

marketreach
unleash the magic of mail

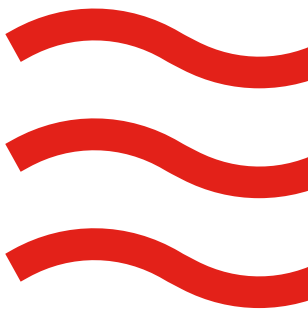


ROYAL MAIL ACQUISITION INCENTIVE 2024-2025

Introducing an incentive to trial new acquisition

May 2024

THE ADVERTISING EXPOSURE EXPLOSION



ADS PER DAY

1970

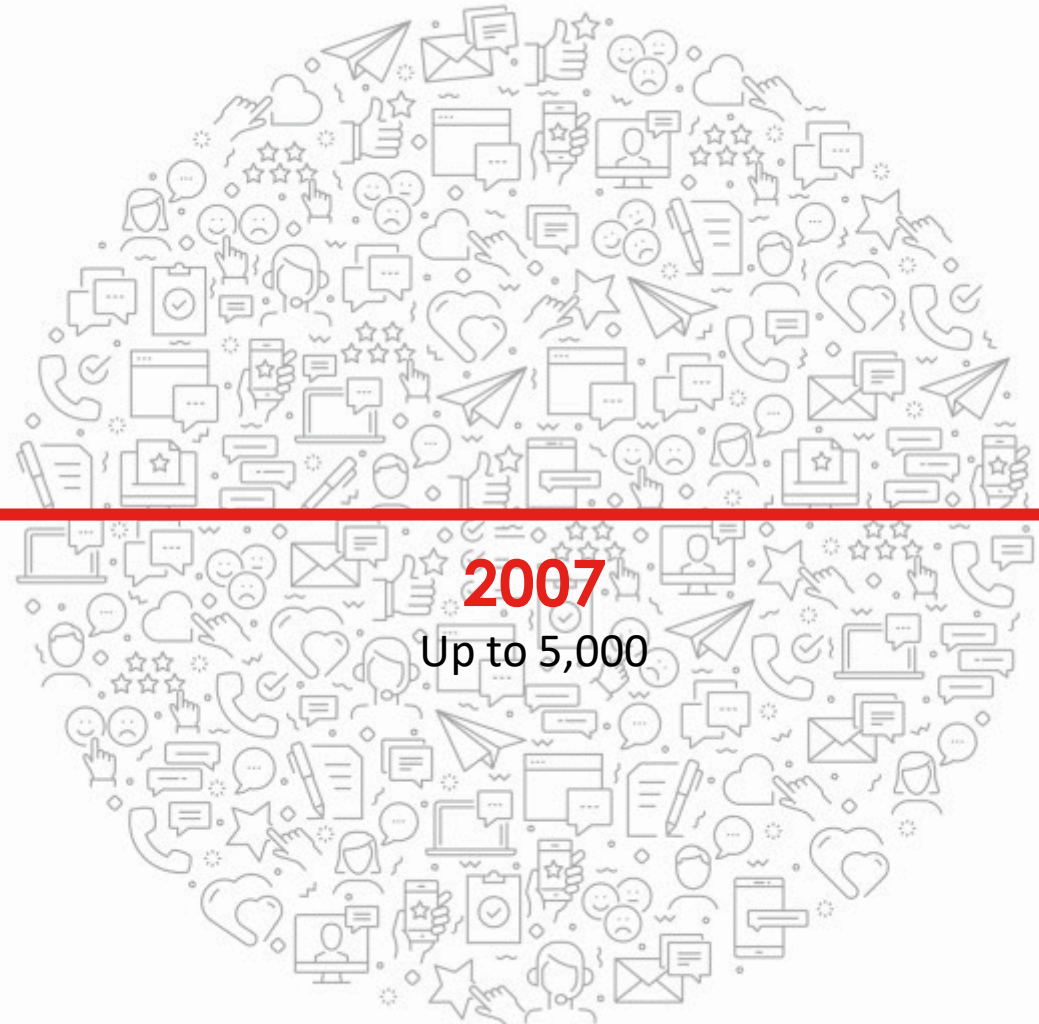
500 to 1,600

2007

Up to 5,000

2021

6,000 to 10,000



ADVERTISING LANDSCAPE TRANSFORMED

694K

VIDEOS VIEWED ON
TIKTOK

1.3K

PRODUCT-RICH PINS
PINNED

21MM

SNAPS CREATED

41%

UK ADULTS GET NEWS
FROM SOCIAL MEDIA

>50%

TRADITIONAL TV BROADCASTERS'
SHARE OF CONSUMER VIEWING

138B

SONGS STREAMED
IN THE UK

4.2MM

GOOGLE SEARCHES

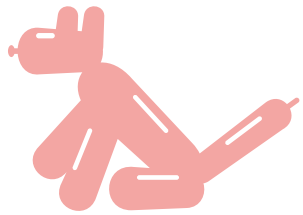
£23.6B

SPENT ON AMAZON
IN 2021



THERE ARE GOOD REASONS TO USE MAIL

Four of them...



