

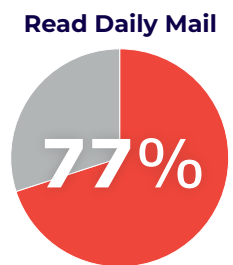
Why is **Direct Mail** Still an Effective Marketing Tool?



A note from Robert Dudacek,
President and CEO of Franklin Madison Group

First, direct mail is still a great engagement tool for customers. Studies show that **77%** of consumers still read their daily mail and sort through it on their dinner table at the end of the day.

Second, mail is five to nine times more responsive than doing digital marketing on its own.



 = **5 to 9 times more responsive**

I think direct mail is a great way for financial institutions to offer new products, especially insurance, to their customers. One of the things I really like about direct mail is the precision with which you're able to deliver the right message to the right customer. In many of the other campaigns that are out there today, you're either paying for eyeballs that aren't relevant to your product or you're sending messages that aren't relevant for the consumers that you're reaching.

Smarter marketing is reaching out to the right customer at the right time with the right offer and the right engagement method.

And I know a lot of companies say that they can do that. However, it takes a great amount of sophistication, a broad set of products, and truly being able to expertly mix direct mail with digital marketing to be able to accomplish that successfully like Franklin Madison does.

Keeping customers is all about **brand loyalty**, and direct mail is a great way to be able to put a financial institution brand in front of a customer in a very tangible, tactile way. It's on the outside of an envelope, so even if they don't buy the product, the consumer knows that you're reaching out to them. If the consumer does engage and buy the product, many studies have shown that consumers are more likely to stay with their financial institution if they purchase additional products, especially insurance products.

Does Direct Mail Work for Millennials too?

I think there are some myths about direct mail and millennials. Millennials are certainly more technology adaptive. I think they will change where they order pizza from if the app is better. But, in the end, some of the characteristics of millennials fit with previous generations. They like to get mail. In fact, according to a recent survey, **93%** of millennials read/open promo mail from locally-owned business, and **90%** open it from large national brands. So, if you're not doing direct mail to millennials, you're missing out on a pretty big audience.

Engagement (% of respondents who read/open mail)	
Mail Type	Millennials
Promo Mail from Locally-Owned Business	93%
Promo Mail from Large National Brand	90%

What Are the Benefits of Omnichannel Marketing?

The importance of omnichannel is giving **consumers choice** – choice in how they want to be spoken to, choice in how they want to engage. And it's not just having digital and online portions; it's having those work very well together.

For example, I prefer shopping online for clothes. I don't like walking into a store, but I only shop online stores that have a physical presence nearby because I hate online returns.

In a similar way, in direct mail, having an omnichannel platform allows a consumer to receive a physical mail piece and then go online, research more, look at options and then either respond online or apply through the direct mail piece that they received. It's really all about giving the customer that choice.

Direct Mail Challenges

There are some definite challenges for companies looking to get into direct mail. Really top of mind, it's **experience and money**.

And a lot of times people think of direct marketing as just the print and postage, but there's a lot more to it. There's the creative effort – the whole team of people that build those marketing creatives that consumers are going to respond to. There are the analytics that go into not only choosing who you're going to market to, but analyzing whether the campaign is successful on the back end. And then last, of course, there has to be the production of the campaign. Someone has to actually take that data and that creative, put it together and put it into the physical mail stream.

Overcoming Challenges to Get the Most Out of a Direct Mail Campaign

And I think one of the best ways that you can accomplish a successful direct marketing campaign is to work with people who are experienced in those spaces like Franklin Madison.

For each one of the partnerships that we have, we sit down, and we start by listening to our clients and what their objectives are and understand their customer profile. Then we take that and translate it into a meaningful action plan that fits their objectives.

Franklin Madison makes it easy for financial institutions to get into direct marketing because we have the end-to-end solution for them. We have the creative shop that's in-house, we have our in-house data and analytics platform, and we have great relationships with the production facilities and very efficient processes for our clients.