

Mailtogether

BETTER MAIL THROUGH POST

Issue - September 2020

In this issue



At last! A newsletter in 2020 as SMP is up and running again – or as much as it can be virtually.

I am very conscious that you have all been splendidly heroic during these extremely peculiar and terribly sad six months.

I have heard tales of all of you doing the most extraordinary configurations of your manufacturing processes to be Covid compliant. I know that many of you pulled out all the stops to support Government

communications. And I sympathise massively where you have been unable to keep a full complement of staff.

But over the 12 years I have had the honour to be your Chair and in the 43 years I have been in DM the one thing I have observed is the remarkable resilience of this sector... so I am not surprised that so many of you are already planning for a post Covid world which will probably not be any sort of 'new normal' we would recognise. Your board have some interesting thoughts on this on the back page.

I am also fully aware that our sponsor, Royal Mail, is facing its own structural and cyclical issues and we are already seeing some of the hard decisions they are having to make, including losing some of our key SMP supporters to whom we obviously send our very best wishes.

So it's 'onwards and upwards' as it really can't be anything else, can it?

JUDITH DONOVAN CBE
SMP CHAIR

Contents

ROYAL MAIL

2-4

Latest on two new advertising mail incentives to help the UK get back to business

MarketReach

5

New guide explores the power of mail in charity campaigns

INNOVATION

6

How marketing innovation is revolutionising direct mail

Love Paper

7

How Two Sides is telling the sustainable story of print and paper

Board Member Comments

8

SMP board on what will the world of mail will look like in 2021

2020 SMP SUMMIT TAKES ON ALTERNATIVE FORMAT

As you all know we 'lost' the SMP Summit, our annual get-together, in April as a result of the Covid-19 outbreak.

In hope, we moved it to September 30th; however, that hope cannot now be realised, partly because social distancing is likely to still be around and also because people are just not travelling, particularly to London.

We have carefully explored any online alternatives but we feel that the interactivity was a key part of why we meet, and technically it would be tough (and expensive) to accommodate more than 100 delegates.

More than anything we wanted to keep that interactivity, that role for YOU all to talk to us rather than you always being talked at.

So we are converting the summit to a 'Business Impact Survey' where we will be asking ALL the SMP members to tell us their experiences in these unprecedented times and their forecasts looking ahead.

We will then use all your feedback to help plan the SMP programme for 2021/22.

So please keep **SEPTEMBER 30th** in your diary and watch out for our Business Impact Survey in your in-boxes!

LATEST NEWS FROM ROYAL MAIL

Extending our Magazine Subscription Service

Following feedback from publishers, we are widening the scope of our Magazine Subscription Service so that customers will be able to use the service to send large letters which fall outside of the current Mailmark size specification.

From 4 January 2021, customers can use the Magazine Subscription Service to post large letters up to 25mm thickness as manual items. The Access 70 Mailmark service, which is the lowest priced option of posting under our Magazine Subscription Service, can continue to be used for large letters up to 10mm thickness.

Latest from JIC MAIL

To help you use JICMAIL data to improve results in customer and sales meetings, a number of Use Cases have been put together. These include both Direct Mail and Door Drop examples from mailing houses, agencies and postal operators.

JICMAIL is also looking for more examples to share, so where you have used JICMAIL data and want to be included on the website, please get in touch with: tara@jicmail.org.uk

<https://www.jicmail.org.uk/showcase/use-cases/>

IMPROVING OUR MAILMARK SPECIFICATION

With Mailmark postings making up 88% of all Network Access volume, we continue to look at ways to improve the service to support its implementation by customers. We are making the following improvements to the Mailmark specifications to make it easier for customers:

One-piece mailers:

In addition to the existing maximum dimensions of 240mm x 165mm x 5mm, we are extending the one-piece mailer specifications so that mailing items with a maximum dimension of 248mm x 165mm x 3mm, and at no more than 70 grams can be posted;

Paper-wrap specification:

To support customers looking to migrate from single use polywrap, we have developed a new paper-wrap specification to give customers clear guidance on how to present paper-wrapped large letters, and to provide a wider range of outer wrap options to enclose customer mailings within the pack;

Large letter delivery address and barcode location:

To provide greater flexibility to customers we have broadened the location options for the delivery address and barcode on large letters.



MAIL REMAINS A CRITICAL MEDIUM FOR CHARITIES, ACCORDING TO NEW RESEARCH

Four out of five fundraisers say that mail is a key part of their fundraising programme, according to new research by the Chartered Institute of Fundraising and Royal Mail MarketReach. An overwhelming majority stated that it enhanced the supporter experience while helping to build loyalty and engagement.

