

2008 Direct Mail Format Report

Prepared by **The Ballantine Corporation**

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<http://www.ballantine.com>

We recently surveyed our marketing contacts and clients and asked them:

"What direct mail format(s) do you plan on testing in 2008 and why?"

We received a wide variety of responses that we'd like to share with you in this report. At the very least, this report will give you an insider's view of the formats that are popular right now.

We plan on releasing another industry report this March – the topic will be:

Direct mail promotional offers; what are most industries still mailing and is there anything new out there?

Let's get the ball rolling, but we want to first start off with a prediction...

2008 Prediction!

Hybrid Voucher Packages Will Continue to Grow in Popularity!

Simple voucher packages are a proven, low-cost direct mail vehicle for many companies, especially Publishers. Response rates however, due to over usage, have begun to decline.

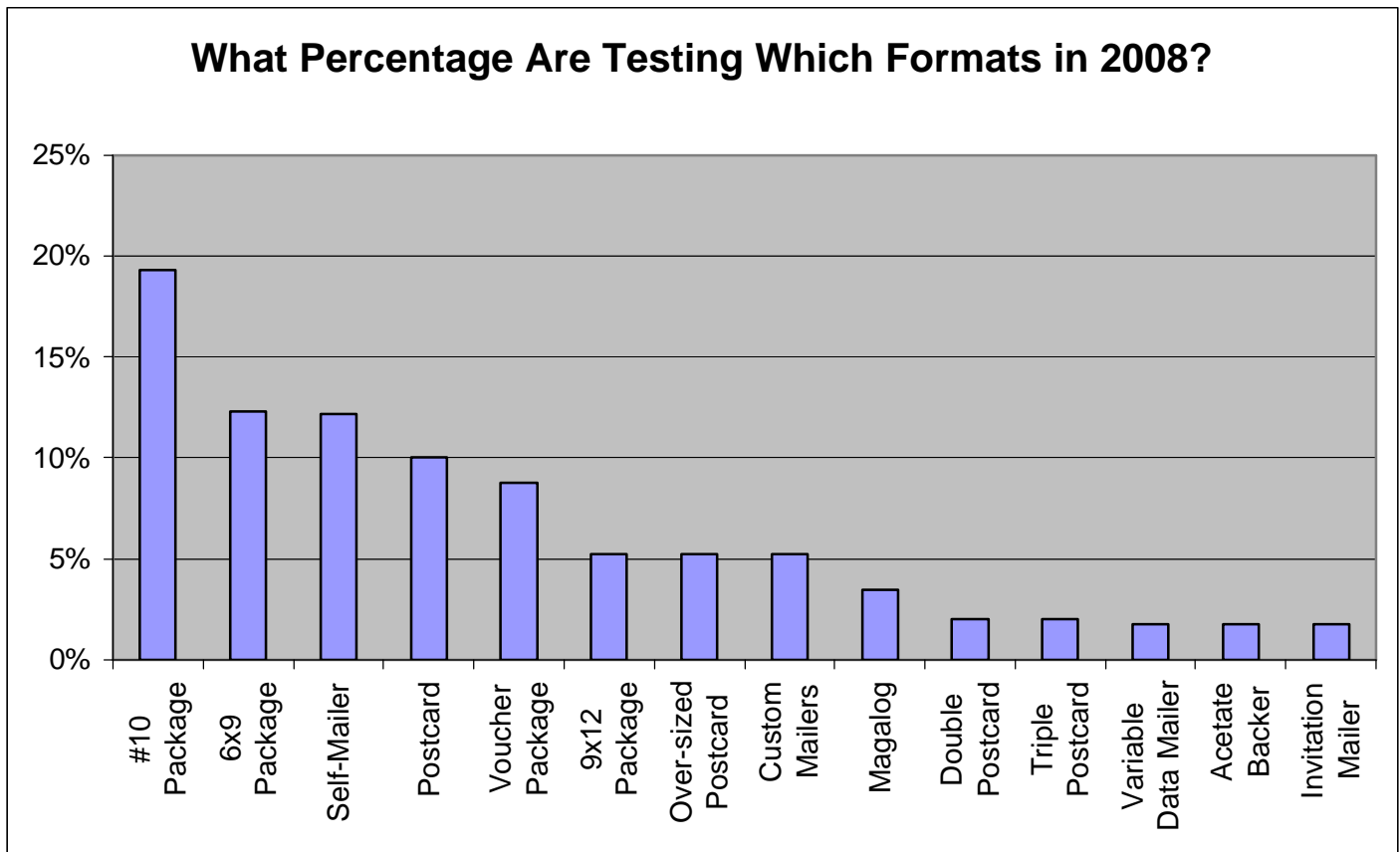
As a result, Hybrid Voucher Packages are evolving-
They're a combination of a more elaborate voucher and a standard #10 package –
It's the correct blending of these two standard formats that ultimately creates the winner!

