

# What Makes a Successful Mailer?

## Successful Direct Marketing Methods, or "The Right Stuff"

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*Medical Marketing Service, Inc. (MMS is a Database Licensee of the American Medical Association. MMS specializes in managing healthcare professional associations' lists, including:*

- *The American Academy of Physician Assistants (AAPA);*
- *The American Osteopathic Association (AOA);*
- *The American College of Physicians (ACP);*
- *The American Academy of Pediatrics (AAP);*
- *The American Dental Association (ADA);*
- *The American Association of Diabetes Educators (AADE);*
- *The American Pharmacists Association (APhA);*
- *The American Society of Health-System Pharmacists (ASHP);*
- *The American Academy of Medical Administrators (AAMA);*
- *The American College of Clinical Pharmacy (ACCP); and*
- *The American Health Lawyers Association (AHLA).*

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## INTRODUCTION

The genesis of this treatise was a long answer to a short question: "How many pieces of mail do you have to send to get a given number of responses?" The short answer is "It depends". The long answer follows. Here's a medium-length response.

### SO, HOW MANY?

The number of pieces you need to mail to achieve a given level of response is a function of a number of variables, the most important of which are:

- Offer;
- Audience (list);
- Signatory.

Generally, a 1% response is considered successful in the direct mail business. A practical way to determine the quantity needed for a major campaign is to run a small-scale test, which is particularly important for relatively large target markets. There's not much point testing a mailing to all 1,100 allergists unless your promotion is very expensive. On the other hand, if you're planning on mailing to Family Practitioners, General Practitioners, Internal Medicine specialists, and Osteopathic physicians, it is well worth the time and trouble to mail to a sample of 5,000 or fewer to determine if, and if so, how well, your mailing will work.

### SO, HOW OFTEN?

A second question raised was frequency. It makes sense to mail multiple waves of a campaign for many of the same reasons it makes sense to run a series of space ads rather than one insertion. You can't count on the recipient of your campaign to open one piece of mail. The day it arrives may be the day he or she tosses all the direct mail, or the day before she has a need for your offer.

So much for the medium length answer. If you like what you read, forge ahead!

### THE RIGHT STUFF

Aficionados of the author Tom Wolfe, cinema buffs, and John Glenn for President campaign veterans will instantly recognize the subtitle of this piece. "The Right Stuff" was a phrase used by test pilots in the mid-20th century to summarize the attributes required to succeed in their perilous trade, including grace under pressure or, in test pilot-ese, the ability to "maintain an even strain". It was easy to determine which pilots had "the right stuff". Those who did lived. Those who didn't died. They tended to crash, or, in pilot-ese, "augur in". The now-famous Chuck Yeager, first pilot to break the sound barrier, was the personification of "the right stuff".

Direct marketers are test pilots of a sort too. Instead of airplanes, they test mailings. Just like test pilots, survival is evidence of success. Like test pilots, direct marketers do what works and nothing else, because if their tests don't work, neither do they (at least not for long).

Certain direct marketing efforts have the right stuff. They embody the proven direct response methods that invariably produce successful direct marketing programs. You can tell which mailings are successful because they live on in campaign after campaign. The real Chuck Yeagers of direct marketing earn the hallowed status of "control", the direct mail package against which all newcomers are tested. The good ones beat challenger after challenger. Pieces with the wrong stuff don't pass the test; they're mailed once and only once, having "augured in" and been relegated to the direct mail graveyard.

## WHO IS BOB STONE?

We are fortunate that there is a wealth of information available documenting what works. The principles we'll discuss in this article are drawn from what is known in the direct marketing industry as the bible of direct marketing: Successful Direct Marketing Methods by the late Bob Stone.

Bob Stone is literally in the Hall of Fame--the Direct Marketing Hall of Fame, that is. One of the gurus of direct marketing, an adjunct professor at Northwestern University, Stone ran an eponymous agency for many years, Stone & Adler. One of its many successful campaigns was conducted on behalf of yours truly way back in the 1980s. It increased response to the American Medical Association's membership recruitment mailing campaign by 250%. So, the gospel according to Stone can indeed work direct marketing miracles, and is thus worth heeding. Stone has identified six big keys to direct marketing success--the Right Stuff, if you will:

1. The Right **Product or Service**;
2. The Right **Media**;
3. The Right **Offer**;
4. The Right **Format**;
5. The Right **Tests**;
6. The Right **Analyses**.

