

DIRECT MARKETING

Grishchenko Olena, *student Mk – 42*,
O.R. Gladchenko, *EL adviser*

Direct marketing is a sub-discipline and type of marketing. There are two main definitional characteristics which distinguish it from other types of marketing:

1. it attempts to send its messages directly to consumers, without the use of intervening media;
2. it is focused on driving purchases that can be attributed to a specific "call-to-action".

For many businesses, it's by far the most cost-effective form of marketing. From direct mail and leaflet drops to telemarketing and email marketing, it allows to target customers with greater accuracy than any other method. Direct marketing is attractive to many marketers, because in many cases its positive effect can be measured directly. Some direct marketing efforts using particular media have been criticized for generating unwanted solicitations. For example, direct mail that is irrelevant to the recipient is considered junk mail, and unwanted email messages are considered spam.

Direct marketing allows to generate a specific response from targeted groups of customers. It's a particularly useful tool for small businesses because it allows to:

- focus limited resources where they are most likely to produce results;
- measure the success of campaigns accurately by analysing responses;
- small business can target a representative sample of target audience and see what delivers the best response rates before developing a full campaign.

A direct marketing campaign can help to achieve the following key objectives:

- increasing sales to existing customers;
- building customer loyalty;
- re-establishing lapsed customer relationships;
- generating new business.

Direct mail (DM) allows to get information about products and services directly into the hands of people who may be interested in it. Though it's often dismissed as junk mail or spam, it can be highly effective in both business and consumer markets if it's properly planned and researched.

Mailing letter typically include a range of enclosures such as a product brochure, order-form and pre-paid reply envelope. Tips for a successful direct-mail campaign:

- a budget which sees your business profiting at a realistic level of response;
- incentives such as prizes or discounts to maximize response;
- a mailing list that's appropriate to business objectives;

- resources to run the campaign.

Leaflet drops and handouts. Leafleting is probably the simplest and cheapest form of direct marketing. It may be worth considering unaddressed leaflet drops and street handouts if marketers want to promote business in local area, particularly to consumers. For example, if business:

- offer services locally - such as food delivery, taxi services, gardening or double-glazing installation
- want to attract people to shop's sale or say the opening of new restaurant

Leafleting brings significantly lower response rates than direct mail. It's less targeted and as a result it's often best to use leaflets for products or services of universal appeal, or when marketer needs a large number of leads.

Telemarketing. Contacting consumers by telephone can offer a number of advantages over other forms of marketing. It allows to:

- gauge the customer's interest immediately
- ask questions to assess the customer's needs
- explain technical or complex messages more effectively

But there are significant disadvantages. Many people find marketing calls an unwelcome interruption - particularly in the evenings when you're most likely to get them at home.

A dedicated telemarketing campaign could help to build a database, generate leads and appointments, follow up responses to direct-mail campaigns, keep in touch with customers and renew relationships with lapsed customers and find out about industry developments and the activities of competitors

Email marketing. Email is an extremely cheap form of direct marketing - a message can be sent to thousands of recipients for next to nothing.

However, there are disadvantages, too. Email contacts go out of date faster than either addresses or telephone numbers, so marketers need to be particularly active in cleaning their database. And the increasing amount of spam - unsolicited email - means that marketing emails will need to stand out if they aren't to be deleted before being read.

Couponing is used in print media to elicit a response from the reader. An example is a coupon which the reader cuts out and presents to a super-store check-out counter to avail of a discount.

Integrated Campaigns. For many marketers, a comprehensive direct marketing campaign employs a mix of channels. It is not unusual for a large campaign to combine direct mail, telemarketing, radio and broadcast TV, as well as online channels such as email, search marketing, social networking and video.