



## **SPECIAL REPORT**

### **Dimensional Mail Most Effective Direct Response Strategy for B-to-B Sales**

Want to boost response in your B-to-B mailings? Need to break into new markets, find a new application for an existing product to a new audience? Need to reach out to hard-to-get-at executives and get their attention? Need to increase your response rate to the tune of 300% while *increasing* ROI?

The answers might be found with one of your vendors, but it's not your list broker, your printer, or your data processing shop – it's at your packaging producer!

The average senior executive receives a minimum of 8,000 messages of various types a day, either through passive billboards and building signage, e-mails, pop-up websites, product packaging on shelves in stores, television, background radio, newspapers and magazines, mail in the in-box, and other sources.

If you want your message to stand out among those 8,000, you had better be prepared to do some homework on your target audience, and give them something they will remember and find actionable, based on what you really know about them.

One of the best ways to show that you really know your target is to send them something they find valuable. Of course, you could send them each a few one hundred dollar bills in an envelope, and if the envelope looked like “unwanted” mail, the only one who would gain would be the clever garbage man who sifted the trash! Even if you send something that is exactly on track, you still have to get it to the recipient and they have to find it intriguing enough to open it. They won't find the value and all that research is wasted unless they get past the “messenger”.

Studies commissioned by a major mailer carried out by a well-known research firm have revealed that boosting open rates has direct correlation to sales carry-through. You had probably drawn that conclusion yourself through simple instinct and deduction, but the study proves it beyond a doubt. So now, based on that, the challenge becomes more basic – get their attention and make it intriguing enough to be sure it gets opened, and sales will follow. Well, not quite.

The study of 50 top executives at commercial companies of over 1000 employees along the East Coast made clear that while they were obviously going to have a better chance of purchasing something or engaging a service firm from a solicitation if they opened the package, those odds only increased by an estimated 20%. That boosts your overall response by .05% - not much help.

One of the more powerful drivers was brand – if they had heard of the firm on the envelope, they were more than 65% more likely to open it and read it than if it came from an unknown source. Previous studies had shown that it takes from 5-8 repeated exposures to yield recognition from an unknown audience. It would then follow that if you send your best and most effective piece first, it stands little chance of getting any attention at all. If you warm-up the prospects to build recognition with simple brand-oriented messaging first, your big guns stand a bigger chance of

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being effective and well-received. Patience is a real virtue on that score. Clearly, a more in-depth approach and a solid plan based on research is needed. One hit wonders need not apply.

The most revealing statistic to come out of the study was one regarding outer wrapper and its relevance to the target. Over 85% of the executives in the study said they would be more likely to open an item if it was especially large, odd-sized, or appeared to have come by a delivery service other than the U.S. Post Office – FedEx, DHL, even UPS fared better than the USPS to convey urgency. Some companies have gone to great expense to reproduce a faux FedEx envelope as a carrier to great success, but only for a short period of time, based on the other revealing statistic from the study. More on that later. These would have to be produced on a huge scale to gain any price economy, and the nature of B-to-B marketing trends toward smaller mail quantities, due to tighter targeting, reduced availability of good lists and market intelligence, and lack of manpower to do follow up necessary to close large-scale sales on high-dollar services and goods.

The downfall of this approach is two-fold:

First, the disappointment factor is very high – expectations are raised when the courier envelope appears on their desk, but upon opening it, they discover they have been “duped” by another irrelevant offer – into the trash it goes.

The second factor is lack of replicability. If you have several executives on your list from the same firm, spreading out the title selects to hit a broader spectrum within each firm, at the same address, receipt will likely occur on the same day at the same time, based on the nature of postal delivery and internal distribution schedules at large enterprises. In the still prevalent “open cubicle” office layout, one exec can see that others received the same package, diluting the effect and dropping expectations below the open threshold once the first package is opened. Execs noted that if anyone lower on the org chart than themselves also received one, it was deemed of lesser importance than it appeared, and into the trash it went. A byproduct of this is that fatigue happens very quickly, and response decline is at least as rapid – recipients are now wary of the “faux FedEx” and are more resistant than ever to opening them. In a sense, they are the antibiotic of the direct response world – they work great for a short while, but the organism develops and immunity to it and it is less and less effective over time. Our research shows that these packages fatigue at an incredible rate, and recapture rates for mailing other offers is almost nil.

Clearly, a better plan is needed. Based on our research, the best approach seems to be the following: a series of small hits designed to introduce brand and build recognition, and then an intriguing package, large enough to stand out, unusual enough to get opened, and relevant enough to trigger action. A tall order, but not impossible, with the right research and the right concept.