Like the players on a football team, some are more important than others, but they all have to be right for the effort to succeed.

## Key #1--The Right Product

In the long run, no marketing effort will succeed without a good product, one that meets competitively meets the needs of prospects. Your product is the opportunity you seek to fill. While some aspects of this "product" are invariant, e.g., location, some are subject to change, e.g., compensation. To maximize product competitiveness, you should define the ideal opportunity, and emulate it to the greatest extent possible.

There are myriad ways to find out what your target market wants, regardless of budget, including **formal research**, **informal research**, **benchmarking** competitors you admire, and reviewing **secondary research** from sources including studies published by trade associations and journals, as well as information made available by vendors.

At every opportunity, find out what the market wants then deliver it to the greatest extent possible. Use the results of your research to make the case to the powers that be that regarding product development. Once the cards are dealt, you have to play your hand. But you should do your best throughout your tenure to make the product the best it can be, because it's much easier to sell a good one than a bad one. In fact, in the final analysis, the right product is decisive. In the long run, even the best promotional program can't save a bad product. Ultimately, the marketplace decides what survives.

## Key #2--The Right Media

The first decision you need to make is whether direct mail should be included in your media mix. The answer is generally yes. But just as man does not live by bread alone, it is rarely advisable to base your recruitment tactical plan entirely on direct mail. In virtually every situation, a multimedia approach is indicated. For a variety of reasons, you should never put all your eggs in one basket if at all possible.

**Reason number one** is the receptivity of your audience. Personal sales is widely viewed as the most powerful form of persuasion, but it is also the most expensive. Even if economically justified, some prospective customers just won't grant access to salespeople (this is particularly true of busy physicians). Some inaccessible physicians may not be big journal readers, but may regularly read their mail, or vice versa.

**Reason number two** is the reinforcement one medium gives to another. A prospect who hears about your company and offering in a journal ad, once more on a web site, and again in a direct mail piece may be more and more likely to recall the message as it is presented in different ways.

**Reason number three** is that each medium has different strengths. A face-to-face encounter is personal and powerful; a journal ad is relatively inexpensive; a direct mail

piece is tangible, may include a wealth of information and even useful objects, and is an extraordinarily powerful response-generation engine.

## THE LIST

Within the realm of mail, your choice of media comes down to the list. In direct marketing, the list should be the first and foremost consideration, because it defines the audience for your campaign and, in marketing, everything flows from the audience (also known as the target market).

The Romans were the first to recognize the importance of a list. From the inception of the Republic in 509 B. C., they undertook a census of the citizenry every five years (twice as often as the U.S.) to accurately assess taxes (and the number of potential legionnaires).

With this list, they conquered the world.

Do as the Romans did, and you can conquer your world, too! According to Stone, ***some authorities give half or more of the credit for the success of a mailing to the lists that are used.***

So, the good news is that if you get lists right, you're halfway home. The bad news is that if you don't, your chances of success are halved! A potentially great campaign can be tragically sabotaged if the list is relegated to afterthought status ("Great, we've finally finished this masterful brochure, now hurry up and get a list to the mailer!"). So, do your homework. Given the critical importance of the list decision, it merits a great deal of attention. You should probably spend as much if not more time and energy on choosing your list as you do on any of the other keys to success.

All lists are not created equal. As in anything else, consider the source. Work with a list vendor you know you can trust to recommend what's best for you. Seek out referrals from colleagues. Check credentials. Work with good people and the rest, to a great extent, takes care of itself.

The list you use should be clean, which translates into high deliverability and low returns. No matter how superb your product, offer, and format, those who never get your mailing will never respond.

The list should be robust--rich in data elements you need to target your best prospects. Specialty, type of practice, age, gender, board certification, are just a few of the data elements available on the best physician lists.

## PROFILING

You can profile past responders to similar recruitment offers and use the profile to select your lists. This lets you "sell more and spend less"-that is, cut your mailing quantity yet get the same or better response by eliminating waste.

