



Returning to DM from Digital

An interesting tale of the on-going renaissance of direct mail, the continuing struggle of email and the shambolic incompetence of Royal Mail...

Do you remember the scene in the classic movie 'Network' where the TV announcer Howard Beale leans out the window and yells,

"Get up! Open your windows, stick your head out and yell, "I'm mad as hell and I'm not going to take it anymore!"

I know how he felt...

I've been in this wonderful direct marketing business for close on 30 years. Running my own agency for nearly 20 years of that. It's been, in the main, a fantastic experience.

I have a *giant* passion for this business. I always have and always will...

But now, I worry greatly about the industry. The lunatics are quite definitely running the asylum. What DM is, what it stands for, its history, culture and many, many other things - are simply being flushed away.

Only the other day, one of the greats in this business, who is a personal chum of mine, obviously suffering yet another frustrating client experience, sent me an email, containing this line...

"Andy, this business is fucked. Go do something else..."

This is someone who GREW the business in this country. Worrying isn't the word...

We have industry organisations that simply seem to exist and do very little else - and then we have a postal provider that is so incompetent, it beggars belief.

I will get to more positive things in a minute, so stay with this. But, given the timing of this article, I feel I must start with the current postal dispute.

Put simply, it's yet another nail in Royal Mail's coffin.

Let's face it. The company is crap. They always have been. Totally useless.

But, listening to the 'mealy mouthers' talking on the news about how their business has been decimated, volumes are down, profits are under pressure and they have to do this and that, makes me so bloody angry.

They have brought this debacle on themselves, because of their gross incompetence.

And, what's more, they are saying these things just at the time that their biggest potential earner - direct mail - is having a renaissance. Yes, the old girl is on the way back - and how!

This is no thanks to the Royal Mail, incidentally. How many times in the last 5 years have they done anything significant to promote the first lady of direct marketing?

I can't remember one...

What I can remember, are many embarrassments masquerading as promotions.

How about this abomination just over a year ago? The Royal Mail Seed Box.

Who on God's earth thought this was a good idea and would bring punters back to direct mail?



Absolute garbage. I showcased this example at a Direct Marketing Masterclass I was doing at the time - and over 200 people laughed their heads off!

Since then, they have done virtually nothing of note. They have written direct mail off. They have been seduced by digital just as the rest of the world have.

Remember how it all started a few years ago?

"Email will replace direct mail", they said. "Direct mail is finished", they said...

Unbelievably, some of the bozos in the marketing press are still saying it.

Absolute tosh. And I'll tell you why.

What's really happening out there currently, is a very, very different story.

Direct mail is *storming* back into marketer's thinking, because of its effectiveness when compared to the disaster that is now email.

Email for prospecting is simply not working anymore. There are many reasons for that, of course. Main one is abject copy standards, followed closely by lack of understanding of how to communicate, plus general abuse of inboxes.

It's cheap, you see. So every Tom, Dick and Dozy think they can do it.

But it's simply not working. Whether it ever did, as a prospecting tool, is debatable anyway, but opening rates are now at an all-time low...and they're still falling...

Yes, 11.9% at the last count. Down 2% in the last 18 months and still heading south.

And these are just OPENING rates!

Let's face it. As a prospecting tool, email no longer delivers anywhere near a good enough ROI, to justify its hype or popularity. I personally think it's dead in the water.

You'd think that the bozos at Royal Mail would know this, wouldn't you? You'd have thought they would have heard the jungle drums by now...

Wrong.

This is because they have no understanding or knowledge of the DM industry that earned them hundreds of millions of pounds over the years. They are totally detached from it.

It all started to go wrong a few years ago. As soon as people started being seduced by emails, they pretty much threw in the towel straight away.

Every marketing magazine carried articles about emails and how digital would replace direct mail. Every day, a new one appeared.

No one in our industry did a thing to stop it. They waved the white flag. And they are still waving it...

So, it's little surprise that clients started turning towards it.

It was cheaper as well. Everything shortsighted clients wanted. Nirvana.

"I can get to 5 times as many people by email for half the price of direct mail? Wow! Sign me up"

Whether it was the right people, or whether it delivered, didn't seem to matter. And still doesn't, it appears to me...

But why didn't the Royal Mail and our Industry Associations fight back right there? Why did they just meekly surrender?

Well, in actual fact, the Royal Mail did worse than just surrender. They gave digital the biggest boost they could ever do, in two simple moves.

