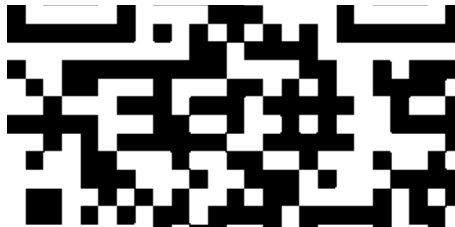


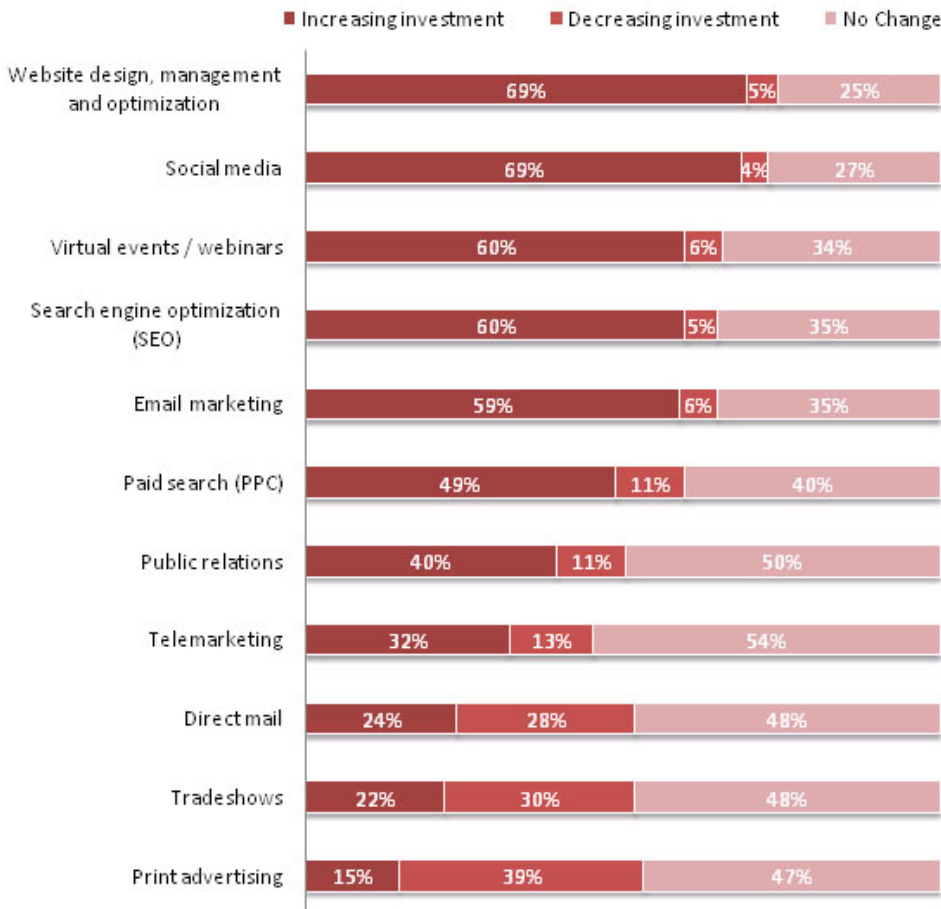
Direct Marketing Trends for 2011

*Marketing with a
Technological Upgrade*



Introduction

2010 saw significant evolution in the field of direct marketing, particularly in the areas of social media and integrating multiple mediums into a single cohesive campaign. Many of these trends will continue into the New Year, while other trends will burst onto the scene and change the tactics of many marketers. However, many of the “classics”



of direct marketing, including direct mail, will continue to find a niche, although often with a technological upgrade. Using B2B as an example, Marketing Sherpa surveyed B2B marketers about how their marketing budgets would evolve in 2011. The results, shown in Figure 1 below, shows that online media is still evolving, with most respondents increasing their expenditures in website optimization and social media marketing.¹ This paper provides some insight into some trends that are expected in direct marketing for 2011 based on the predictions of direct marketing industry experts.

Smartphone Strategies

Smartphones are now an ubiquitous part of society, and many people rely on them for a variety of functions, from email and scheduling to web browsing and media content. Marketers have begun to take advantage of the smartphone explosion by making smartphone capabilities part of their overall marketing strategy.

The key advance in the smartphone arena for marketers is the QR code, where QR

is an acronym for “quick response”. A QR code is a 2-dimensional bar-code that can be printed on any paper medium or displayed on a screen. A QR code, illustrated in Figure 2, can be read by a smartphone camera and reader software. The QR code can contain a variety of information, such as a URL or contact information. A person who sees a QR code on a subway poster can scan the QR code with his smartphone,



Source: MarketingSherpa B2B Marketing Benchmark Survey
Methodology: Fielded Aug 2010, N=935

Figure 1. Evolution of marketing budgets in 2011 for B2B companies.



Figure 2. QR code for Ballantine's Google Places page.

¹ <http://www.marketingsherpa.com/article.php?id=31730>



rather than entering a URL by hand. Also, the QR code can direct the user to a specific landing page associated with the specific advertisement that the user saw, and the company can track how and where their ads are being scanned. Other applications include printing a QR code onto a direct mail piece to bridge the gap between off-line and on-line. [Click here for more info on QR codes.](#)

In addition to QR codes, standard text messaging methods are still booming, and are also still applicable in mediums where QR codes are not possible, such as radio. Advertisements can request that users text a specific code word to a specific number, such as “text JOIN to 99999” to allow the user to opt-in to a specific information campaign. Text codes can be included in just about any marketing medium, from direct mail to email to landing pages.

