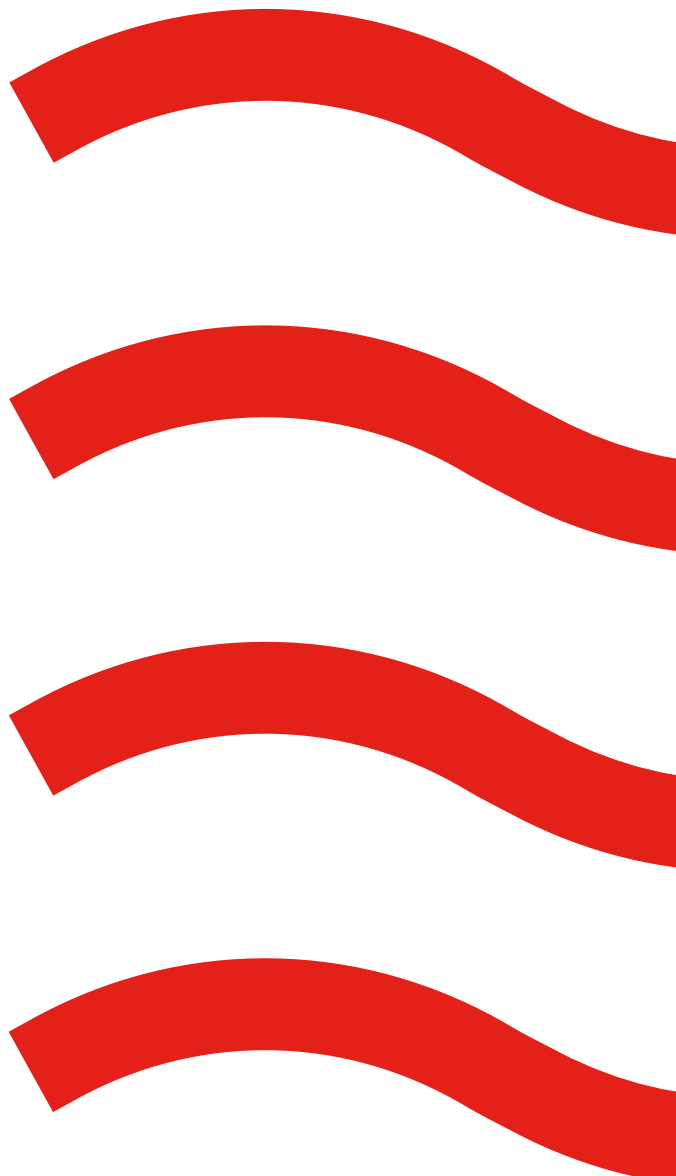


3 PROVEN WAYS TO BOOST YOUR ACQUISITION STRATEGY

A guide to reaching new customers
In today's acquisition landscape



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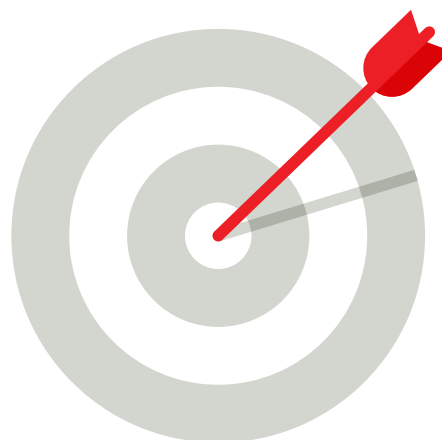
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AN INTRODUCTION TO ACQUISITION

Today, customer experience plays a key role in whether customers buy from you. And because the journey starts at acquiring new customers, it's clear to see how important it is to get your acquisition strategy right.

The current acquisition landscape is a dynamic place. Customers are exposed to thousands of marketing messages a day. It's getting harder to stand out from the crowd. Plus, GDPR has changed the way businesses use personal data.

So marketers have to adapt, be smarter and more targeted than ever to get the reach and engagement needed to hit acquisition targets. Because customers have many routes to purchase, it's important to consider an omni-channel approach in your marketing plans¹.



¹ Accenture, Delivering Omnichannel Now, 2018

THE ACQUISITION LANDSCAPE

Today's acquisition landscape is in a state of rapid change. In a GDPR world, many brands face the reality of depleted marketing lists, so attracting new subscribers and increasing customer acquisition has become a top priority¹. Research shows this has its challenges:

CONSUMER TRUST IS DECREASING



55% say they don't trust companies they buy from as much as they used to².

CUSTOMERS ARE TUNING OUT

Sales and marketing professionals say it's getting more difficult to get the customer's attention, and that generating traffic and leads is their biggest challenge³.



