

# Marketing Marvels

How do you make a difference in today's competitive environment and economy? Find the answers in our April issue of **Marketing Marvels**. Our goal is to show you what's working now, offer business insight and share effective marketing techniques you can implement right away.

### **Business Insights:**

#### **Direct Marketing Tips for Smart Marketers**

The objective of any direct marketing effort is not just to get a response or make a sale. It is to build customers. Direct marketing can help virtually every type and size of business today. Direct marketing can be used at any stage - separating suspects from prospects, moving prospects to trial, converting one time buyers to multiple buyers, and getting multi-buyers to become advocates--your very best customers. Direct marketing helps you leverage the 80-20 rule (80% of your business will come from 20% of your customers). It allows you to identify the 20%, reward them to retain them, and then clone them. But making it work is becoming more difficult as an increasing number of businesses embrace it. How can you succeed in using direct marketing to help your business? Consider the following keys to direct marketing success:

- 1. **SELECT THE RIGHT MEDIA**. Direct mail is not always the right response medium to use, nor is the Internet. It depends on the profile of your customers/prospects and on the nature of your product. For example, if you are marketing a broad-based product, direct mail will likely be too expensive on a cost per response/order basis. Television will probably be a better route. For niche or micro-markets, direct mail, the telephone and print advertising work best.
- 2. **MAKE THE RIGHT OFFER.** Develop offers geared to objectives. For traffic-building programs (to a retail location, trade show booth, or web site) premiums, special discounts or exclusives can increase response rates; In direct sell situations, free trials, samples and discounts can boost response.
- 3. **CREATE ADVERTISING THAT BREAKS THROUGH THE CLUTTER**: Creating good direct response advertising are understanding the prospects' beliefs and developing a strategy, based on a differential advantage, to change those beliefs in your favor. Advertising units should support the creative strategy and message. (For example, if you're trying to get your target audience to buy a luxury product, don't use cheap paper...)





- 4. **MAKE RESPONSE EASY**: Use as many vehicles as possible: 800#s, prepaid reply envelopes, fax numbers, e-mail, website jump pages, make it as convenient as possible for a prospect or customer to respond.
- 5. **ANALYZE RESPONSE TO IMPROVE PROFITABILITY**. One of direct marketing's great assets is that is measurable. The ultimate measurement is lifetime value of a customer--how much profit a customer contributes over a period of time after costs and promotional expenses. To improve lifetime value, try lowering customer acquisition costs, increasing frequency/duration of purchase, and increasing size of purchase.
- 6. **TEST THE MEDIA**: Being able to measure means being able to improve, and the only way to improve is to test on a continuous basis. Will print advertising bring in new customers more cheaply than direct mail? Will they be better customers? Which lists pull the best response?
- 7. **TEST THE CREATIVE:** What creative strategy best separates you from your competitors? Should you say it with different words, fewer words and more pictures?
- 8. **TEST THE OFFERS**: Increasing your shipping & handling charge by \$1.00 could substantially increase profits because it has no effect on response. A 30-day free trial could substantially increase the number of people who respond ... But if your product isn't good, the trial could have a negative effect on profitability.
- 9. **TEST TIMING**: What months are best for you? What's the ideal time between efforts particular prospect and customer groups? How many times should you communicate with a prospect group before you give up?
- 10: **TRACKING**: Key coding and tracking your efforts become as important as anything else you do.

Need direct marketing assistance? To find a reputable, carefully-screened outsourced partner for your next initiative, simply <u>contact</u> the MarketingDeptNYC today!

Missed last month's issue on tips for <u>Outsourcing</u>, <u>Finding an Agency</u> Click <u>here</u> for the PDF file.

For more business insights and marketing tips, feel free to view previous issues of <u>Marketing</u> <u>Marvels</u> archived online.

## **Propaganda:**

About the MarketingDeptNYC, Inc.





The MarketingDeptNYC (<u>www.marketingdepartment.com</u>) provides outsource marketing advisory, free agency matchmaking and business development consulting to meet a range of sales and marketing needs.

When there's a marketing need, we connect businesses with qualified firms to meet requirements. With our free Marketing Matchmaking service, there's no cost to meet a firm or two from our exclusive talent network of best-in-class boutique marketing firms, referred to as TalentTap™, which includes the following services:

- · Marketing strategy, planning and development
- · Public relations
- Advertising (Graphic design; Direct mail; Print; Radio; Television; Trade shows)
- Interactive Marketing (Websites, CD-Roms, Online Advertising; Email Marketing)
- Media planning and buying (all mediums)
- Customer relationship management (fulfillment and call centers)
- Technology development

Firms are carefully picked based on their reputation and ability to handle a clients needs better, faster and for less. For businesses interested in meeting a group of select firms or go beyond TalentTap™, we offer our agency review consulting services.

When there's a sales need to be met, we provide business development consulting and business-to-business lead generation services on a select client basis.

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Call us at 212.751.5456 or email us at <a href="mailto:Info@marketingdepartment.com">Info@marketingdepartment.com</a>
Let us save you time and money and help you find solutions to your outsourced sales and marketing needs.

We look forward to the opportunity to assist you with your company's growth and success.

Best Regards,



Michele Harris President & Chief Matchmaker

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