

The Hamilton House Guide: making email and direct mail work amidst all the spam.

1: The Key principle

Direct mail and email aim to do the same thing: get the recipient's attention and ultimately get the recipient to buy something. So your task is simple – you just want people to look, read and make up their minds.

In a series of experiments that have been running for most of this century the marketing team at Hamilton House have promoted various products and services, ranging from professional reports to mailing lists, from music CDs to professional courses leading to recognised qualifications. We have promoted these items by email and direct mail; some have been offered free of charge while others have cost £800 or more.

It has become clear through these experiments that it is possible to make a profit in each medium, but in each case there needs to be an approach which overcomes the reluctance of recipients to read the items we send.

This reluctance to read has been generated by the spam and junk that now swamps direct marketing. A report in 2008 suggested that over 98% of all emails sent in 2007 were spam. Indeed everyone is so used to getting spam and junk that the default mental position for most people on opening an email or an envelope is to believe that it is going to be irrelevant rubbish. Our main aim as advertisers is to ensure that there is nothing – absolutely nothing – that enhances this perception.

To put it another way – your promotions are undoubtedly not spam or junk. But if there is anything at all that makes them look to the reader like spam or junk, then they are doomed. They will be looked at for a second, and then thrown away or deleted.

2. The nature of spam and junk

The secret to ensuring that your mailshot and email is read stems from the way in which the spam and junk industries work. Both are based on big numbers – sending out something to as many people as possible. The only way to make this approach work is to treat everyone the same – to write without any thought about the individual to whom you are writing.

What's more, both are based on the premise of doing everything for as little cost as possible which means they are often badly written by people with very limited experience at writing advertisements.

As a result, the approach is mostly to knock something up in half an hour or so, send it out to everyone on the list and then hope for the best. There is no careful analysis of the readership, no consideration of the product or service.

Instead the approach is simplicity itself: keep the costs to a minimum, send out as many as possible. Then do it again, and again.

3. The impact of spam and junk on the genuine promoter

Thus you have a problem. Everyone is used to receiving huge amounts of spam and junk and so makes instant decisions – is this worth reading, or is this a con? If in doubt, assume it is junk and throw it out – because most of what is received is spam or junk.

To make such an instant decision the reader considers a variety of factors – the style, the approach, the layout and so forth. If you use anything in your advertisement that looks remotely as if it might be spam or junk, you will not be read.

So, to put it simply, you have to be completely different from the mass of mail and email that reaches us all each day. You have to generate something that instantly looks and reads as if it might be highly relevant and genuine. You have to be not just different, but completely and utterly different from all the background noise swarming around you.

To do this you have to do two things. Firstly, you have to get inside your readers' heads so that you know what your reader will respond to and what your reader will think. Secondly, you have to know what most spam and junk looks like and to have the ability to create something completely different. In other words you have to do your research, collecting copies of mailshots and emails, and recognising what makes them perceived as junk and spam.

At the same time you have to remember just how much mail the person you are aiming at gets – the more they get, the more you have to work on being relevant but different. Some people get far less mail or email than you might imagine – but don't assume that is so unless you have the statistics to hand. The level of mail a person gets is directly related to how much difference you need the reader to perceive in the opening couple of seconds.

4: Avoiding key phrases and punctuation

If you send me an email with the text \$\$\$ in it I will never see it, because my computer is set up to send any such emails to the delete box instantly. It is one of a number of such message rules that I have set up. But despite these rules many spam emails reach me – the sender can get around my rule by writing \$ \$ \$ or by writing Dollars Dollars Dollars or \$!\$!\$! I then set up another rule to exclude this variation, and the spammers work around that. I stop anything that says Viagra, and they write V1agra, and so on. The same is true with many other common promotional tactics – the misspelling and miswriting of words being just one common approach.

As soon as I see such text I hit delete. I also delete anything with whole words

in capitals, anything that goes on a ramble which has nothing to do with my interests, anything that suggests the writer knows who I am or what I do but has got it wrong, anything full of bold text, anything with lots of exclamation marks, etc.

There are similar situations in direct mail. Like the vast majority of people I open and look at my direct mail – but most of it goes in the bin within seconds, because I classify it as junk. There is nothing in it, for example, to show me that this is aimed at me (which is the definition of junk mail – advertising copy that is not properly targeted).

I did once say at a conference where I was giving a speech that I could smell junk mail before I looked at it. Not true, of course, but I can tell it with my eyes within half a second.

However, I would add a word of warning. It is now commonplace for commentators on direct mail and email to put out lists of words that you must not use. Drayton Bird for example recently published a list of 150 words that should not be used in emails.

The trouble with such lists is that they are not completely accurate, because everything is context specific. Many commentators say that the word “Free” should never be used – and yet Amazon has greatly increased its sales through offering “free delivery on all orders over £30”. Thus what we must always do is consider the overall context of the reader’s interests, the reader’s awareness of you and your products, and what it is that you are selling.