40% agree that prospecting is currently the toughest part of the sales process³.



16% say they're struggling to incorporate social media in their sales process³.

¹Pure 360, 2018

²Hubspot, The Hard Truth About Acquisition Costs, 2018

³Hubspot, State of Inbound Report, 2018

WHAT'S TRENDING?

In the current acquisition landscape, clear trends are emerging that should be considered when building an effective strategy. Key factors include:

Consumers use digital and non-digital channels equally

Currently, customers crave both the digital and physical, so getting the right balance is crucial in your marketing. When finding out about new products and services:

79% use at least one digital channel¹.

79% use at least one traditional channel¹.

Consumer trust in advertising is declining

Bombardment has led to customers losing trust in brands². So when people find a type of marketing messaging relevant to them, they're more likely to show a stronger level of trust in that kind of marketing¹. Mail is a medium that is trusted by consumers:

87% rate messages delivered by mail as believable, compared to **48%** by email³.

65% feel confident the contents of their mail are private³.

Retention is increasingly important as an acquisition method

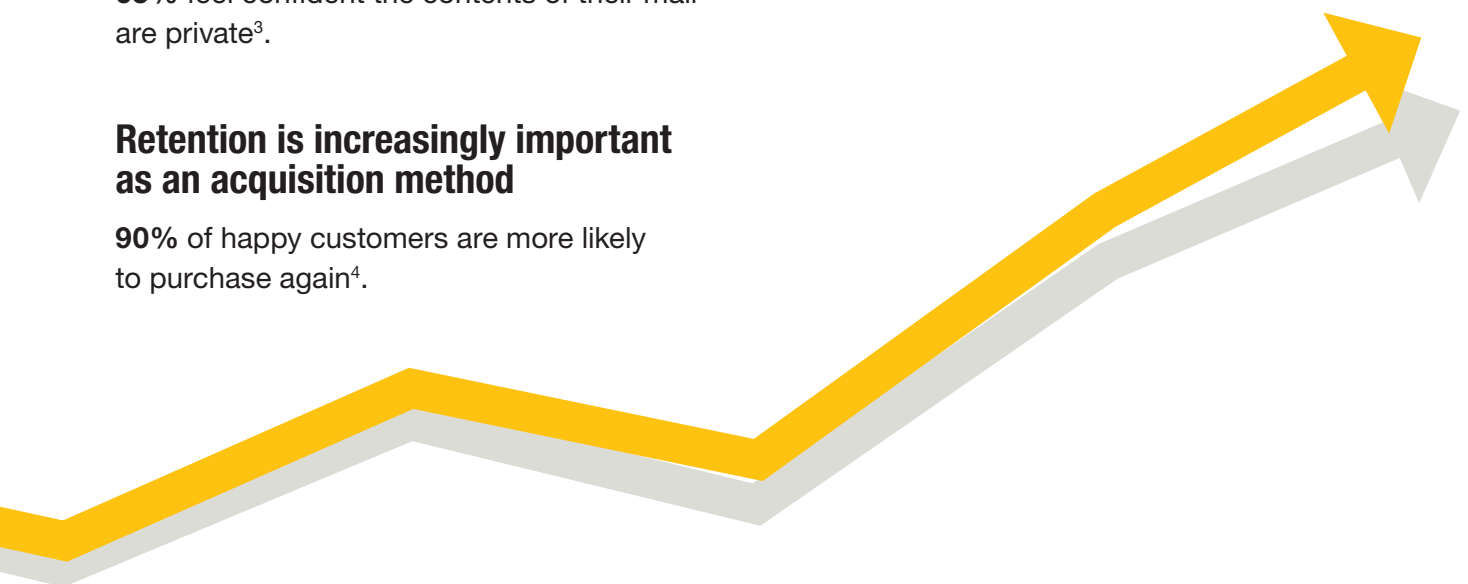
90% of happy customers are more likely to purchase again⁴.

Multi-channel strategies help maximise conversions

Research shows that organisations using an integrated multi-channel marketing plan will continuously stand out, gain qualified leads and maximise conversion throughout the customer lifecycle⁵. That includes channels like direct mail, email, digital, TV and social.

Mail is helping to drive cut-through

New technologies such as Programmatic Mail, augmented reality and automation platforms such as dotdigital, have now given mail even more cut-through and stand out. Mail can drive cut-through as part of the marketing mix. Research shows mail is remembered **35%** more than social media and **49%** more than email⁶.



