

GROUP EFFORT

TIPS FOR USING COOPERATIVE DATABASES

Cooperative databases account for at least 80% of all consumer prospecting.

Names selected from a co-op are super multiple buyers who respond well to any number of different offers. These buyers have been modeled from actual buyer files, which makes them highly qualified names for mailers. And, they represent a good value, renting for \$70 per thousand or less.

When participating (or choosing not to participate) in co-ops, realize that at least 95% of your customers already reside in a cooperative database file. What's more, buyers on your housefile who have not made at least one purchase from another catalog are not retained by the co-op. (These are your unique buyers and they are not used for modeling or rental by the co-op.) Following these basic principals or practices should enhance your results.

1. DON'T BLOCK COMPETITORS.

It is never good to block a competitor in a co-op from getting access to your names through modeling. If you set-up a block on a competitor, the co-op will automatically block you from any access to their buyers. You have just as much or more to gain than the competitive company you block (assuming their file is larger than yours).

2. ALWAYS TAKE FULL UNIVERSES FROM PROVEN MODELS.

Once you have tested and established the fact that a particular model is working, be sure to take the full universe of names within the top tiers (at least tier 1 and 2). You will want to maximize your results by mailing all available as opposed to diluting your results by mailing smaller quantities to more model selects. Rollout

with confidence in order to maximize your revenue per catalog mailed within these top-performing tiers.

3. TEST DEEPER INTO THE PROVEN MODELS.

If you know a model works and you have only mailed tier 1, test tier 2 and perhaps tier 3 of the same model. Once you find a model that works for your offer, it makes perfect sense to mail deeper then apply point number 2 above. Again, rollout the universe for that tier once you know it is working.

4. ALWAYS ESTABLISH AND MAINTAIN A STABLE CONTROL.

Why change a good thing? Be sure not to alter or change the models you know work for the sake of variety. You are well advised to test new models but do this in addition to mailing the proven models and not in place of. Allow room for testing new models in your circulation plans but not at the expense of mailing to proven models.

5. ALWAYS ALLOW ROOM IN YOUR CIRCULATION PLAN TO TEST NEW MODELS.

Just like it is important to test outside lists, it is important to continue to plant seeds by testing new models. It is never good to rely 100% on proven models without testing new ones if you want to grow your business. Test 10,000 names from a new model segment (or two). Have the co-op build new models off the continuation models you know are working for your offer. —STEPHEN R. LETT, president, Left Direct Inc.



EXPAND YOUR APPEAL

The Catholic Charities Archdiocese of New Orleans is revamping its direct mail strategy to better promote its nearly 50 programs both to donors and prospects.

"The biggest thing is that we really wanted the Catholic Charities local brand's services to be better communicated," says Randy Brewer, president/CEO of Brewer Direct, the nonprofit's agency. He notes that in the past, the organization's direct mail focused almost exclusively on its homeless programs and didn't highlight the rest of the group's programs.

Beginning in January, the group is sending out a 10,000-piece mailing to existing donors in the local area promoting its One Heart Fund, which benefits several different groups of needy

people. The mailing will target new, active, inactive and premium donors of more than \$100.

Later in the year, the organization will run more donor and acquisition campaigns, starting with one in February to those who did not respond in January.

The package asks for donations both by mail and online at www.donate.ccano.org. Unlike many other charities whose donors tend to skew largely older and female ages 70 and above, the archdiocese's donors are "a little younger than traditional file, a little more affluent and educated," says Brewer, noting the file is only a little more than half female, Brewer says.

—LARRY RIGGS

GET PERSONAL

Franchise Services Inc. brands Sir Speedy and PIP Printing and Marketing Services are using custom printed direct mail pieces with personalized URLs to promote their range of services.

Simply put, says David Robidoux, vice president of marketing services: “We’re using PURLs to sell PURLs.”

The mailings showcase the companies’ capabilities, like data services and creating QR codes and yes, personalized URLs. Ten times a year, the company drops around 160,000 mailers on behalf of between 350 and 400 franchises. Each piece is customized to an individual location, and each features PURL response mechanisms.

For business-to-business marketers PIP and Sir Speedy, there are additional benefits. The pieces showcase some of the services franchises offer in a package that touts the benefits of integrated marketing campaigns. “Typically you are only consulted on that when you are dealing with an agency,” Robidoux adds. “Franchisees have the opportunity to go after small- to mid-sized clients — those too small to be on an ad agency’s roster, yet too large to benefit from freelance marketing services.”

Some of the mailers actually incorporate three response channels — PURLs, QR codes and telephone numbers personalized to the individual location nearest the recipient. “To increase response rate, we opted to allow [recipients] to use whatever medium they felt comfortable,” says Robidoux.

For each wave of mailers, individual franchises submit around 500-1,000 prospects. Robidoux recommends locations use a mix of 75% new names and 25% existing customers, but this is not a requirement.

Vertis Communications, which provides the printing and back-office operations for the campaign, generates highly customized pieces which include the PURLs (and sometimes QR codes), phone numbers keyed to individual locations and personalization. The company will also append information and provide data hygiene and postal validation functions when needed, says Kurt Meeder, a sales executive for Vertis’s direct marketing services division.

Direct to Video

“We work with up to 400 franchises [at a time], taking lists from them, aggregating the lists, generating PURL domains with subdomains and assign campaign-specific, franchisee specific phone numbers and other appends,” Meeder says.

In the case of PIP and Sir Speedy, the PURLs and QR codes lead to a video, which gives an overview of the offerings and gave viewers the option

of linking to a landing page for whichever location was featured on the mailer. At the landing page, respondents can answer a quick survey about their business needs and ask for a follow-up call. If they request to be contacted, their information is immediately transferred to the location in question, and the system generates a “thank you for your interest, and a salesperson will call” email.

Franchises agree that speed is the key to responding. “We have two additional sales people, and the response is near instantaneous,” says Don Sanders, owner of an Amarillo, TX-based Sir Speedy. “We’ve learned that in a PURL campaign the largest number of respondents are going to respond very fast.” —RICHARD H. LEVEY

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TIP: Don't Over Segment

OVER THE LAST FEW YEARS, DATA MARKETERS HAVE GONE TO EXTREME LENGTHS TO CHERRY PICK WHAT THEY THINK IS THE PERFECT AUDIENCE FOR EACH COMMUNICATION THEY SEND. But is this approach producing a profitable universe—or just a small one?

The problem with such a narrow focus is that if you cut your numbers drastically, you could also be cutting your response rate.

If you are running a campaign that is local or market-specific, you must realize that you already have a universe that isn’t enormous. If you then chip away at that group to reach a very specific niche within your limited population, the selection could be too small to turn a profit.

Here are a few questions to ask before drastically targeting within your potential data universe:

- What will the average sale be in your universe?
- How many sales do you realistically need to make at that price to reach profit goals?
- Will you be able to reach your goals at your present sale levels with a very small respondent group?

On many occasions, you can most likely cast a wider net than you might imagine. Obviously, the product and the offer will dictate your audience. But don’t limit your possibilities.

Say you are running a promotion for a new location in a specific market. If you run this campaign in that Zip Code radius you can also run a “help us welcome our new location” general promotion to your entire database.

Don’t limit yourself when considering prospecting files. Do you really need a count of redheaded farmers in two specific postal distribution areas that only plow on Thursdays?

This example may seem silly, but the theory is one worth examining. By opening yourself up to a similar, larger group you can actually have a more successful overall result —CAROL LUSTIG, CMO, Media/Headstrong Media.