The guide, '**The Power of Mail in Charity Fundraising**', explores how charities can make the most of mail, finding both new and improved ways to connect with their audiences to raise funds and to nurture the all-important supporter relationship.

The guide brings together key findings from surveys conducted by both organisations, as well as insight from charities on their success with mail, whether that takes the form of addressed letters, unaddressed door drops, postcards, newsletters, reports, event packs, or retail catalogues.

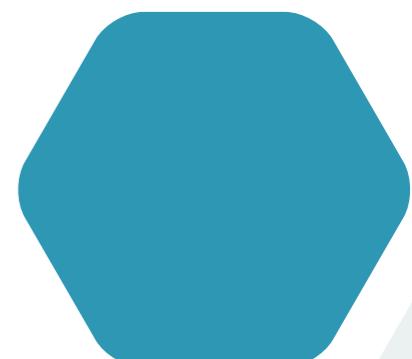
Key findings:

- 82% of fundraisers use mail for their fundraising / supporter engagement programme
- 93% say that it enhances the supporter experience, building loyalty and engagement
- 82% of fundraisers value the room mail provides for storytelling
- 92% of charity mail is engaged with (opened, read, sorted, put aside for later, filed, put on display or in the usual place)

Daniel Fluskey, Head of Policy & External Affairs at the Chartered Institute of Fundraising, said: "We're pleased to have partnered on this guide, giving fundraisers the insight they need to make the most impact with their mail communications. Mail's tangibility provokes a very different reaction than other channels, and with so much content vying for people's attention in the digital space, it can be that much more substantive. It can have a particularly strong impact on emotional resonance and engagement."

Amanda Griffiths, Head of Communications Planning at Royal Mail MarketReach, said: "Mail enables charities to communicate with supporters directly in a way no other medium can. A mail pack creates that feeling of 'they cared enough to write to me' – meaning people feel recognised and valued for their support, closer to the charity and cause and more likely to support it not only for longer, but also in additional ways."

The guide can be downloaded for free from the Royal Mail MarketReach website here www.marketreach.co.uk/using-mail-for-fundraising-s



ROYAL MAIL

Product & specification update

We were pleased to announce the launch of our new Mailmark Economy Service and an extension to the scope of our Magazine Subscription Service, to take effect from 4 January 2021.

Additionally, from 7 September 2020, we are making improvements to our Mailmark specifications to assist customers with using the service more effectively and helping them to achieve the best price possible.

The new Mailmark Economy Service introduces a lower priced Access letters delivery service which defers the delivery of non-time critical letters by up to three days.

We have spent time listening to customers to understand what they believe the mail market needs from this new service.

The key features are:

- Lower price than standard Access services: The new service will be set at a lower price than our standard Mailmark service, creating a choice between two services for customers. The new service is letter format only and will launch on 4 January 2021. We are currently unable to confirm the VAT treatment of the service since this will depend on the regulatory status of the service. We are in ongoing discussions with Ofcom regarding this and will update you further at the earliest opportunity.
- Estimated 45% of postings delivered by D+2: The new service is designed for customers to defer delivery of their non-critical letters. The aim under the service is to deliver letters within four working days of handover to Royal Mail, however it is estimated that up to 45% of your Mailmark Economy posting is likely to be delivered the day after handover to us. The table below provides an illustration of the key delivery differences between the Mailmark Economy Service and our standard Access services.
- Performance measurement: Customers will be able to monitor the performance of their mailing items and work with suppliers to identify opportunities to improve performance, whilst using our lower priced Mailmark service;
- Standard presentation requirements: To make things easier for customers, we have kept the presentation requirements in line with our standard Access services. Customers will just need to ensure that Mailmark Economy Service mail is handed over in separate bags or trays to standard access mail.

DSA DAY	D	D+1	D+2	D+3	D+4	D+5
Access Mailmark Economy Service	Customer hands posting over to carrier	Carrier hands posting over to Royal Mail	Royal Mail delivers mail or defers delivery	Royal Mail delivers mail or defers delivery	Royal Mail delivers or defers delivery	Royal Mail delivers remainder of posting to specification
Standard Access Service	Customer hands posting over to carrier	Carrier hands posting over to Royal Mail	-	-	-	-

Following the success of our Covid-19 Open for Business Incentive, we have launched two new Covid-19 incentives.

The Covid-19 Open for Business Incentive was introduced in May to support market segments most at risk due to restrictions on social movement.