Whether you're reworking your current voucher or creating a completely new package,
the Hybrid Voucher is the Format to Test in 2008!

→**Courtesy of Hilde Sprung, Marketing Consultant. Contact Hilde at hstein128@aol.com.**←

Below is a snapshot of the responses we received. Most formats mentioned fit into one of the chart's categories...from #10 packages to magalogs to custom mailers and more.

Also – while not technically direct mail, we still feel it's important to point out that 4% of responders said they plan to test fax in 2008 and 5% plan to test email.



Below are some of the actual responses we received, which remain anonymous, but include the company's industry to give you a better feel for how relevant the information is to your efforts.

Response #1

“In addition to traditional #10 packages, we plan on testing the following formats:

- Self mailers - Cost effective and provide flexibility to customize.
- In-line formats - Can test innovative creative with no leftover inventory.
- Post cards - Quick turnaround and cost effective.”

Company Industry: Financial Services

Response #2

“Not planning to test any special formats in 2008. #10 envelopes have worked well for us when tested in the past against other sizes and formats. Due to postage rates, and the low cost of our newsletter, a flat would not be cost effective for us. "Unusual" formats don't work for us because our market is older and they can't handle them -- both physically and mentally.”

Company Industry: Publishing

Response #3

“We are testing repositionable post-it notes as part of our call-to-action. Reason: for customer interaction and to measure response to campaign vs. control.”

Company Industry: Financial Services

Response #4

“We plan to test a magalog format - trim size 10 ½” x 16” - that includes an order form and BRE. One of our clients has an 8 ½” x 11” poly control that is killing us on postage after the last increase. We've tested other sizes – 6x9, #14 and we can't beat the poly. We're desperate to find something that is different and can mail at letter rate and WORKS!”

Company Industry: Publishing

Response #5

“Currently, we are planning to utilize the following direct mail formats in 2008:

1. Postcard
2. Envelope and Letter (with buck-slips and potentially other enclosures)
3. Email (depending on address quality/availability)
4. Fax (not technically “direct mail” but it is still a very cost-effective direct marketing tool for us)

In terms of testing, we will test ***different messaging and calls to action for all four formats.***

Specific to each format, we will test size, possibly medium (card stock, plastic, etc.) and response mechanisms for our postcard campaigns. For our envelope and letter campaigns, we will test the effectiveness of messaging printed on the outside of the envelope, the layout of the letters, and the response mechanisms. For email, we will test different layouts, response mechanisms, and the timing for our campaign distribution. For fax, we will test different layouts, response mechanisms, and campaign timing.”

Company Industry: Automotive

Response #6

“In January we are testing some vouchers and some letter-size magalogs. We are also testing one triple postcard (with survey questions). We will probably test 6 x 9’s later in the year I would guess. I think that is still a very good format.”

Company Industry: Publishing

Response #7

“Our audience is horizontal rather than vertical -- we reach marketing executives across many, many industries.

