

PUBLISHING THOUGHT LEADERS: Offering an Informed Opinion on Direct Mail

MEET THE 2016 PUBLISHING SYMPOSIUM PANELISTS:



Christina Dalton
Executive Director,
New Customer Acquisition,
Hearst Magazines



Denise Elliott
SVP, Chief Operating Officer,
Kiplinger Washington Editors



Nina LaFrance
SVP, Consumer Marketing
& Business Development,
Forbes Media



Charlie Swift
VP Strategy & Marketing Operations,
Hearst Magazines

Publishers have traditionally been among the most enthusiastic proponents of direct mail for their customer acquisition and retention efforts. But in today's digital-driven, omnichannel marketing environment, are they still seeing results?

The inaugural Specialists Marketing Services' 2016 Publishing Symposium set out to explore the changing publishing landscape as well as the mindset of the marketing professionals tasked with navigating it. Hosted by SMS at the AMA Conference Center in New York City, the event brought together industry leaders to discuss what's working, where they're investing their budgets, and what's on the horizon for direct marketers.

In addition to a presentation on monetizing digital advertising delivered by Ed Tyler, Of Eleven Media, the audience took part in a wide-ranging panel discussion moderated by industry veteran Cary Zel, president and co-founder of ProCirc.

The four panelists focused on what Zel called "old-school marketing" as well as offering their thoughts on digital prospecting. During the lively panelist interaction, several noteworthy themes emerged.

Modeling is king

The shrinking responsive universe is certainly not a new challenge. Although sophisticated modeling techniques have become the de facto tool for finding new names, according to Denise Elliott, senior VP and COO for Kiplinger Washington Editors, it's with the understanding that the whole list will not be responsive.

Says Elliott, "We're doing a tremendous amount of list modeling at Kiplinger — models on top of models. We've taken house files and scored them at several modeling companies to find the best one for each specific list. It's brutal, but it's how we get lists to work anymore."

Nina LaFrance, senior VP, consumer marketing and business development for Forbes Media, agrees with Elliott. "It's a lot of work to drill down and find maybe 5,000 or 10,000 names that may have a chance at working. We do a bunch of stuff: overlays on rentals prior to merge-purge, segmentation, modeling against, and of course modeling our house files."

It's interesting to note that all this modeling and optimization of lists has little to no effect on direct mail creative. According to LaFrance,

“Lists are optimized to respond to long-term, slightly higher offers or short-term, lower-priced offers, but fundamentally it’s the same package.”

However, that’s not to say that publishers are limiting their direct mail efforts to a single control.

Controls: Don’t limit your options

Panelists dismissed the “one size fits all” mindset when it comes to direct mail control packages. “The idea that we should be able to reach millions of people and move them to respond with the very same packaging and offer has evolved,” explains LaFrance. “Forbes has been chipping away at that notion for many, many years in favor of a strategy that’s more segmented. So we wound up with a series of controls.”

She describes one breakthrough test that surprised her team — and greatly amused the industry veterans. “It’s an old-school big direct mail package, a 9 x 12 envelope. The amazing thing is that this large package has real potential.” Though the larger package is certainly not optimized for a one- or two-million-piece campaign, LaFrance is excited by the “meaningful proportion of people this approach seems to really work for.”

Kiplinger is no stranger to 9x12 packages, according to Denise Elliott, but “it just became so cost-prohibitive.” Lately, she’s noticing a sampling of larger pieces in her own mail, primarily from the financial and health sectors. “I’ve gotten some flats from health publications that I imagine are mailing non-profit. For those of us who can’t mail at a non-profit rate, I can’t imagine how to afford a flat. But maybe with a life like that [achieved by Forbes], we should think about it again.”

Getting creative with graphics

In an Instagram world, direct mail graphics matter more than ever. And while Hearst and Forbes may have a bit more latitude based on their broad subject matter, Kiplinger often finds itself at a disadvantage. Elliott explains, “We’re not exactly Vogue. This is about selling a publication that tells people to figuratively ‘eat your vegetables, track your 401(k), pay off debt, don’t spend frivolously.’ It’s not an easy sell.”

But Elliott’s creative team came up with a smart solution. “Our columnists have head shots in our magazines. These are people who make news — you may see them from time to time on MSNBC and other media outlets, and many have big Facebook followings. So for our house files, we use a photo of a columnist and have them pitch with a sales letter.”

Using digital where it matters

During the event, an important part of the discussion involved the integration of digital — a big shift in Hearst Magazines’ focus in the past year, according to Christina Dalton, executive director for new customer acquisition.

“More than half of our traffic and growing is coming from mobile devices,” she explains. “We’re really focused on optimizing the mobile experience and finding contextual ways to integrate subscription offers while users are engaging with digital content.”

Dalton’s colleague, Charlie Swift, who is Hearst’s VP of strategy & marketing operations, points to the power of email in building customer relationships. “Compared to direct mail, email has such a low cost of engagement. You start the relationship with email, then use your direct mail to tell stories and build on that introduction.”

“What we do is direct marketing. It’s not shotgun marketing.”



Cary Zel - President & Co-Founder, ProCirc Moderator, Publishing Symposium 2016

The majority of the panelists have also added URLs to most of their mail packages. For Elliott, it especially made sense for Kiplinger's business-oriented newsletters. "We probably get 20% of our orders over the web. Respondents can download a sample issue, so I think there's a lot of pick-up going to a URL."

From modeling and creative to digital, all panelists agreed on one basic premise: the value of casting a wide net. Hearst's Dalton says, "We're definitely trying different things, and have seen the benefits of testing more broadly on both new and existing channels."

Adds Charlie Swift, "It's all essentially a fishing exercise. Even in the failure of a first modeling test, we often find segments on the second pass that work. At the end of the day, what drives us all is finding something predictive and then building on it."

Specialists Marketing Services offers sincere thanks to all participants at its 2016 Publishing Symposium. We look forward to seeing you at next year's event!