¹DMA, Customer Engagement, 2018

²Campaignlive, 2019

³Royal Mail MarketReach, The Value of Mail in Uncertain Times, Kantar TNS, 2017

⁴Hubspot, The Hard Truth About Acquisition Costs, 2018

⁵Smart Insights, 2018

⁶Royal Mail MarketReach, Neuro-Insight, 2018

HOW CAN MAIL BOOST YOUR ACQUISITION STRATEGY?

Mail is a proven channel when it comes to boosting acquisition. Its physical and tactile nature grabs customers' attention, putting your brand directly into their hands. And it's this physicality that also means it's a channel customers remember. All reasons why mail, as part of an omni-channel acquisition strategy, can increase awareness and help drive sales. Even digital first businesses like Google and Amazon use mail in their acquisition campaigns.

And in today's landscape, where using third party data is a particular concern, mail is a highly targeted and responsible way to cut through media noise.

The power of mail as an acquisition medium



Reaches almost 30 million households across the UK.



Appeals to all ages and lifestyles¹.

DID YOU KNOW?

Paper can be uniquely renewable and sustainable. The main raw material, wood, is grown and harvested in a carefully controlled and sustainable way. So sustainable in fact, that European forests, where most of the raw material comes from, have grown by an area the size of Switzerland in just 10 years⁴.

As a direct result of receiving mail, **38%** of consumers bought or ordered products or services².

It boosts other media

- When primed by mail, people spent **30%** longer looking at social ads³.
- Memory encoding for social media ads – in other words what people remember after seeing something – was **44%** higher when people had seen mail first³.

In the following sections, we unfold three mail products that can boost your customer acquisition strategy. All three – Partially Addressed Mail, direct mail and door drops – are proven methods for grabbing attention, encouraging engagement and driving action.

¹Royal Mail MarketReach, The Life Stages of Mail, 2016

²IPA Touchpoints, 2018

³Royal Mail MarketReach, Neuro-Insight, 2018

⁴Print & Paper, Myths & Facts, Two Sides, 2019

PARTIALLY ADDRESSED MAIL

TARGET NEW CUSTOMERS WITHOUT REQUIRING THEIR PERSONAL DATA

Partially Addressed Mail is a highly targeted and responsible way to reach new customers. Instead of addressing the mailing to an individual, Partially Addressed Mail lets you target small groups of around 15 carefully selected households.

There are a couple of ways of targeting new customers – ‘topping up’ and ‘lookalikes’. ‘Topping up’ targets people in postcode areas where you already have customers. ‘Lookalikes’ are simply new postcode areas identified as similar to those where your current customers live. By combining both ways, you’ll get greater coverage of potential customers, helping to make your campaign successful.

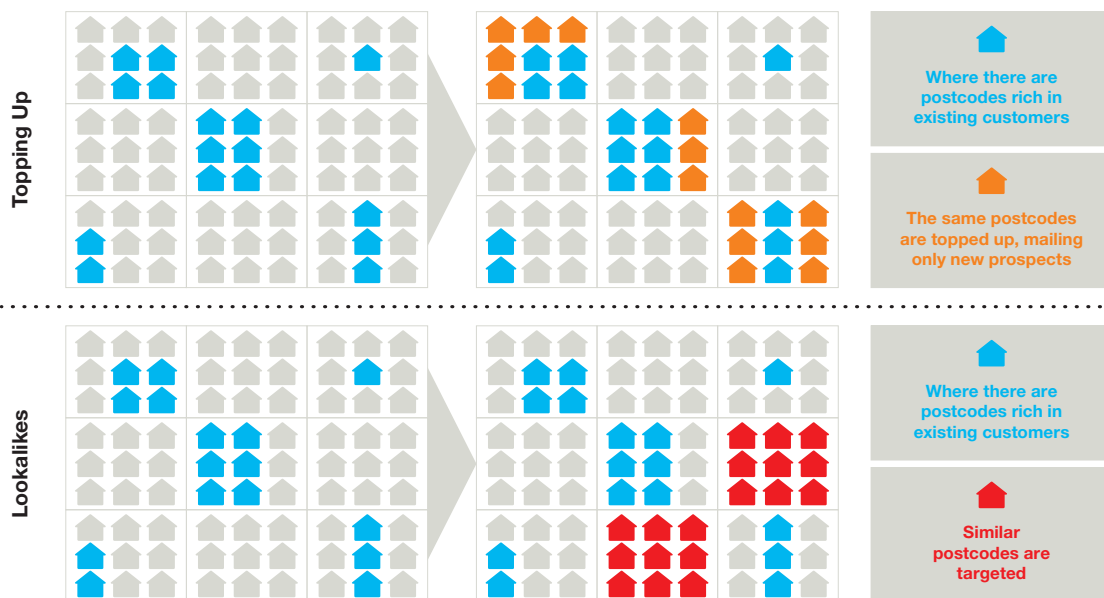
And to give your marketing an even more targeted feel, it’s a great idea to use relevant titles like ‘Book Lover’ or ‘Kitchen Wiz’. This can quickly get your audience’s attention, helping to drive engagement.