Integration of Multiple Marketing Mediums

One of the biggest trends of 2010 was the combination of multiple marketing mediums into a single integrated and cohesive campaign. Multi-touch marketing is proving to be an effective strategy, and marketers will continue to generate campaigns that integrate 2 or more of the following: direct mail, email, landing pages, QR codes, social media, personalized URLs (PURLs) and mobile marketing. This trend will continue to dominate in 2011 as marketers take advantage of the benefits that each medium provides in reaching different demographics. [Click here for more info on integrated marketing.](#)

One of the response mechanisms that marketers will be using more to help drive integrated marketing campaigns are personalized URLs. PURLs have been around for awhile, but marketers are only now starting to realize how personalized you really can get. A basic web site can be highly customized based on the specific user by swapping out images, customizing blocks of copy for the user’s particular demographic, or creating a pre-populated response form. Marketers will benefit from a robust database because a PURL is only as effective as the database that is feeding it.

Social Media Integration

While it seems that everyone is now using a smartphone, it’s even more accurate to say that everyone is using social media. Whether it’s Facebook, Twitter, MySpace, YouTube, LinkedIn, blogs, forums, or a variety of other niche platforms, people are connecting online. 2010 saw many companies create social media presences and use this presence to attract potential customers. The results of a survey performed by COLLOQUY and the Direct Marketing Association showed that the majority





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of companies that are investing in social media marketing are doing so to increase customer loyalty.²

Social media is easily integrated into any marketing medium, from direct mail (printing “Follow us on Twitter” on the bottom of a mailer), to email marketing (adding “Like’ us on Facebook to receive up to the minute event information” to an email message), to landing pages (adding buttons to link to social media profiles or for customers to share information on your company on their social media pages). Like email, executing a social media campaign is an inexpensive way to gain brand recognition and find leads. However, social media campaigns often require consistent and frequent updates and attention or they can become stale.

Social media marketing is just about required now for any company marketing to a younger demographic. People in the 18-35 year old demographic are using smartphones and social media more than any other demographic, and are most likely to research purchases online and via discussion with their peers before approaching a company to purchase. YouTube has boosted viral marketing, and a clever video is far more likely to be circulated among friends than a clever static advertisement.

Direct Mail Trends

The Intelligent Mail Barcode (IMB) is (at the time of this writing) going to be required by the USPS in May of 2011. The IMB gives you mail tracking capabilities and many marketers will take advantage of this for timely follow up campaigns. IMBs allow marketers to know when their direct mail pieces are delivered with good accuracy, enabling them to follow up with email at the right time. [Click here for more info on the IMB.](#)

As postage costs continue to strain marketer’s direct mail budgets, they will be more creative with the formats they use and more selective as to whom they mail to. Ryan Cote, Director of Marketing for The Ballantine Corporation notes, “One direct mail format that we see growing in popularity among our clients is the slim-jim magalog. It provides a large amount of creative real estate while still mailing at letter rate. We currently have some clients testing an 8-page slim-jim that incorporates all the elements of an enhanced voucher or statement of benefits package while, at the same time, being priced very competitively.”

Another tactic marketers will continue to use in 2011 is data enhancement to make their mailings more efficient, and therefore save postage by only sending direct mail to targeted leads. Data enhancement involves capturing more demographic data about customers, so that super targeted campaigns can be created. Data enhancement information can be gathered based on past purchases, opt-in information, or surveys. For example, a sale can be marketed to customers of a specific gender, marital

² http://www.mediapost.com/publications/?fa=Articles.showArticle&art_aid=135745

status, or occupation, rather than blanketed to your whole list.³ A case study by Marketing Sherpa shows that the Indianapolis Symphony Orchestra took this approach by segmenting their marketing campaigns, engaging subscribers, and eventually culling their old list by 95% and doubling their online sales.⁴

Keeping Marketing Budgets in Check

The economy has started to rebound in 2010, but marketers are still struggling to do more with less as budgets are tightly controlled. Marketers will be employing a variety of tactics in 2011 to reach as many leads as possible while being efficient with their expenditures. As mentioned in the previous section, marketers will be looking for more efficient direct mail formats to keep overall costs down, while still providing all of the content they need for their message.

In addition to format efficiency, some of the other tactics include:

One stop shopping – Production companies offering multiple direct marketing services can provide significant experience and efficiency. They can also act as an extension of your marketing department or team enabling you to do more with less.

Staggering email and direct mail launches – When launching a combined email/direct mail campaign, send the email first, and remove any leads that click through to your web site from your direct mail list for this campaign. Since the email got their attention and directed them to your site, you may no longer need the direct mail piece. This can be adjusted to remove only people who make a purchase to reach a broader audience.



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About The Ballantine Corporation

The Ballantine Corporation is a New Jersey-based company offering turnkey direct marketing creative and production services to companies nationwide. Family-owned since 1966.

DIRECT MAIL + EMAIL + PURLs

For more information on how this synergistic combination – called **Ballantine iDirect** – can jump start your direct marketing campaigns, please visit ballantine.com/idirect.pdf or contact Ryan Coté at ryan@ballantine.com • (973) 305-1500 x206.

You can also visit Ballantine online at www.ballantine.com.

³ <http://www.usadata.com/Top5-mailing-lists-trends.html>

⁴ <http://www.marketingsherpa.com/article.php?ident=31751>