

## DIRECT MAIL – OUR LOYAL BEST FRIEND

To the average person, when they hear the word loyalty, they immediately think of man's best friend, however for brands, it's direct mail. Direct mail is the friend they can always rely on to effectively communicate brand value and one-on-one messaging to customers. Loyal customers deliver communication, engaging relationships, and the holy grail – customer referrals. To achieve this, brands are utilising the strengths of the most trusted tool in a marketer's toolbox, to offer exclusivity, value and ongoing brand positioning and reassurance.

Direct mail produces that wow factor for a brand to stand out from the digital noise. Brands are pushing lovalty programs hard through this channel and the results are three-fold. The strength of direct mail sees brands achieve the ultimate ROI, higher response rates and contribute on the path to purchase journey. We know customers engage with print from the latest DMA Response Rate report revealing 92 percent of direct mail being opened and staying in the home for 38 days. This is further supported by a recent Toluna survey highlighting New Zealanders' strong dislike for receiving advertisements digitally. The results showed 62 percent of

New Zealanders can't remember the last time they willingly clicked an online advertisement. This is not surprising when digital ads are popping up in the wrong place, at the wrong time, to the wrong people, while direct mail goes into the homes of customers acting as a subtle disrupter to be picked up and read at the customer's convenience.

One of greatest strengths of direct mail is the ability to utilise advancing technology to demonstrate added brand value to customers. Images and data customising a piece of direct mail is affordable and increases cutthrough. Content that is meaningful to the recipient equals engagement

and engagement delivers strong brand equity and sales.

When retailers demonstrate to their loyal customers that they have taken the time to care, it provides an exclusivity and meaningfulness that the brand is only talking to them. Direct mail is a critical channel to deliver this added brand value and credibility to customers in a way digital marketing attempts have not yet captured. The emotionality and neuroscience triggers of physical marketing tools create stronger cut-through over digital and should not be overlooked.

In today's marketing landscape, some would argue that mail is considered a novelty - an exciting adventure to the letterbox not knowing what you'll find when you get there. Brands can be that warm and welcoming face people want to see to disrupt from other channels. With the persistent push for everything digital, smart brands are pushing brand value and awareness through catalogues, magalogues and direct mail either addressed or unaddressed.

Lovalty New Zealand revamped their existing Fly Buys Reward guide into a magalogue (magazine and catalogue hybrid) with a strong focus on providing more value to the program. This new magalogue was distributed by letterbox drop to locations consistent with Fly Buys customers. As a result, 40 percentage of active members found more than one thing they would like as their next reward, while 18 percentage of nonactive or non-members visited the Fly Buys website. Loyalty New Zealand completely transformed their marketing approach for Fly Buys, and the way a traditional catalogue is read, into something more content driven and with clear marketing objectives, aligning them as an equitable program.

When brands want to communicate to their loyal customers, they turn to their best friend and most trusted tool, direct mail. It's innovative, reliable and the possibilities are endless. Direct mail delivers a strong cutthrough unlike any other channel while offering premium content to their loyalty members in a way that digital alternatives fail to live up to. That reliable friend you can always count on and will ensure your marketing evolves into something much bigger and better than you've seen before.



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