Dimensional mail seems to be the most effective door opener for senior managers and executives, but it must be relevant and come from a known or at least recognized source. A reasonable question might be “How is that accomplished?”



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It is a multi-step process, starting with intelligently planned market research, applying that data to credible, functional list selection. Working closely with your list broker or other source, even your house list, review the lists and make finer and finer slices, reducing the number of recipients to those you have the most data in common with – only the “A” list names, with fully deliverable street addresses end up on the final list. Append that list with as much data as you can afford, and model for commonalities. You should now have a solid list that shows several transactional or behavioral traits in common. Those common traits are the key to relevance in your dimensional package. Base the creative concept around those common traits, which show personal and professional interest, and you will strike a chord that resonates with a majority of your list, boosting open rates, building trust with the audience and enhancing response rates and sales.

The lead-up materials should be given just as careful consideration as the “Big Guns” at the end. For them to be effective in imprinting the brand and imparting recognition, they too have to resonate with the recipient. They are what creates trust with the audience, what starts the relationship off on the right foot, sets the tone and builds a platform that allows the final piece to gain traction and have impact on the recipient enough to trigger action. These smaller pieces can be as simple as a postcard, or more elaborate depending on the product or service and what kind of story you need to tell. They should be as perfect as you can make them, and reflect the qualities your brand represents. If you’re selling high-end software, hardware, or services, quality is a hallmark of many indefinable characteristics about your brand. These characteristics show in the quality of paper, of photography or illustration, even good typography and design play a role here, in showing the prospect that you are a legitimate firm, offering a legitimate product or service that is worth their precious time to investigate further, that speaks their language.

These lead-up pieces should be clear in the offer, but leave much to the imagination as to specifics, and drive recipients to another media for more information, like a website or an 800 number. These are more accountable media, and your responses are likely to be more investigative than purchase oriented anyway based on a postcard or letter from an unknown source. You may as well send them to a place where they can get answers quickly while giving up what amounts to little personal information, in their minds anyway – you really can learn quite a bit just studying lag times and media choice, but that’s another article).

If you’ve driven sufficient response and made some sales off the lead-up materials, be sure to purge your master list of them quickly – sending someone a solicitation after they’ve responded to something prior is a huge red flag that you don’t have your act together and don’t really know the audience. It breaks the trust and you’ll likely lose them as a repeat customer.

OK, by now you’ve created several small but relevant pieces, gotten at least some response by which to judge your list and your offer, now it’s time to bring out the “Big Guns” and put together the closer, the piece that will drive the recipient to action, whether it’s an appointment from a follow-up call, a call to your sales office, or even a referral to a colleague. Where to start?

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Start with the big picture thinking – what are these folks’ lives like everyday – full of meetings, or full of phone calls, or laced with e-mail and drudgery-like paperwork at their desks. What are they trying to accomplish every day? Are they getting anywhere or just grinding it out? That information is where your research really shines, as it will give you clues to the type of personalities and job responsibilities each has by their title, location in the organization, type of business or industry, and their transactional habits that lead you to include them on the list in the first place. Your package concept should promise to solve a problem for them that you are fairly sure they have, or at least can identify with easily. It should be intriguing enough to get them to open it, trusting in the brand awareness you’ve built up over the last several weeks/months to know that it is worth their time to find out what’s inside, and to know that they won’t be disappointed when they do.

This is a good time to not only flesh out the concept for the package, but also any incentives, promotional items or other inclusions to the package, some of which will likely require some lead time to produce. One angle is to select a two-part inclusion, and include the least functional part first, promising the “real” item when they agree to a meeting or as an incentive to a sale. These items should be carefully selected for not only their quality, but for their functionality on a daily basis and how they relate to the daily endeavors of the target audience.

The most important trait that this big package has is its ability to inspire trust while evoking mystery – “Why are they sending this to me, what is it, I hope it’s something I can use” is the stream of thoughts you want to produce upon it landing on their desk. If you achieve that, an open is almost guaranteed. And as we’ve seen in our study, an open is at least halfway to a win. The other half rests on your research, your offer, and your reputation.

At the end of the day, these multi-step programs garner tremendous response rates, but are most effective when performed on a small scale, to a tightly selected niche target with a high-dollar offer or service. They require strong research and planning skills, and nearly flawless execution. If done correctly, they can pay off huge dividends, even showing greater retention and higher response rates for up-sell offers, cross-selling and longer lifetime value of customers generated through their use. Our research shows that customers gained using this program can add 46% to their overall lifetime value, either through length of time as a customer or in total dollars of purchased goods. The key is to use research data to drive relevance and to generate trust over the longer term for the brand.

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