Under this incentive you can send Advertising Mail, Responsible Mail and Partially Addressed Mail volume to achieve postage credits to be used on future postings*.

Information about postage credit values can be found at: www.royalmailwholesale.com/back-to-business-incentives.

To download the full sales presenter go to: www.royalmailwholesale.com/mint-project/uploads/200395908.pptx.

Incentives update

The offer: a new incentive with something extra

We are now introducing two new Advertising Mail incentives, each running over two discreet periods of July to September, and October to December. They are relevant for all sectors, and look to help customers boost their trading activity as lockdown restrictions are eased.

1. BACK TO BUSINESS

An incentive for customers able to post a minimum of 50,000 incremental mail items per quarter.

Access Price
Mailmark Letter*



2. BACK TO BUSINESS EXTRA

Targeted at larger posting customers that can commit to sending a minimum of 2.5 million incremental mail items per quarter in return for an even favourable postage credit rate.

Access Price
Mailmark Letter*



*Subject to terms and conditions. You will be charged at the current Access price, and awarded eligible postage credits at the end of the incentive period

Mandatory requirements: high level requirements for back to business incentive

For Mailmark Advertising Mail, Responsible & Partially Addressed Letters and Mailmark Large Letters up to 750g

Postcards are allowed - although no additional rate in Back to Business Extra

You can apply for just Q2 volume or just Q3 volume or both, but the relevant volume baselines will apply

Letters posted as Unwrapped or Polywrapped are eligible for our Manual/1400 product

Post at least 50,000 incremental items to qualify for this incentive

Volume posted between 29 June and 24 December

Postage credits paid in a customers' credit account or as a credit voucher. Credits will be valid for 12 months

Applications are capped at 10m items per quarter

Where a customer mailing volume is exceptionally seasonal or varies significantly by quarter we will request evidence to validate the customer baseline.

Extra factors: back to business extra incentive

1. This is an incremental Advertising Mail incentive for all sectors and customers able to post a minimum of 2.5m incremental items per quarter

2. Build on an agreed volume baseline and dates as per previous slides, which is weighted account for lower volumes due to Covid-19

3. The Access price point for a Mailmark letter is just 10p for the customer if they post at least 95% of the accepted incremental volume

4. A 3p item reconciliation adjustment will be applied to volume which falls short of customer commitment (with a 5% tolerance)

Key dates: back to business

21 Jul 2020
Opening date

14 Aug 2020
Application deadline

25 Sep 2020
Application deadline

29 Jun-26 Sep 2020
Valid mailing

28 Sep-24 Jun 2020
Valid mailing

How Marketing Automation Revolutionises Direct Mail

Guest article on innovation by Robert Rebholz, Managing Director Optilyz

Marketing is no longer what it used to be. The rise of online marketing has changed the game, as companies have realised that now they can target customers individually with precise personalisation based on customer preferences, browsing behaviour and purchase history.

"FOR MAILING HOUSES, THIS COULD MEAN A SURGE IN NEW DEMAND, DRIVEN BY COMPANIES THAT WANT THE BEST OF BOTH WORLDS"

Until now, direct mail has been overlooked and has not benefited from the most current, proven strategies that are causing online channels to flourish. This is about to change. Since add-ons to these platforms already exist, the door has opened for mailing houses to partner with firms that understand how print works and how marketing is changing.

The good news: direct mail is a channel that generates an immediate and measurable revenue impact and will remain an essential part of almost every company's marketing mix. Here's the challenge: campaigns will change and companies will have more complex needs.

- Event-triggered mailings
- Buyer persona-specific mailings
- Mailings that are enhanced via online touchpoints

Of course, this is all currently possible. The problem is that companies are less willing to run their marketing as they have in the past and SFTP servers are frowned upon. Companies started to phase them out well over a decade ago, replacing them with powerful marketing automation platforms like Emarsys and Salesforce. These tools enable companies to set up cross-channel customer journeys within a few clicks and typically have existing add-ons, such as optilyz, for direct mail.

Direct mail has been considered by some as less appealing and not agile enough. This is about to change. Since add-ons to these platforms already exist, the door has opened for mailing houses to partner with firms that understand how print works and how marketing is changing.

For mailing houses, this could mean a surge in new demand, driven by companies that want the best of both worlds: campaigns that are highly customer-centric yet delivered physically by a channel that doesn't require an opt-in and is still very popular among customers.

FOR MORE INFORMATION ABOUT OPTILYZ, PLEASE VISIT WWW.OPTILYZ.COM



TWO SIDES

WE MUST TELL THE GREAT SUSTAINABLE STORY OF PAPER, PRINT AND PHYSICAL MAIL.