That said, we will continue to test #10s, 6x9 vs. 9x12, oversized postcards, self-mailers, "benefits" mailings (#10 and #6), e-mails that are straight-forwardly promotional as well as e-mails that are more "editorially"-driven but still try to sell, fax to a very limited extent, customized landing pages...and anything else that seems promising

The fact is NOTHING performs very well, & the wealth of options makes it more & more difficult to track success of any one given mailing (whether postal or electronic), but you have to continue hitting your prospects via multiple vehicles in the hope that ONE of them will spark an interest OR that the cumulative impact will eventually prompt a purchase.”

Company Industry: Publishing

Response #8

“We’re mailing a full-color 6x9 package for one program, a smallish voucher (about 7.75” x 4”) and a #10 for another program, and an invitational format for a third. The larger the program, the larger the direct mail package we use to promote it.”

Company Industry: Non-Profit

Response #9

“In 2008, we will test using a weldseam self-return envelope inserted into a #10 window envelope. Pre-printed in four colors our mail house is ink-jetting variable text in black for all prospect, billing and renewal efforts. The new weldseam envelope gives our responders the option to enclose their check or provide credit/debit card information in the postage-paid vehicle. The new weldseam item replaces our previous package of a letter/voucher and business reply envelope, resulting in a 6% production savings, 8% increase in response rate and 7% increase in revenue per order.”

Company Industry: Publishing

Response #10

“We’ll be testing a slider (In-Line) with die cuts and glue spots (8.5” x 5”). The piece is an attention grabber, the size stands out in the mailbox and it’s a unique design.

We’ll also be testing Customized MarketMail pieces (either a ship, plane or eye).

This would be for our travel clients and our eye care client. We are hoping this will do well for high end potential clientele. It is a new type of marketing piece and the general public responds very well to this type of direct mail piece.”

Company Industry: Travel and Eye Care

Response #11

“We will test variations of our voucher control including the carrier, the offer, and buckslips. We are also looking at developing a completely new package. The problem we face is that, in the past, when we move away from the voucher format, we see results diminish. Nothing can beat our voucher, but we will keep on trying.”

Company Industry: Association

Response #12

“We plan on testing some different formats of flyers -- various sizes (slim jims), flyers with BRCs, and also postcards. We want to mix things up a little bit and grab our customers' attention.”

Company Industry: Publishing

Response #13

“Industry: Insurance in 2008
9”x12”, #10 and 6”x9” for acquisition and postcard for re-mails

Industry: Financial Services (credit card) in 2008
#10 and 6”x9” for acquisition and postcards”

Company Industry: Insurance and Financial

Response #14

“Our intent is to test more statement-of-benefits and voucher formats -- and editorial packages -- in order to realize postage savings against our control, a max flat format.”

Company Industry: Publishing

Response #15

“We’re going to test #10 packages, 6x9 packages and an acetate self-mailer. In most cases, it is to refine package formats that have already proven themselves and to try to get them to perform better.”

Company Industry: Publishing

Postage Rates

With the recent postage increase, and since this industry report focuses on direct mail formats, we assumed it might be useful to link to the current USPS domestic and international postage rates.



Domestic Rates & Fees Tables:

<http://pe.usps.gov/cpim/ftp/manuals/dmm300/ratesandfees.pdf>



International Rates & Fees Tables:

<http://pe.usps.gov/cpim/ftp/pubs/pub51/pub51.pdf>

Conclusion

The results were both predictable and surprising. It's not shocking that the tried and true #10 package is the leader of the test pack.

But here's some food for thought:

More responses mentioned testing a 6x9 package than a voucher package. And it's even more surprising because a large chunk of participants were Publishers, an industry that uses the voucher format quite often.

Even with the dramatic postage increase on flats, 9x12 packages and magalogs were mentioned more often than double and triple postcards, two popular formats.

Thank you for reading!