlines
- Text vs HTML
- Photography vs Art
- Audience lists and segments within lists
- Offers including any premiums
- A limited time deadline
- Additional elements lift letter, technical leaflet
- Media direct mail, broadcast, print, electronic media
- Call to action phone, fax, email, post, website

Whatever you choose to test, start first with the things that are likely to give you the most significant results.

Over the last 30 years, these are the elements that produce the most impact in response and profit, through testing programmes.

# 1. Targets 2. Offer 3. Copy 4. Format 5. Timing

Don't waste your time, testing things that are not valuable.

Things like an indicia on your direct mail. (Yes, people do!). What's the point?

A shade of colour. Not worth it, as this is nowhere near as important as a solid colour test of, say, red vs. blue, or green vs yellow.

Price is a very important element to test. But, make it significant.

£12.95 against £19.95 is meaningful. As is £99 against £149.

£12.95 against £13.95 is not - and will teach you very little.

#### What can you learn?

So much. Things like ...

- Most effective media Most effective copy approach
- Best performing graphics Preferred response route
- Total sales and by media Cost per lead and by media
- Cost per sale and by media Preferred premium
- Favourite product or service
   Average order value
- Preferred payment method Most profitable target segments/lists

Trust me, with this information, you can be King of the World.

And, when your testing programme really starts to catch fire, you will be able to inject one of the most significant elements – and one that really brings it all together.

And that, of course, is LTV. (Lifetime Value).

That's what a customer could bring to your table over a particular period of time. Once you have that, then you'll be cooking with gas, as you can set meaningful budgets to acquire that customer.

And that's when you'll take your marketing programme into a different dimension.

Incidentally, do you know how to calculate the Lifetime Value of a customer? It's a key calculation and essential for any marketer.

If you're not quite sure, email me and I will send you all you need to prepare the calculation.

## **Are there any reasons NOT to test?**

No, not really. You should always test.

Having said that, there are sometimes a few reasons not to bother.

The main one is when your numbers are so small that a test will not give you meaningful results.

Also, it makes no sense to test when you have unmatched or wrong elements. Don't test a C5 plain white window outer envelope, against a C4 four-colour envelope with a teaser message front and back.

Because when you get the results, you won't know what made the difference. Was it the teaser message or the envelope size? Or perhaps the colour?

Don't test anything with a time lag. You can't test an email in June and a different one in July. You can't test an ad in 2016 against another one from the same time, a year before.

The results are worthless.

The only way to know for sure which version (Ad, DM Pack, Email, Insert, or whatever you're testing) is the real winner - is a straight A/B test.

Everything should be kept the same, except the element being tested.

## Don't forget to code

This is absolutely essential, as you must have something to measure.

And, make sure that your order department makes sure a code goes against <u>every</u> order or response. I have seen so many examples over the years, where a particular campaign or media did not get the credit for the sales it generated.

You can use unique phone or fax numbers, a special landing page or email address, a campaign code or product serial number. These are all ways to effectively code a test campaign. There are more.

Don't forget to code differently each time. People hold on to stuff that interests them and could respond months after the campaign hit the streets.

#### What do I do after I have the results?

After your testing programme, you will see what your customers and prospects have actually done.

It's 'live' data. From the trenches. Results in response to your marketing and sales messages. So, what you will be looking at is pure gold dust.

The answer to what you do next, is in these great lyrics from Johnny Mercer...

"You've got to accentuate the positive, eliminate the negative - latch on to the affirmative - but don't mess with Mister in-between"

Yes, that's what you've got to do.

Accentuate the positive and eliminate the negative. Spend more on the things that work – and less on things that do not.

Your test results will allow you to make informed, intelligent and profitable decisions for your future marketing campaigns.

You will have learned what works. Instead of guessing, you will now know.

That will make you rich beyond compare. Simply because, you will be able to create and deliver your future campaign messages in the way that your customers and prospects have told you they want them.

Absolute Marketing Nirvana.

But remember this. What didn't work is equally important. Discuss and analyse the results. You will be better for it. You can sometimes learn more from your failures than your successes.

Some of the results will knock you sideways. Be prepared for it.

The package that "wins" the test becomes your "control." It is your heavyweight champion. Whether it's an Ad, DM Pack, Email, Insert, SMS, whatever - it now holds the belts.

And you must strive to beat it, with the number one challenger continually being tested against it.

OK, playmates. That's the end of Part One.

In the second part of this article, I will be showing you loads of results – in a variety of media - and also inviting you to take part in a little quiz - to see how smart you are and if you can spot a winner or two.

Should be fun...

See you in a little while.

Keep the faith...

#### **ABOUT YOUR AUTHOR**

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