To reap the benefits of profiling, you must key code your list according to the data elements you plan to measure. Or, give your responders to your list provider, who can perform a market profile and use it to select future lists. Needless to say, accurate response capture and effort attribution is prerequisite to meaningful response analysis. It's hard work that must be performed precisely to reap the benefits of response analysis.

## **FREQUENCY**

You can make the most of a list by mailing to it multiple times. It's been proven that the same list can yield acceptable response levels on up to the 10th wave. (Of course, you must refresh the addresses and pay the appropriate rental and royalty fees to your list vendor! Also, be sure to get fresh addresses after 90 days.)

Why do multiple mailings work? Again, like much of direct marketing, it's simply common sense. Don't assume that every piece you mail is opened. It may be that the day your mailing hits the recipient's mailbox, he or she is too busy to even look at the mail. Or perhaps, that day, the recipient has no interest in your position, but the next day, a need arises. Moods vary from day to day. To some extent, direct marketing is like fishing. Some days, they're biting and some days they're not. But the more days you have your line in the water, the more likely you are to catch your fill.

## **Key #3--The Right Offer, or "Let's Make a Deal!"**

In direct marketing, an offer is defined as the proposition you make to the prospect--the deal, if you will. The successful offer overcomes human inertia to generate response. The offer can be any one or a combination of the following:

- ❑ **Optional features**
- ❑ **Future obligation**
- ❑ **Incentives**
- ❑ **Time limits**
- ❑ **Quantity limits**
- ❑ **Guarantees**
- ❑ **Get a Friend**

Calibration is crucial. Make it too good, and you're no longer selling the position--instead, you're spending a lot of money to give away goodies to respondents who could care less about it. Don't make it good enough, and you might as well not bother.

## Key #4--The Right Format

For many direct marketers, formats are the fun part. Bob Stone, direct marketing guru and author of Successful Direct Marketing Methods, advises that your format have a character appropriate to the target audience. Here are a few direct-to-doctor do's and don'ts, based on your humble author's two-plus decades of experience in the field.

### DOCTOR DOs AND DON'TS

#### ➤ **Test first-class postage**

The lift in results may justify the expense, especially if you've tailored "The Perfect List" by using the selections described above to keep quantities manageable. The recent experience of a major medical association confirms that the lift in response more than compensates for the cost. You can use some of the money you save by eschewing fancy formats to maintain budget neutrality.

Why does first class pull better among physicians than Standard A (the postage rate formerly known as third class)? Because of one basic reality: lots of docs and/or their loyal office staff screen mail using a simple binary test: Read 1st class, toss Standard A.

#### ➤ **Keep it smart**

Doctors perceive themselves to be the best and the brightest. Your copy should play to that. Make sure your pitch is "Truth Well Told." Support your claims with facts--the scientific mind craves evidence.

#### ➤ **Be creative, even humorous--within reason**

Some of the best-read medical journals include cartoons. One of the leading pharmaceutical ad agencies, Chicago's Abelson-Taylor, has made its reputation with lighthearted, even cartoonish ads that use humor to personify the brands they advertise. The classic example is their campaign for Prevacid, starring "Tummy", a stomach-shaped character who benefits mightily from the remedy in question. These ads get the message across to doctors, who are people too. Perhaps there is some lesson here for medical marketers.

#### ➤ **Be crystal clear**

Never sacrifice clarity for creativity. A direct mail piece that demands too much time or energy to decipher is landfill fodder.

➤ **Don't feel compelled to overproduce**

The most successful mailing I was ever involved with, one that increased response by 250 percent, was also among the simplest. This has been echoed by the recent experiences of leading medical associations in their efforts to market everything from books to memberships.

Which brings us to an explication of that paragon of simplicity, what is known in the trade as "the classic package".

## **THE CLASSIC PACKAGE**

The workhorse of direct marketing is referred to as "the classic package. It consists of a #10 envelope (the standard envelope size, just over 9" wide by 4" high), a letter, a brochure, and a reply device.

The classic package is king of the direct marketing hill for a reason: the return on investment (ROI) it delivers is extremely hard to beat. Most controls are classic packages. They produce high ROI for two reasons: relatively low "I" and high "R". Classic packages are inexpensive to produce and they generate average response. There's no guarantee that spending more will get better results. If more expensive efforts don't get better results, you paid too much.

