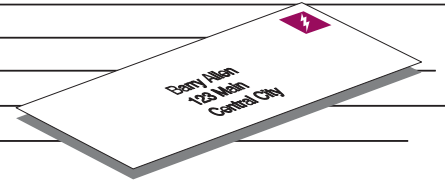


LetterLink

Your Resource for Direct Mail Marketing



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"Providing direct mail marketing solutions"

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CADM shows marketers how to shift gears

"Shift your perceptions, directions and expectations of direct marketing." That was the message being delivered at the recent Chicago DM Days & Expo.

Over 1,000 direct marketing professionals and exhibitors attended the two-day conference. The Chicago Association of Direct Marketing (CADM) hosts the annual expo. They offered 43 session topics covering everything from the basics of lists to building brands through direct marketing. Here are some of the ideas that were shared.

Mail provides engagement. A panel from the USPS and several business mailers shared the results of a recent survey that showed the value of direct mail on a customer connection. It was found that mail is considered to be the least intrusive of the direct marketing formats. The average person will spend an average of thirty minutes per week engaged in the sorting and reading of their mail. Mail still provides high engagement as a communications medium in the internet age.



The opening keynote at DM Days was presented by Mathew Moog, President of Q Interactive. He spoke about the potential for interactive marketing to increase revenue.

The survey uncovered some interesting data about catalogs. It showed that direct mail catalogs drive twice as many new prospects to web sites as any other medium. Web surfers who received a catalog have a higher rate of visits, open more pages and will spend more time and money than customers without a catalog.

Direct Marketing can build brands. What is a "brand"? A brand is actually a personal relationship. A company does not own the brand. It's owned and made possible by the customer who believes in it. Remember New Coke? Their new flavor and brand was launched on April 23, 1985. It died just two and half months later. Loyal customers wanted their original brand back. Direct marketing can speak to customers one-to-one, answer their questions and solidify relationships. Today, brands are being built through integrated direct response programs.

Target the emerging markets. The Hispanic market now makes up over 30% of the U.S. population. By 2015 nearly 45% of all children in the U.S. will be multi-cultural. While most U.S. households have just one or two people living there, the average Hispanic household has four to five. Although the household income for Hispanics is less than the national average, they spend more on food and redeem more coupons. This is a huge market with many opportunities for savvy direct marketers.

DM News & Tips

Go big with letter-size mail

A letter-size mailpiece is the most economical for postage. Common sizes include the #10 envelope or 8.5 x 5.5 postcard. Did you know you could design a mailpiece that measures up to 11.5 inches wide by 6.125 inches high - and still qualify for letter-size rates?

This larger, letter-size piece stands out in the mailbox the same as a 9x12 flat but they mail for much less. They can be designed as postcards, selfmailers or in #11 stretch envelopes.

Survey identifies mailstream woes

Over 100 billion pieces of Standard mail are sent every year. Nearly 20% of them go undelivered or poorly targeted. A survey by Harris Interactive found that 49% of postal customers receive mail with addressing errors. A whopping 92% of them reported receiving duplicate copies of the same mailpiece and 91% receive offers for products or services they already subscribe to. Many said they were less likely to do business with a company that sent poorly targeted communications. It's clear that many mailers need to improve their database management techniques.

Does title addressing work?

In B2B mailings targeting the right person in a company can be difficult. Nearly 50% of employees change jobs, change departments or change titles every year. There is an alternative to name addressing. Try title addressing to your best prospect. Maybe your prospect is the marketing manager, human resource director or CFO. Somebody in the company has that job title therefore more of your pieces will get delivered. People leave companies but the titles remain.

In one test of 20,000 records, half were name addressed and the other half were title addressed. The name addressed group pulled a 2% response rate. The title addressed group produced a 3% response rate...50% better! Not every title addressed offer will get a 50% uplift. It might be worth a test though.

Write a great lead

The first sentence of a lead generating direct mail letter can be a challenge. Here are a couple of tips. Write the first draft of the letter, then go back and cross out the first sentence. The second sentence is often much stronger and better as a lead.

Still stuck? Write 100 opening lines. Don't think too hard. Don't make corrections. Don't reread what you write. Put it away. Read your leads the next day and pick the one that grabs you.

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The Baby Boomer market now represents over 45% of households. They are 80 million strong and control 50% of spending. They are active and see themselves as younger than their age. While they have embraced computers and technology, they still prefer the written word in a hard copy format. Direct mail should be part of any multi-channel relationship with this group.

