

Direct Marketing

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Introduction

Direct marketing is a form of marketing that attempts to send its messages directly to consumers, using “addressable” media such as mail and email. Therefore, direct marketing differs from regular advertising in that it does not place its messages on a third party medium, or in the public market, such as a billboard or a radio commercial would. Instead, the marketing of the service or commodity is addressed directly to the target customer.

The important thing with direct marketing is that it seeks a response and it is this which the recipient, usually a marketer, bases their future actions upon, or contact strategy. Direct marketing is attractive to many marketers, because in many cases its effectiveness can be measured directly. For example, if a marketer sends out one million solicitations by mail, and ten thousand customers can be tracked as having responded to the promotion, the marketer can say with some confidence that the campaign led directly to the responses. By contrast, measurement of other media must often be indirect, since there is no direct response from a consumer. Measurement of results, a fundamental element in successful direct marketing, is explored in greater detail elsewhere in this article.

While many marketers like this form of marketing, it is sometimes criticized for generating unwanted solicitations, which are sometimes referred to as junk mail and e-mail spam.

Direct Mail

Probably the most commonly used medium for direct marketing is direct mail, in which marketing communications are sent to customers using the postal service. Direct mail permits the marketer to design marketing pieces in many different formats including catalogues, pamphlets, and opportunity letters.

Advantages and Disadvantages of Direct Mail

Advantages	Disadvantages
Targeting - Historically, the most important aspect of direct mail was its ability to precisely target previous customers. However, with the arrival of email and the use of cookies on websites, organizations could have a dialogue with their customers via the internet far more cheaply and easily.	Cost - The cost per thousand will be higher than almost any other form of mass promotion.
Personalisation - Direct mail can address the customer personally and be tailored to their needs based on previous transactions and gathered data.	Waste - Large quantities of paper are thrown away.

<p>Optimisation - Because of its direct accountability, direct mail can be tested to find the best list; the best offer; the best timing (and many other factors). Then the winning tests can be rolled out to a wider audience for optimal results.</p>	<p>Alienation - Some recipients resent direct marketing being “forced” upon them, and boycott companies that do so. Moreover, they may obtain Prohibitory Orders against companies whose direct marketing mail they find offensive.</p>
<p>Accumulation - Responses (and non-responses) can be added to the database, allowing future mailings to be better targeted.</p>	

Internet Marketing

In the current market, internet marketing is proving to be a useful tool. Marketing online includes pay per click advertising, banner ads, interactive advertising, search engine marketing, blog marketing, article marketing, and the online form of direct marketing – e-mail marketing.

Fig 7.2 Advantages and Disadvantages of Internet Marketing

Advantages	Disadvantages
<p>Global markets – as a result of online marketing consumers can access products and services across the globe (think amazon. com)</p>	<p>Internet marketing does have its limitations:</p> <ul style="list-style-type: none"> • Slow internet connections can cause difficulties • No “try before you buy” offers • Complications can arise in web browsing
<p>Saves advertising costs – internet marketing reduces the need for a sales force.</p>	<p>Security – many consumers are hesitant to purchase products or services online, or complete online marketing surveys due to the potential distribution of personal information.</p>
<p>Availability of information - Consumers can log onto the Internet and learn about products, as well as purchase them, in any place at any time.</p>	<p>Misleading Advertising – this term has taken a whole new meaning when referring to an online medium. For example, some companies have created pop-up advertisements emulating popup windows (with the red cross in the corner). As people attempt to close the window they are actually redirected to a company site.</p>



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