A recent test by a company that will remain nameless for competitive reasons proved out this ancient wisdom. The offer was an intangible business-to-business product. An A/B/C (three cell) split was executed on the list and three different formats were tested against an identical offer, using identical copy:

- A newsletter
- A four-color self-mailer;
- A classic package with envelope teaser copy.

The newsletter pulled worst, while the remaining two formats tied. Since the self-mailer was much more expensive than the classic package, the classic once again prevailed.

Keep testing, but chances are the classic will be your best bet too. It isn't pretty, but it works.

What follows is an element-by-element analysis of the classic direct mail package and how to use it to your best advantage.

➤ **Pushing the Envelope**

The most important element is the first thing the recipient sees. In the classic package, the envelope is arguably the most important component, because if it doesn't get opened, the rest of the package is moot. Just as a piece that never gets delivered cannot succeed, making the list critical, a piece that never gets opened may as well never have gotten there at all and is doomed to failure.

There are many techniques to get the envelope opened. One of the most effective is known as "teaser copy". This is brief copy printed on the envelope that compels the recipient to open the piece. It's well worth the effort and expense. Here, the adage "more is better" doesn't not apply. Teaser copy should be written like billboard copy, to be noticed and quickly read. The words "free" and "new" are widely recognized as the most motivational in the English language as applied to direct marketing, and are among the most frequently used by teaser copywriters.

There is a contrarian strategy that merits testing: the anti-direct mail piece. The strategy here is to make your mailing pass for personal correspondence, which has a virtually 100% open rate. Tactics include using quality stationery, a real stamp, and even hand addressing the envelope. Organizational letterhead and envelopes or a physician's personal stationery can be used. I recently received a very effective execution of this strategy, which employed one of those white 9 x 12 in. envelopes with green triangles on the perimeter and a "First Class Mail" endorsement. In truth it was a mass mailing, but it fooled this grizzled and cynical correspondence connoisseur into thinking it was a genuine letter written *just for me!* It got opened (although it didn't make the sale due to an unappealing product).

#### ➤ **The letter**

- ❑ **Letter Length**--The letter should be only as long as it needs to be. I'm a big fan of one-page letters because busy professionals don't have time for a long read.
- ❑ **Signatory**--Physicians respond best to peers, so it's logical to have one sign your letter. Rank is a good selection criterion for signatory. Specialty affinity merits consideration. Personal ties trump all else.

#### ➤ **Brochure Essentials**

The rationale for brochures is that they offer you an opportunity to do justice to the many splendid attributes of the opportunity you are seeking to fill. People who are interested, who are considering buying what you are selling, crave more information relevant to their purchase decision. The brochure is for them. It lends credibility to your package and provides in-depth information. There is a certain "keep up with the Joneses" element in highly competitive markets, and a brochure, if included, should project the proper image.

However, I believe it makes eminent good sense to test response to packages with and without brochures. A two-step approach may make sense, with a workhorse "classic" package or postcard to identify interested parties, who then receive an "image" sell via a more expensive fulfillment piece mailed only upon request.

An alternative to an expensive brochure is a web site tour, which makes more sense than ever in light of recent studies, including one by the American Medical Association, indicating that virtually all physicians have web access, and most of them use it. The principle advantage of the web approach is that once it's done it involves minimal cost to update and revamp, whereas glossy brochures need to be printed and reprinted at no small expense. Another, more subtle advantage is that while physicians may be prone to criticize the expense of glossy print materials, it's reasonable to anticipate that they will be less likely to so criticize a professionally-done web site.

### ➤ **The Reply Device**

The reply device should restate the offer, be clear and concise, and ask for no more information than necessary--the longer it is, the less likely it is to be completed, especially if it asks for information that cannot be obtained off the top of the respondents' head.

The reply device may be incorporated into the brochure, the letter itself, or be a freestanding element in the piece. Leave ample room for the respondent to write (too many reply devices don't!). Make it easy to respond and give options--toll-free phone, fax, web, and e-mail--response preferences vary by individual, and the availability of response options (or lack of same) can impact on response rate.