Apply segmentation to improve results.

People receive about 5,000 advertising messages each day. They are bombarded by ads from newspapers, magazines, direct mail, internet, e-mail, television, radio, billboards, trucks, clothes...the list is endless. The best way to break through the clutter is with a relevant message. "Tell a fisherman he'll catch more fish with scented bait, and you have his attention."

Understanding customers and prospects as individuals, not demographics, is the core of direct marketing growth. Segmenting your database allows you to make relevant offers to customers who are most likely to respond. This reduces cost and improves ROI. Even more important it builds stronger relationships with a customer. It is estimated that a 5% increase in customer retention can bolster a business's bottom line by 85%.

For additional information visit www.cadm.org resources.

GUEST COLUMN EDITORS NOTE: Article provided by C North American Publishing Company. All Rights reserved. This article originally appeared in TM Tipline, Target Marketing Magazine's weekly e-mail newsletter offering practical tips and solutions for profitable direct marketing. To learn more, visit www.targetmarketing.com.

The plus side of postcards

by Abny Santicola



In an effort to keep marketing costs at a minimum, M.H. McIntosh, president of sales and marketing consulting firm Mac McIntosh Inc., recommends using postcards as part of your direct marketing and relationship marketing programs. According to McIntosh, marketers can use postcards to:

- Keep in touch with longer-term prospects
- Upsell, cross-sell or resell existing customers
- Reactivate inactive customers
- Give customers your new addresses (mail, e-mail and website) and numbers (direct dial, cell phone and fax)
- Invite prospects and customers to your seminars and events
- Drive prospects and customers to your website
- Thank customers for their business
- Announce new products, services, people or locations
- Remind customers of appointments
- Announce a sale or special offer

McIntosh also suggests using postcards in a campaign. For example, create a list of the top 10 benefits of your product or service and then create a series of 10 postcards, each one highlighting one benefit.



Repositionable Notes (RPNs) were one of the hot products being displayed at the recent CADM Expo. Bill Teefey (L) of NASTar Inc. stopped by the A.M. booth. He discussed the benefits of RPNs with Dan Topel, Sales Manager at A.M. Mailing Services. NASTar manufactures the materials used to produce sticky notes. A.M. Mailing has the equipment to personalize and affix the RPNs to a mailpiece.

Why use color on envelopes?

Color stirs emotions. It can create a mood and stop the viewer in less than three seconds. Dramatic colors get noticed and can improve response!

Tests have shown that color increases motivation and involvement with a mailpiece by 80% over black and white. It improves readership 41% and retention 225%. Color will increase the chance that the reader opens the envelope and takes action by 26%. That's why you should consider using color on the envelope.

The most common method of using color is to print a teaser, an offer or the graphics while on press. You can also print color on the whole envelope face by using a light tint screen.

Envelopes can be special ordered in many dramatic colors. Yellow is a good choice if the address will be imaged on the envelope. The barcode will pass postal scanning requirements against a yellow background. For darker colors it is wise to have the envelope tested with a USPS business mail analyst or use a window envelope.

Color inkjetting offers the advantage of personalizing and versioning messages to each individual in the database. The eye flow pattern by a recipient of a sealed envelope is first to their name and address, then to teaser copy and then to the return address. Imagine the impact if they see their name and a personalized teaser message in color. Did you see how it was used on the address panel of this newsletter?

Choosing a color that fits the audience, the product or your company brand is important too! Here are emotions and images that colors can deliver.

- Reds – stable, active, grounded, spontaneous, spicy, energetic, outgoing.
- Yellows – organized, radiant, efficient, fresh, cheery.
- Greens – life, money, generous, openness, new, health.
- Blues – clear, clean, honest, integrity, trustworthy.
- Purples – motivating, understanding, power, dignity.
- Oranges – enthusiasm, vitality, tolerance, energy, warmth, stimulating.

Remember, any change in the use of color should be tested against your control package. That's the only way you'll know for sure if it's working for you.

For a free sample of color inkjetting and 10 tips for color, call A.M. Mailing at 608-884-3452 or e-mail info@ammailing.com.

10 Ways to improve your direct mail offers

Of all the components of your mailing, list selection and your offer are the most important. Test various offers until you find a winner. Then keep testing until you beat the control.

