

Checklist: Defining relevant use cases

Direct mail achieves the highest conversion rates and sales uplifts when it is used in a selective and targeted manner throughout the customer lifecycle. Which use case generates the highest added value is very much dependent on the target group. Therefore, strategic customer segmentation should always precede the actual campaign planning.

✓ 1. Direct mail as part of the CRM strategy

Use cases are not defined separately from other channels, but are strategically orchestrated within CRM. All advertising measures taken within the activation strategy pursue the same goal: to (re-)activate existing customers. Thanks to technological progress, print can now be measured and controlled as a performance channel. As a result, targeted and personalised print mailings within the customer journey contribute to revenue growth, assuming they are understood as a strategic part of CRM. If so, we see conversion rates of 4-10% and higher revenue per customer compared to digital email campaigns.

✓ 2. Consolidate the data base

Prior to Programmatic Printing, it was the watering can, but today it's strategic customer segmentation. It makes a big difference whether someone is a first-time or frequent buyer, has a garden or a balcony, lives in the city or countryside. This calls for centralised data management, for example via a Marketing Cloud or Customer Data Platform (CDP). In this system, all customer data that is available is consolidated and processed. Ideally, it is the heart of the MarTech landscape, into which all other automation tools, such

as Direct Mail Automation Software, can be integrated. This way, the same real-time data is available to all channels.

✓ 3. Evaluate customer data & customer structure

Every CRM team should know their company's specific customer structure and evaluate it on a regular basis. For example, sociodemographic data (e.g., place of residence, gender, past life/preferences) or behavior-based data (e.g., inactive customers, first-time buyers, regular customers, opt-in customers) can be analysed. Joint activation measures can then be derived from these findings – always in line with the central marketing plan. Which aspects are considered within this type of customer behavior analysis depends very much on the company. However, it is important that all channels are equally involved and work with the same data. This strategic approach is particularly important for a more costly channel such as print in order to track down meaningful use cases and thus reduce advertising costs per customer.

✓ 4. Creating relevance in content

In times of personalisation, added value is created in individual relevance. Along the customer lifecycle, it is therefore important to address the customer in a targeted, personalised and, if possible, natural way. This means not being too promotional, but also not being redundant in the customer journey and reaching customers in the most personalised way possible. Ultimately, every customer is unique in their shopping behavior. Whether they have a garden or a balcony, an apartment or a house, are first-time or frequent buyers – all this information has a major impact on the relevance of the content and the potential motivation to buy.

✓ 5. Start small & learn from experience

Even large companies start small. Especially with a complex channel like direct mail, it's a good idea to start with simple use cases like a birthday mailing or a second order push. All that's needed for a birthday mailing, for example, is the date of birth and the mailing address. The surprise moment experienced by the customer may be even higher later on. How many birthday wishes do you receive by email and how many by mail? Once the foundation has been laid, comprehensive performance analyses help to develop direct mail into a high-revenue channel. Parameters you can experiment with, even within a use case, include different voucher amounts or incentive/no incentive. Information about the success of the campaign is provided by the conversion rate, the activation rate or the sales per customer. You can then also put these findings in relation to comparable digital activation measures and thus refine your use cases more and more.

Do you want to maximise the success of your direct mail campaigns?



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