5: Avoiding announcements

Announcement advertising is the most common form of direct mail and email advertising, and mostly it doesn’t work. The only time it does work is when the recipient is actively looking for the information you announce, or when the recipient knows you and will always read what you have to say. When I lived in Algiers for a year there was a shortage of cheese. One day a shipment arrived. The shops put up signs saying “Cheese” and we dutifully queued and bought some. The signs didn’t say, “cheapest cheese in town”, nor did they announce the types of cheese available – they just said “cheese” because that is all they needed to say.

Likewise, because of my lifelong devotion to Arsenal FC, if the club sends me a message, I read it. I am committed, and they don’t have to draw me in or convince me of the need to read. I read it.

But this announcement form of advertising only works where there is a desire on the part of the audience to buy the product, or where the audience is totally interested and committed. And by and large most advertising is not like this at all.

In fact, what you have to do most of the time is convince the reader that this is worth reading – which means that you have to interest the reader through one

of the five classic approaches: through focussing on price, offering a benefit, asking an interesting question, being humorous or centring on emotion. Each approach has its own uses: big retailers fight each other with price offers; cars and jewels are sold on emotion, and so on.

What you have to do is decide which of the five standard methods of advertising is right for you and then use that approach. Doing so will immediately separate you from the announcement methodology used by spammers and junk mailers.

6: Separating the benefit from the features

You will have noted that none of the five methods of advertising focus on features – largely because feature advertising is so close to announcement advertising that it is generally indistinguishable.

But buyers want to know the features – none of us buys a computer without making sure how much memory it has. However, an attempt to use the feature as the hook on which the whole advertisement and sale is based often fails.

To overcome this, most experienced advertisers use a two-part technique which works as well in email marketing as it does in direct mail: the separation of the lead sales technique from the features and product description. In direct mail this is done through the inclusion of a letter and a brochure, catalogue or other advertising leaflet. The letter grabs attention (through its headline on price, its humorous story, its detailing of the benefits or the asking of an interesting question), while the brochure conveys all the details of the sale – the prices, the features, the bullet points of information and so on. The order form is usually found in the brochure, although it can appear as a separate item within the mailing.

With email a similar technique can be used – the email itself takes the lead position, focussing on price, benefits, answering the interesting question, humour or emotion. Then it provides a link to the website, wherein we have the features and the chance to order.

7: Following the psychology of perception

The psychology of perception is an academic study of how we look at the world around us and the way in which our brains make sense of this world. It is self-evident that we don't all see the world in the same way, and that we don't take it all in. If someone walks into your office having had their hair cut over the weekend, some may notice, some will not. Wear different clothes and some will notice, and again some not. We are selective in what we see.

The same is true with the other senses – some of us never forget a name, some always do. Some can hear a tune and tell you the performer (even if they have never heard that performance before), while to others the memory of music is

something almost impossible to comprehend.

But underlying this individual selectivity is a consistent set of approaches that applies to almost everyone. If we can apply these in our marketing, our response rate will go up – not just because we are delivering messages that are attuned to the way the brain works, but also because we are making our work utterly different from the spam and the junk.

The problem is that the psychology of perception is a complex business – but here are a couple of starting points.

First, our brains are attuned to taking in and making sense of text much more than they are for taking in pictures. Pictures require far more brain power to understand than text. Because of this, we are much more willing to dismiss adverts that are full of pictures than adverts that have a clear text at the start, which shows us where the advert is going.

Out of this comes the notion of leading an advert with a headline. But that headline must not be impeded by any illustration. The idea of putting an illustration near the text in order to attract attention (known as the “grabby image”) is commonplace, but generally fails to work, because it distracts from the text. The brain is ready to read the text, then it is distracted by the much more demanding picture, and then gives up and hits delete or throws the item in the bin.

However, and this is where the psychology of perception gets complex, the grabby image will work if you are communicating with people who are already interested and committed. So, if Arsenal FC write to me and there is a picture of player involved in scoring a famous goal, that can enhance the message, because I am ready to give up as much brain power as is needed to take everything in.

The problem is that for most of us, the reader is not in this position. The reader is seeing your message without any positive context, and so only gives up a limited amount of brain power – and if you confuse the reader at this point by a mix of picture and text, then the reader gets bored and gives up.

To resolve this dilemma you need to start with text – but you also need to know where the reader’s eyes will go on the page to begin with. The answer is that the reader’s eyes start about 30% of the way down the page (because when we look at a stranger we focus on the stranger’s eyes – and those eyes are about 30% of the way down the head).

So what you need is an exciting, entrancing headline that is about 30% of the way down the page and which has nothing else around it to distract the reader.

That is a simple start to the whole process of the psychology of perception. There is much more – and you can read about it on www.theory.bz - or you can forward a copy of your advert to me if you wish and I’ll comment on it from the perspective of the theory of the psychology of perception – no charge and no obligation.

8: Getting a response

You need to convince your reader that it is worthwhile getting in touch with you – either to seek more information or to place an order. This is where you can really make it clear that you are not a con-artist, because it is at this point that all the spam and junk mailers start to falter.