1. Offer something "free." Free still works. An informative "whitepaper" is an inexpensive premium that gets good response.
2. Flip-flop your offer. Instead of listing the sale price, show the discount..." Save \$50.00 now!"
3. Use specifics. Rather than offering \$100.00 off, make an offer to save \$97.50. It attracts attention and gains credibility.
4. Test a premium. If you're already offering a premium, test a new premium.
5. Use comparisons people can relate to. Rather than "your support will help cut taxes by billions." Say, "your support will save each taxpayer \$1,023.00."
6. Don't use percentages. Half off is more powerful than save 50%. Four out of five is more visual than 80%.
7. Test new price levels or asking amounts. A higher price might improve ROI.
8. Provide a guarantee. Everyone loves a guarantee.
9. Set a deadline. "Offer good if you act in the next 10 days."
10. Make only one offer and sell one thing at a time.

Remember, if you're looking for breakthrough results, test your offer. Other than list selection, it makes the biggest difference to your success.

Read more about direct mail marketing in A.M. Letterlink past issues.
Visit www.ammailing.com

Meet A.M. Employees



Bill Witt
Accountant

Bill Witt joined the accounting department at A.M. last year. He is responsible for all invoicing, payables and receivables. His previous experience in the printing industry helped make the transition to A.M.'s printing/mailing operation a little easier. Bill says, "I soon found that there is more to mailing than putting postage on a letter and dropping it in the mail."

Bill was originally from Racine, Wisconsin. He attended UW Madison where he took courses in accounting, political science and history. After graduation Bill stayed in the Madison area. He worked at Great Lakes Higher Education and Heartland Litho where he gained experience in accounting, human resources and bindery.

Bill lives just outside of Madison in the Village of McFarland with his wife and two children. He enjoys going up north with his family to participate in outdoor activities. And like all UW grads he is a big fan of Badger sports.

Joining A.M. was "an opportunity for professional growth," said Bill. He likes working with the great group of people where the emphasis is placed on family and teamwork. The biggest challenge to his job says Bill is finding "new and better processes that will result in cost savings for both A.M. Mailing and the customers, we serve."

A.M. printing team has new press up and running

The newest addition to the A.M. Mailing pressroom is a Shinohara 2 color perfecter. This press offers fast makeready and high quality 2 - sided offset printing. The A.M. printing team includes (L-R) John Vick, Kim Bertrand, Steve Garbe and Print Supervisor Fred Schulze.





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Inside:
Your LetterLink Newsletter Vol. 9 No. 2
from A.M. Mailing Services, Inc.

Mark your calendar for these print, mail and marketing events

May 9, AMA - GENERATIONAL MARKETING STRATEGY
 Waukesha, WI, Country Springs Inn, 8 a.m. to 1 p.m., Chuck Underwood will speak on how to market to the changing generations, joint meeting sponsored by the Madison and Milwaukee chapters of the American Marketing Association, call 1-920-723-3885 to register.

May 9-12, MAILCOM 2006
 Atlantic City Convention Center, annual global conference for the mailing industry, for details go to www.mailcom.org or call 732-280-8865.

May 15, ADFED – AUDIO PRODUCTION IN ADVERTISING
 Madison, WI, Sheraton Inn, monthly meeting of the Madison Ad Federation, speaker will be Bob Farnsworth of Hummingbird Production, call 608-837-9242 for details.

May 16, WPPC – MILWAUKEE JOURNAL SENTINEL TOUR
 Milwaukee, WI, tour the publishing and direct marketing production facility for Milwaukee's daily newspaper, sponsored by Wisconsin Publishers Production Club, call Marty Ochs at 608-838-9899 for details and registration.

May 17, CADM – 8TH ANNUAL DM FOR NONPROFITS SEMINAR
 Chicago Cultural Center, education day for nonprofit marketers, sponsored by the Chicago Association of Direct Marketing, call 312-849-2236 for registration and more details.

June 14-15, AMA NONPROFIT MARKETING BOOTCAMP
 San Francisco, Crowne Plaza Union Square, designed for non-profit marketing professionals new to the field or experienced marketers looking for new ideas, presented by the American Marketing Association, for more information go to www.marketingpower.com and click on AMA events.

June 15-16, TOTAL CIRCULATION
 Chicago, Hyatt Regency, the 2006 Circulation Management Conference sponsored by Circulation Management, go to www.circumanshow.com for complete details.

Moving? Want someone added to this mailing list?

Please correct my name and/or address
 YES – add me to the LetterLink mailing list

Fax 608-884-8949 E-mail info@ammailing.com

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Company _____

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