

[Print This Article](#)

<< Return to [Is direct mail on its deathbed?](#)

## Is direct mail on its deathbed?

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As consumers communicate more via e-mail, the US Postal Service is considering cutting Saturday home delivery altogether. Is direct mail dead? Our experts debate the topic

### CONTENDER



**Scott Grimes**

*CEO and cofounder, Cardlytics*

*More than two decades of experience in financial tech industry*

Yes. Despite direct mail's reputation as a marketing standard, its effectiveness has always suffered from a number of practical limitations. Essentially, marketers are in the dark regarding the efficiency and ROI of direct mail, even though its cost - in terms of time, money and labor - is significant.

Through transaction marketing within banking, as well as other emerging channels, direct mail has finally met its match as users are deriving tangible benefit from reduced expenses, improved targeting and tracking capabilities and ease of redemption.

Launching a direct mail campaign requires significant up-front expenditures for design, mailing lists and printed materials. Marketers hope to recover these investments over time. Besides being expensive, lists and databases quickly become obsolete, have significant duplication and are prone to error.

Additionally, direct mail does not provide marketers realistic means of tracking who receives the offers - let alone who actually "opens the envelopes."

In today's digital age, direct mail is archaic, especially in the ways in which customers must redeem incentives. Mailed offers generally include physical coupons or promotional codes that need to be printed or remembered, a difficult scenario for a busy, digital consumer.

Many efficiencies presented by emerging channels far outweigh direct mail in terms of giving marketers and customers what they want.

### CONTENDER

**Dan Smith**



*SVP of marketing, ClickSquared  
More than 10 years of marketing experience*

No. Direct mail is not dead. While it might not be the mainstay of direct marketing programs that it once was due to its relatively high cost, it is still an effective channel for marketers to reach customers and prospects in an integrated cross-channel marketing program.

Any marketing channel loses its effectiveness when deployed in isolation. A marketer that segregates communication channels loses the ability to orchestrate a dialogue across channels.

Not all customers respond to communications in the same way. Some are much more likely to respond to e-mail, while others will only reply to direct mail. In certain industries - charities come to mind - direct mail remains the primary method for new donor acquisition. E-mail is used primarily to solicit renewals from existing donors - and in the absence of a response, is often followed by yet another direct mail piece.

Channels can complement one another: Direct mail is a great way to drive people to your website to collect e-mail addresses. E-mail might be the medium by which a customer is prompted to go to the website to request an expensive direct mail pack. A subsequent SMS message might remind them to respond to the offer deadline stipulated within the direct mail pack.

Depending on industry-specific regulations, certain types of communications can only be sent via direct mail.

Direct mail might not make sense in all situations, but it remains an integral part of cross-channel marketing.

## **DMNEWS' DECISION**

Industry experts believe direct mail may never reach again the all-time highs it reached in the last decade, before the internet caused the number of mail-based offers to dwindle. However, direct mail still has a prominent place in the marketing landscape and is especially effective when used alongside other channels.

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