Firstly, make sure you tell the reader exactly who you are. This doesn't mean using vague phrases such as "we are a family business". Rather it means giving the key information that anyone interested might find reassuring. This information includes:

- Giving your website with a meaningful address. www.hamilton-house.com is a meaningful address (since it incorporates our company name). www.mailings.org.uk is likewise meaningful since it uses an easy to understand word. www.bjd787ekh.com is not meaningful, and suggests you have something to hide.
- Give your phone number and fax number
- Give your full company name and postal address (not a box number)
- Give your email address
- Include on your website a map of where you are
- If you are a limited company or a plc give details of the directors and the company registration name.

Now I am not in any way suggesting that people will check your limited company details, etc, but all this information says, "we are real". The phrase "if you would like to know more about our work, please visit www.schools.co.uk, or call us on 01536 399 000" really does help to assure people that we are a proper company selling proper products.

At the same time you should give people the broadest choice of ways in which they can place an order. Allow them to fax, email, phone, write, place an order through an on-line shop... Most of all, give them the opportunity to phone should something not be right.

9. Response rate you might get

To work out how viable your marketing approach is, consider these simple calculations.

The average email campaign costs around £9 to deliver 100 emails. The average direct mail campaign costs around £40 per 100.

Assuming all your research and development costs are paid, and forgetting all your daily expenses like salaries, rent and rates, you can do this calculation. My figures are of course simple examples taken from campaigns I have done – yours could be quite different.

- Profit per sale - £40
- Cost of email campaign - £9 per 100
- Therefore breakeven point is somewhere around 1 sale for every 450 mailings.
- If I was doing a direct mail campaign I might find that I broke even at around 1 sale for every 100 mailings.

Now I know my target and I can do some trials to see if I get that response. In terms of what I have achieved when actually selling products (rather than advertising items that are free or inviting people to call in to get more details) my best ever response rate for direct mail to a cold audience (i.e. not past buyers) was 11.5% when selling a product costing £25. For email my best response on a generic list (i.e. a list of general email addresses starting info@ or admin@ or sales@) with a similar product is 1.2%.

However that 11.5% was extraordinary – much of the time I am attempting to get 3% or a little above. With email, I am generally working in the range of 0.5% to 1%.

So from this you can start to see if your campaign is likely to be successful. If the response rate you need is 7% you can say to yourself, I am very unlikely to get this. If it is 1% on a direct mail campaign you can think, this might be possible if I get the promotion right.

But do remember that these figures come from campaigns selling products around £25 each, using lists that are accurate, but not specific. So, if you are selling to past customers you ought to expect much higher response rates. If you are selling to highly generalised lists (for example, a list of everyone living in certain postcodes, even though you are only targeting people with children) then the response rate will be lower. If you are selling something that costs £500 you will sell far fewer than if you are selling something costing £50.

So you should start by working out what sort of response rate you are going to need to meet the basic costs of mailing. Then you ask if you are likely to get this, given everything stated above. And then, if so, you do a trial mailing. If the response rate falls short of reasonable expectations you must ask yourself if there is something wrong with what you have written.

10. The subject line and the headline

The subject line of the email and the headline in both the email and the direct mail letter are so important they need a special mention as this report draws to a close. Generally speaking it is the headline and subject line that makes people reject your mailing or email. When I write for customers I can spend as much time on these factors as I do writing the rest of the piece. The subject line and headline determines more than anything else whether your message is read or not.

Study what others do (or give me a call so we can talk about it). Don't rush in with one idea and hope for the best.

The best headlines make the reader stop for a minute and think – and then make them want to read on. I have mentioned the “interesting question” as one of the approaches to mail and email – and these are worth considering because spammers and junk mailers never use them.

Remember the phrase is “interesting question” – not just “question”. The phrase, “would you like more money” is not interesting because the answer to 99.9% of us is obvious. The question, “why not try our new range of ice creams” is not interesting, because there is no context or background to suggest why we should.

The question, “What is the simplest way of raising response rates in direct mail?” is interesting – because it is something that everyone in direct mail has to consider at some time or another.

More information

To discuss any aspect of this article please call 01536 399 000. If you wish you can send your proposed advertisement to Sales@hamilton-house.com and we'll call you back with our thoughts. We'll also take a look at your website if you wish. We'll make our recommendation at the end – no charge and no obligation.

The theory of direct marketing and its relationship with the psychology of perception is covered on www.theory.bz

A comparison between various media in marketing is given on www.mailing.org.uk

Details of email marketing, and email lists are given on www.yesmail.org.uk

Details of direct mail mailing lists can be found on <http://www.hamilton-house.com/gateways/ mailing%20lists.html>

Free news services on direct marketing (in each case simply send an email to the address given, and then click “reply” to the email you'll get back asking you to confirm)

Direct-mail-secrets-subscribe@yahoogroups.com

Education-marketing-subscribe@yahoogroups.com

CreativeDirect-subscribe@yahoogroups.com

MarketingMinute-subscribe@yahoogroups.com

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