Partially Addressed Mail is therefore ideal for achieving targeted reach in specific locations, particularly when combined with other channels.

“ We have found that if we ever take mail out of the mix the other channels suffer. We know there is a certain feeling of authenticity around mail. . .

We know if we don’t have mail in the mix we won’t have as strong a campaign. ”

*Grant Shaw, Marketing Manager,
People’s Postcode Lottery.*



WHY PARTIALLY ADDRESSED MAIL?

BROAD REACH



Partially Addressed Mail provides bespoke targeting by postcode – making it a highly targeted channel.



For every 100 items of Partially Addressed Mail, **9%** are passed on and shared with other people¹.

HIGH ENGAGEMENT



88% of Partially Addressed Mail is opened, read, filed or set aside for later¹.



Partially Addressed Mail engages people at all ages and lifestyles, from millennials to retirees¹.

DRIVES COMMERCIAL ACTION



26% of Partially Addressed Mail items drive actions like purchasing or going online¹.

KEPT AND REVISITED



Partially Addressed Mail items are revisited **four** times on average¹.



Partially Addressed Mail items stay in the home for **a week** on average².

¹JICMAIL Q2 2017 – Q1 2019
²JICMAIL TGI Fusion July 2017 – June 2018

CASE STUDY

McCARTHY & STONE

McCarthy & Stone – the UK’s largest retirement home builder – set out to explore whether Partially Addressed Mail was a viable, complementary mailing product to drive footfall into open days.

McCarthy & Stone created a lookalike model from customer data which was profiled against a suite of geo-demographic segmentations from Royal Mail. Over-indexed categories were used to build the postcode model. High propensity postcodes were matched against the Postal Address File (PAF) to create a property level mailing file. Warm customers were excluded from the mailing.

The campaign supported a nationwide ‘Open Day’ initiative to drive visitors to 67 developments across the UK. The data was geographically matched to each development.

“ Partially Addressed Mail can be used across all sorts of sectors – especially people targeting householders. There’s a number of different ways, and you can still target without using personalised data. And for us that really is quite ground breaking. ”

Gary Howard, Chief Digital Officer, Precision Marketing Group, on their campaign for McCarthy & Stone.

Results



Higher response rate using Partially Addressed Mail, for McCarthy & Stone, versus cold mail.



Lower Cost Per Acquisition (CPA) for McCarthy & Stone than the CPA of cold mail.

DIRECT MAIL

REACH NEW CUSTOMERS IN A PERSONAL WAY

Direct mail (DM) is addressed mail sent to a named person. It's a strong acquisition tool because it opens a one-to-one relationship between your brand and prospective customers. In fact, **70%** of people said mail made them feel more valued compared to **30%** for email¹.

Personalisation is one of the reasons why DM has a **94%** engagement rate², literally placing your brand into a named individual's hands.

If you have a database or purchase third party data, make DM a tactile and engaging part of your omni-channel acquisition strategy.

“Mail definitely positively impacted the campaign. We had feedback from sales that there were strong results from those people we called who had received the letter.”

Sam Parker, SME Marketing Manager, AXA PPP Healthcare.



WHY DIRECT MAIL?

BROAD REACH



Mail goes countrywide – it can be delivered to every UK address, six days a week.

HIGHLY ENGAGING



Addressed mail benefits from a **94%** engagement rate³.



Addressed mail stays in homes for an average of **7.6** days³.

On average, consumers with the heaviest mobile use interact **4.3** times with addressed mail³.

KEPT AND REVISITED



DM is re-visited **4.2** times on average³, with a high frequency of exposure to the household's main shopper⁴.



45% of DM is still live in the home after 28 days³.

DRIVES COMMERCIAL ACTION



31% of addressed mail drives actions such as going online, buying something or visiting a store³.

DID YOU KNOW?

Mail appeals to all ages. Research shows that millennials interact with DM **3.8** times on average⁴. In fact, 18-24 year olds and 25-34 year olds, on average, respond to DM quicker than any other age group. And, **63%** of millennials who respond within three months go on to purchase⁵.

