

## 19 things successful direct marketing firms know

Marketingweb

06 July 2010

Direct marketing (DM) is an industry, which has been developed on Relationship Marketing. In recent years the sector has had many challenges to face. Ranging from popular internet advertising to tough economic climates, DM has regained stature within the marketing and advertising sector, says Lester Wunderman, founder of the direct marketing industry and Wunderman, the leading global DM agency.

In looking at the how's and what's of DM, there are 19 vital focus areas that can ensure success in business:

### 1. DM is a strategy, not a tactic

Whether it is brand advertising, direct marketing or sales promotion, to be effective it must be part of a holistic strategy that results in creating and enhancing buyer/seller relationships.

### 2. Erase the line!

We must erase the imaginary line between general advertising and other forms of promotion and commercial persuasion. It's not 'above-the-line' or 'below-the-line.' There is no line.

### 3. The consumer, not the product, must be the hero

The product must create value for each of its consumers. It must satisfy the consumers' unique differences, not their commonalities. Consumers will tell you what they want if you learn how to listen to them.

### 4. Communicate with e customer or prospect as an audience of one

Communication must become as relevant as possible to each consumer as the product or service is.

### 5. Constantly answer the question, "Why should I?"

The most dangerous question a prospect or customer asks is "Why Should I?" The product and the marketing communication stream must continue to provide him with both rational and emotional answers if a relationship is to ensue.

### 6. Advertising must change behaviour, not just attitudes

Favourable consumer attitudes go only part of the way to creating sales. It is the consumer's accountable actions resulting from ongoing interactions such as purchases and repurchases that contribute to profits, sales and return on investment.

### 7. Next step: Profitable advertising

The results of advertising are increasingly measurable; they must now become accountable. Advertising should no longer be just a part of good will - it must, over time, become a measurable investment in profits.

### 8. Build the 'brand experience'

Customers have to know and feel your brand as an experience that satisfies their individual needs. Their experience with your products and your brand must become a total and ongoing immersion in satisfaction.

## 9. Create relationships

Relationships continue to grow, transactions may not. The better the buyer-seller relationships you create, the greater your profits will be.

## 10. Know and invest in each customer's lifetime value

Years ago, one automobile dealer was reported to have calculated the value of a lifetime of cars sold to one customer. Based on this, a marketer's spend can be effectively allocated to create and maintain relationships with such a customer.

## 11. 'Suspects' are not 'prospects'

'Prospects' are consumers who are ready, willing and able to buy. 'Suspects' are merely eligible to do so. Communicating with prospects reduces the cost of sales; communicating with suspects raises the cost of advertising.

## 12. Media is a 'contact strategy'

Measurable results from media, not the number of exposures is what counts. Measurements such as "reach" and "frequency" are going out of date. Only contacts can begin relationships.

## 13. Be accessible to your customers

Be there for your customers. Be their database and source of information through as many relevant channels as possible. They can't tell you what they need unless they know where and how to reach you. Create a relationship of support and service.

## 14. Encourage interactive dialogues

Listen to consumers, rather than just talking at them. Let them advertise their needs to you. Listening and responding is the key to relationship building.

## 15. Learn the missing 'when'

The answer 'not now' is as dangerous to relationships as 'not this'. Only consumers know when they are ready to buy and they will tell you if you have a relationship.

## 16. Create an advertising curriculum that teaches as it sells

What every educator knows is that they must teach information one bit at a time. Consumers have to similarly learn the benefits of a brand one bit at a time.

## 17. Acquire customers with the intention of 'loyalising' them

Promotions and price reductions may create customers who have bought the 'deal' rather than the product or the brand. Only with proper care can a transaction be converted to a relationship.

## 18. Loyal customers, not share of market, create profits

Totally satisfied customers are least likely to fall away. Those who are merely satisfied may fall away without warning unless the relationship process is ongoing.

## 19. You are what you know!

Collect only data that can become information, which in turn, can become knowledge. Only knowledge can build and support relationships. A company is no better than what it knows.

Lester Wunderman continues to inspire and motivate the DM industry by adding that, "Companies, their suppliers and their advisors must constantly examine and monitor the sources, status and vitality of relationships. They must examine and understand the things 'they are living from' to discover the things that 'they grow from'."