One, they put up the prices. Then two, they introduced the totally barmy 'Pricing in Proportion'.

That resulted in direct mail costing more on the rate card, plus offering less in creative terms, because everything had to be standard, unless clients were prepared to pay extra for a more imaginative size.

It was a double whammy. They simply kicked direct mail in the bollocks and left it in the gutter.

But now, without any help from anyone, the grand old lady of direct marketing has forced her way back in. And, I can tell you, that the knowledgeable marketers out there are turning back to direct mail - in a big way.

And it's doing gangbusters for them.

Two of our major clients made the move over a year ago and are seeing sensational results. They know it will cost them more than email, sure, but smart marketers know this golden rule very well...

'It isn't what it costs that's important now, it's what it *delivers*...'

Here's just one example...

"Absolutely incredible. The recent DM campaign you created and wrote for us, generated a staggering 56.4% uplift on last year's figures - and, thanks to you, that was a record year!

Recession. What recession?"

Scott Mackay, MD, Richard F Mackay, Edinburgh

That's a retailer too. And they tell us the High Street is dead! We've had the same success with a shopping mall in Dubai too, using direct mail.

It would appear that direct mail is having a renaissance everywhere.

I was in South Africa last week to present a full-day Masterclass - and Brian Mdluli, the very impressive Head of The DMA down there, told me that direct mail is **up 23% year on year**.

And, from what I can gather from chums across the pond, direct mail is starting to return in the US as well.

Same thing is happening in Spain. Here's what Joost Van Nispen, Presidente ICEMD Institute of Relationship, Direct & Electronic Marketing in Madrid, told me only a few weeks ago...

"Mail is growing again, and it doesn't surprise me. What other mediums do you know that you can use to contact people - FOR THE FIRST TIME, BEFORE YOU HAVE THEIR PERMISSION, in a segmented, personalised way? Only mail.

E-mail is illegal for a first time contact in Spain (and considered Spam where it IS legal) and all the rest are neither personal nor interactive, like traditional mail".

So, that's UK, South Africa, Spain and the US. There will clearly be more too, as this is a definite trend back to direct mail.

But before all you digital disciples and anoraks start to sharpen your pencils, let me make this very clear. I'm not saying digital is on the rocks. Digital is here to stay and plays a big part in any marketing strategy. It has to.

But what I am saying, is that it is clear to me, because of what I am seeing personally and what I am being told by clients all around the world, that email prospecting is now struggling badly.

So, people are turning back to the proven medium. Direct mail.

The reason is simple. It *delivers*. Always has, always will.

It's no surprise, because:

- Nothing works better than a well-written letter
- DM volumes are much less now, so stand out is possible and achievable.
- DM is tactile and easier to read and digest than on-screen email
- Recipients spend more time with DM so the sales message can be more effective

And now, of course, with less mail about, well-written packs and postcards are cutting through and delivering strong performances.

Mind you, as you will know, it has to be done *correctly*. By people who live it and breathe it - and know how it all *works*. Above the line agencies cannot create good direct marketing.

It is a different culture. A specialist discipline. It is simply beyond them.

Everything in the market today is about smaller and smaller more defined and segmented interest groups, which themselves are continually imploding. The media world is fragmenting and so are audiences.

These days, only contemporary direct marketing techniques and applications can effectively address this challenge. And, at the moment, everything is pointing towards direct mail once more becoming a leading player in delivering those important marketing and promotional messages.

Remember, there are two kinds of fool...

1. This is old and therefore good. 2. This is new and therefore better

Old or new, it doesn't matter. What *works* is more important.

Smart direct marketers test. And then they test *again*. Then they spend their reduced budgets where it delivers the best results.

On a final note, an invitation. To Royal Mail and the DMA. Reconsider your position with direct mail, contact me and let's get some positivity about this wonderful medium out there.

Let's use all the avenues we can. Let's take the message out to the marketplace. Let's do roadshows and events.

A massive re-education process needs to take place. Let's take a lead from the legend Lester Wunderman, who said all those years ago...

"We must learn to use our imaginations first and our computers second".

I would love to be involved. I have literally thousands of great examples that I can share. I'm sure I could get other top names to join the party.

Let's give digital a run for its money. All it will take is a letter. Or a phone call.

I just don't think an email will have the same impact somehow...

Keep the faith



About the Author

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