³JICMAIL Q2 2017 – Q1 2019
⁴JICMAIL TGI Fusion July 2017 – June 2018
⁵Baker Goodchild, 2018

CASE STUDY

HIVE

Hive is the UK's leading smart home provider – with a family of smart products and services that connect your home and make daily living easier.

Hive Active Light was a critical launch for the business. But there were fears that the launch would become lost in the noise about other Hive products. The goal was to cut through the digital noise and put their message into the hands of people who would be most likely to purchase.

Teaser communications were sent to create a buzz. This was followed by a simple mail pack – describing the benefits and providing user case studies – sent to the hottest prospects on their existing and prospect database. With a headline on the outer – ‘The light bulb moment you’ve been waiting for’ – the pack demanded to be opened.

Results



14% conversion to sales rate.



Increased sales by 69% vs the control.

DOOR DROPS

REACH MORE HOUSEHOLDS, LOCALLY OR NATIONALLY

Door drops are a flexible and cost-effective way to get leaflets, flyers and brochures into customers' hands, either locally or nationally. Their versatility is what makes them so appealing. Whether you want to achieve a broad reach across a specific area, or nationally across multiple areas, door drops are a targeted way to find the right people at scale. They're perfect for things like new store openings, events, or promoting services in your local area.

Door drops work hard, too. Research shows that **90%** of campaigns that included door drops saw an increase in new customers, compared to **59%** of those without¹. In addition, **67%** of people were prompted to buy after receiving a door drop². So it's no surprise that these mailings can add a healthy boost to your sales.



¹Royal Mail, Doordrop Entries, DMA Awards Meta Analysis, 2012-2016
²Royal Mail MarketReach, Illuminas, 2014

WHY DOOR DROPS?

BROAD REACH



Take your pick from almost 30 million relevant households.

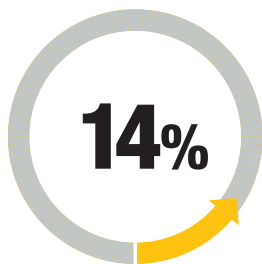
HIGHLY ENGAGING



Door drops deliver a **73%** engagement rate³.

For every 100 sent, **5%** are shared with other people, giving you a bigger audience than you paid for³.

KEPT AND REVISITED



Door drops stay in the home for **5.4** days on average³.

They are re-visited by householders **2.8** times on average³.

The main shopper interacts with it an average of **2.7** times³.

14% remain present in the home after 28 days³.

DRIVES COMMERCIAL ACTION



67% were prompted to buy after receiving a door drop⁴.

DOOR DROPS APPEAL ACROSS DEMOGRAPHICS

Consumers with the heaviest mobile use interact with door drops **2.8** times on average. And users of digital brands like Netflix and Instagram an average of **2.7** and **2.8** times respectively⁵.

³JICMAIL Q2 2017- Q1 2019

⁴Royal Mail MarketReach, Illuminas, 2014

⁵JICMAIL TGI Fusion July 2017 – June 2018

CASE STUDY

MOVEMBER

The Movember charity needed to reach new donors, engage them, and encourage sign up for their 2018 event. Post GDPR, their database was much reduced. So they were keen to find another way to engage supporters.

Movember chose door drops because, in today's digital world, they believe a piece of print is likely to be more disruptive than an online campaign. GDPR also meant they had lost most of their database and door drops were a compliant acquisition solution that didn't require personal data.

Whistl built a targeting model using anonymised donor data to identify key postcode sectors with a high penetration potential of donors. National and regional Mosaic profiles enhanced the targeting approach. An impactful door drop followed, using the intriguing headline 'Shave the Date'. Sent to 250,000 households, the mailing explained the 'what, how and why' of Movember. An incentive was also included, offering a free branded razor to the first 20,000 people to sign up.



“ We were delighted with the results. The door drop has been such a success that we are looking at rolling it out in a bigger way to more targeted areas. ”

UK Marketing Director for Movember.

Results



1,500 new donors.



Over **300** existing donors signed up again.

CONCLUSION

Within the current acquisition landscape, especially post GDPR, marketers need to find ways to boost their omni-channel marketing strategies to seek out and appeal to new customers.

As we see from current trends, marketers also need to explore multiple tactics to stand out. Mail plays a key role in offering a highly effective solution in an acquisition environment where people crave physical media as well as digital. Using mail also boosts other channels in your campaign, driving attention and recall.

But most importantly, in a world where acquiring new customers is proving ever more difficult, mail gives you a choice of three flexible and effective ways to boost customer acquisition as part of your marketing mix.

To find out more about how Partially Addressed Mail, direct mail and door drops can help you boost your acquisition campaign, call us today on **0333 456 1395**.





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