Always use postage-paid business reply mail and toll-free numbers, lest a response be lost for want of a stamp or a quarter! Remember, postage paid reply devices don't cost you much unless they're used, as is the case with toll-free phone numbers.

## **THE ALTERNATIVES**

### ➤ **Direct Mail**

There are many alternatives to the classic package--post cards, newsletters, non-standard envelopes--oversize or undersize, magalogs, dimensionals--the list goes on and on.

How do you determine which one to use?

First of all, watch your mail, and better yet, your prospects'. Focus on mail done by companies, perhaps competitors, you respect. Note the format of their "control package." The control is the Bull Moose format, the one against which you test, the proven winner that works best. If you see a format over and over again from a marketer

you respect, you can be assured that it's a winner. But don't take it on faith. Test, test, test.

Prepare your piece within the context of the competition. Try to find a creative niche that will get your piece read. Measure your success by results, not opinions of colleagues, your superiors, or anyone else.

### ➤ **Direct Marketing other than mail**

While this article focuses on direct mail, direct marketing encompasses the entire spectrum of media, including:

- ❑ Telemarketing is a popular alternative to direct mail, but it is extremely expensive and difficult when done in a "cold call" mode;
- ❑ Broadcast fax is inexpensive and relatively easy to implement, but is legally constrained (requires an existing business relationship by federal law);
- ❑ E-mail is the fastest growing marketing communications medium because of its speed, economy, ease of implementation, legality, and effectiveness.

Of all these techniques, e-mail is by far the most appealing alternative or supplement to direct mail and is highly recommended. An "integrated" marketing campaign that employs all the tools available synergistically will in all likelihood achieve optimal results.

## **Key #5--The Right Tests**

Here's a direct marketer's mantra:

**THE RIGHT TESTS REVEAL THE RIGHT STUFF**

Take advantage of one of the most valuable attributes of direct mail: it is the most measurable of media. One of the benefits of measurability is that you don't have to take our word, or Bob Stone's, or for that matter anyone's about what works and what doesn't. You don't have to believe anything or anyone, except your tests.

### **CETERIS PARIBUS**

Be sure to test one element at a time, though. For example, if you want to test teaser copy, take a list and divide it into two by selecting every other name--an A/B split, which can be done by your list provider. Develop two different versions of your teaser copy. Use teaser A on split A, teaser B on split B, and code your reply device. Then track

response and see which teaser copy worked best. But don't change anything else. Why? If you do, you won't know which variable accounts for the difference in response. As they say in economics, "ceteris paribus", which means all other things being equal.

## **MAKE NO SMALL TESTS**

Advanced direct marketing practitioners who mail hundreds of millions of pieces test every element of the direct mail package, one element at a time, to determine the optimal product/service, media, offer, and format.

You have to weigh the cost and administrative burden of testing vs. the benefit. It makes sense to test every big thing (but not, in your editor's opinion, every little thing) to continually improve on your best effort. Teaser copy, first class meter vs. stamps, handwriting vs. typewriting, postcard vs. envelope, almost anything to do with the outer is worth testing. Offers certainly merit testing. But there comes a point of diminishing returns on your limited time, money, and energy. So, focus on the big stuff.

## **A DYNAMIC ENVIRONMENT**

There does exist a body of knowledge, which is the accumulated results of decades of testing. Bob Stone codifies some of these learnings in his direct marketing bible. However, every audience is different and the environment is dynamic. A medical analogy is the eternal arms race between medical scientists and bacteria. A new antibiotic comes into the bloodstream and bacteria succumb in droves. Then they develop defense mechanisms and the magic bullet loses its magic. A new antibiotic must be developed.

So it goes with direct mail. A new, different, and compelling format comes into the mailstream. People respond in droves. Then the clever recipients, who have learned over the years to develop a keen ability to differentiate mail which must be read from that which can be tossed harmlessly, learn to recognize this new technique, especially as more and more direct mailers emulate it and it becomes more common. At this point, an new, innovative format must be developed to get results.