The Love Paper campaign, run by paper advocacy group Two Sides, seeks to tell consumers the positive stories about print, physical mail, paper and paper packaging, from business' environmental credentials to their ability to improve mental wellbeing, learning and enhance creativity.

Relaunched in 2019, the campaign is supported by a brand-new website, fact sheets, animated videos and a range of online and social tools to spread the word about the sustainability and attractiveness of paper.

"Never has there been such widespread attention on the environmental credentials of the products and materials we use," says Jonathan Tame, Managing Director for Two Sides UK. "A seismic shift is happening in both public and business attitudes towards sustainability. More people than ever appreciate that paper can be an environmentally sound choice for reading materials, communications, and packaging solutions, but there is still a significant underestimation of just how sustainable paper and paper-based packaging is."

TELLING OUR STORY TO CONSUMERS

There are a series of print ads that run in the UK's biggest daily newspapers and well-known magazines, which reach more than 10 million readers every month. The adverts explain the sustainable nature of paper and are designed to grab attention and get readers thinking about this unique medium.

The website (lovepaper.org) provides the facts about sustainable forestry, how paper is made from natural and renewable materials, the high recycling rate, as well as a range of fun activities with paper and card for families to get some important digital downtime.

THE LOVE PAPER LOGO

The logo can be used by brands on their paper-based communications and packaging to help explain the sustainable nature of their choices including, as examples, high street lifestyle store Oliver Bonas and creative stationery company Papier.

BECOME INVOLVED WITH LOVE PAPER AND HELP TELL OUR GREAT STORY

Printers, mailing houses and anyone involved in the creation of print should become involved and want to use the Love Paper logo in their own communications to help spread this vital message.

HOME THOUGHTS FROM A BOARD

While 2020 has been a challenging year for every industry across the globe, there are signs that 2021 could herald a new era for direct mail.

Here, our SMP board members give their thoughts and predictions on the next steps for direct mail.



KERRY HOLDEN, MD
MAILBIRD:

“Mail presents real opportunity for marketers who utilise it effectively. Whilst volumes are down, mail has performed particularly well, eliciting fantastic response rates. Expect to see more utilisation of web-to-print and hybrid mail technologies as well.”



SIMON COOPER, MD
LETTERSHOP GROUP:

“Mail has never seen such great challenges: firstly, the drive to online and digital and now the unforeseen impact of a global pandemic. This is a watershed moment for the physical print channels to grab budget and prove that they can stand with the digital channels to deliver cost-effective acquisition and retention.”

GO INSPIRE. Marketing & Communications Performance Partner

PATRICK HEADLEY, CEO
GO INSPIRE:

“Direct mail will be a robust and dependable channel once again in 2021 as digital marketing becomes more and more evolved but less and less penetrative and mail becomes easier to use and more agile with “always on” being a key feature as opposed to just “batch and blast”. ”

Dragonfly

ISLA MUNRO, MD
DRAGONFLY:

“There will be a new appreciation of direct mail in 2021, discovered during our time at home as I think more people will have been turned off by digital communication. Marketeers will realise the invaluable benefits gained from a well-crafted letter or postcard through the letterbox that you can't achieve from an email.”

PARAGON

ANGUS CAMPBELL, CHIEF COMMERCIAL DIRECTOR, PARAGON:

“All our businesses will be impacted and it is imperative that the UK mailing industry now works together to ensure that we are in a position to assist our clients to fight back so they can use mail to successfully grow their businesses.”



COLIN BANKS, DIRECTOR OF PROJECTS AND CHANGE, APS GROUP:

“With a collaborative approach between mailing houses and Royal Mail, ongoing incentives and improved creative, 2021 can be a really exciting year post-Covid for the mailing industry.”

MetroMail mailing solutions

CHRIS PYGALL, MD
METROMAIL:

“Most businesses in today's mail environment have a digital first strategy; I believe Covid has accelerated their plans to achieve this. I don't ever see the volumes or products returning to the DM element of mail to the pre Covid time. However, encouragingly, what I do see from the forward-thinking businesses are new mail products that support and enhance their digital marketing.”



SIMON BILTCLIFFE, FOUNDER AND CEO, WEBMART:

“Mail will always have the element of trust that online channels simply can't offer and for that reason it will become more and more important in the wider marketing mix moving in to 2021. Targeting the right person, at the right time, with the most relevant message possible is going to be more crucial than ever.”