## **Key #6--The Right Analyses**

In medicine, the autopsy tells the tale. And in direct marketing, back-end analysis is the equivalent of "going for the post." If your marketing post-mortem is going to be worth doing, it has to be done right. Bad analysis is worse than useless, since it can point you in the wrong direction.

## **THE FIVE W's**

The questions you pose in your analysis should seek actionable information, useful in tailoring future list selections, among other things. A good framework for analysis is a variation on the journalist's "five w's" - who, what, when, where, and why.

**1. Who are your responders?** How old are they? Are they male or female?

Actionable implications: You may want to limit your list to age/gender cells that respond best to cut costs. Or, if you're not drawing responses from target demographics, you may need to alter your format or its characteristics (e.g., include photos representative of the target segment, rewrite copy to "speak their language").

**2. What do they do?** What health plans are they affiliated with? Are they office- or hospital-based? What is their specialty/sub-specialty? What is their board certification status?

Actionable implications: By identifying responders' practice characteristics, you can tailor your list selection optimally in regard to this dimension of their profile.

**3. When do they respond?** Is there seasonality at work in response patterns? Is there any variation by other aspects of the audience profile?

Actionable implications: You may find mailings in certain time frames are less effective than others. Even this seasonality may have sub-patterns by geography, specialty, age, gender, and type of practice, all of which can be taken into account in the scheduling of your efforts. An extreme example: residents may be more likely to respond at the end of their training year than the beginning.

**4. Where are (were) they?** Response may vary by current or historical geographic location.

Actionable implications: You may find that current or historical ties to a specific region boost response, and focus on highly responsive areas. You may also want to analyze why some areas underperform and take corrective action.

**5. Why did they respond?** It makes sense to ask respondents why they responded or use their characteristics to develop hypotheses.

Actionable implications: Intelligence on response drivers is useful in refining future efforts.

## ***Epilogue--Resources***

So there you have the six big keys to direct marketing success-- the right product or service, the right media, the right offer, the right format, the right tests, and the right analyses. These proven methods guide direct marketers' successful efforts to meet

challenging goals just as the stars guided ancient mariners' successful voyages to reach distant shores.

You can use this article as a basic guide to successful direct marketing. If you get the six big keys right, you can't go wrong. However, direct marketing is too much like golf in that it's easier said than done to get everything right, and one could write a book on each of the skills that must be mastered.

Fortunately, there are many excellent resources available which can help you master successful direct marketing methods. These resources include publications, web sites, and seminars. The good news is that some of them are free. They are available from a wide variety of sources including vendors (such as MMS), associations (such as the Direct Marketing Association, publishers (such as NTC Business Books), and even the United States Postal Service.

- **Direct Marketing Association**

[www.the-dma.org](http://www.the-dma.org)

Conferences

Seminars

Publications

(Fees reduced for members)

- **DM News**

[www.dmnews.com](http://www.dmnews.com)

"The Weekly Newspaper of Record for Direct Marketers", available free to qualified requesters.

- **Amazon.com**

[www.amazon.com](http://www.amazon.com)

Books for sale, including:

Successful Direct Marketing Methods by Bob Stone and Ron Jacobs.

- **North American Publishing**

[www.targetonline.com](http://www.targetonline.com)

<http://www.whosmailingwhat.com>

Target Marketing magazine, available free to qualified requesters

Who's Mailing What newsletter, available by subscription

- **Standard Rate and Data Services (SRDS)**

[www.srds.com](http://www.srds.com)

Direct Mail List Source--descriptions, selections, counts, prices for lists of physicians and other health care professionals plus all other lists readily available for rental. By subscription only.

- **United States Postal Service (USPS)**

[www.usps.gov](http://www.usps.gov)

But, as legendary direct marketer Ron Popeil used to say, that's not all you get! Instead of ginzu knives, in the spirit of putting together a great offer, we offer you two pearls of wisdom.

The first is the 5-second MBA. Having spent 3 years of night school to get an MBA in marketing, your humble author all too late realized that the essence of what I learned could be summarized in a single 10-word sentence:

**"Find out what they want and give it to them."**

The second is the 5-second masters in direct marketing:

**"Make it easy for them to respond."**

Follow these principles, and your direct marketing results may well soar, proving to your stakeholders that you have "THE RIGHT STUFF"

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