INTERACTIVE

Tactile, touch creates an experience - the feel of the paper, weight, shape, texture, finish and visual appeal.



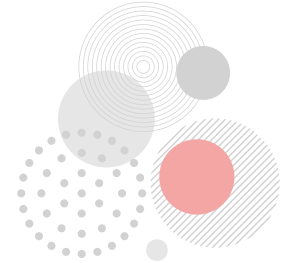
MEMORABLE

More personal than any other channel it is highly memorable and gets disproportionate attention.



BIG REACH

Not everyone uses every digital channel but everyone gets mail. Young people get less so when they do...

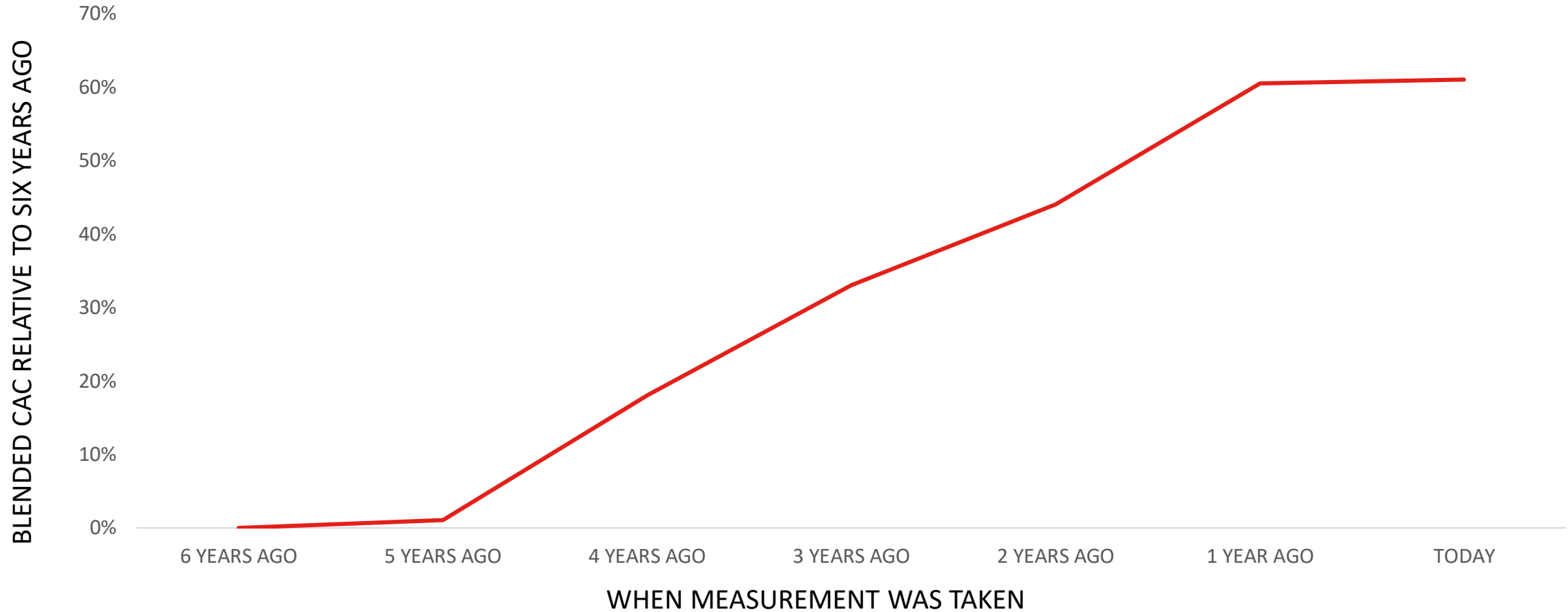


LESS COMPETITION

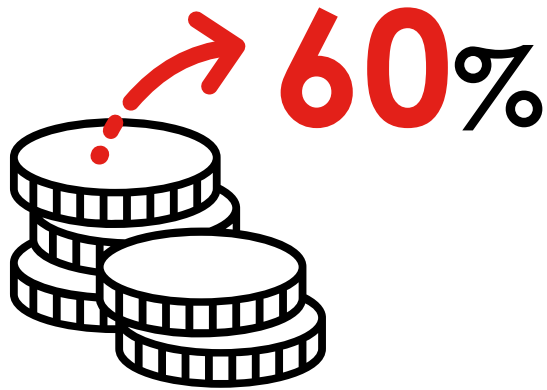
Digital is fighting to be seen, letterbox marketing much less crowded space – with just 3.5 letters a week.

COST OF ACQUISITION STUDY

Customer acquisition cost has increased significantly over the years due to market saturation vying for consumer attention



CUSTOMER ACQUISITION MORE CHALLENGING THAN EVER



The cost of acquiring new customers in the last few years



Marketers say that mail provides the best ROI above other channels

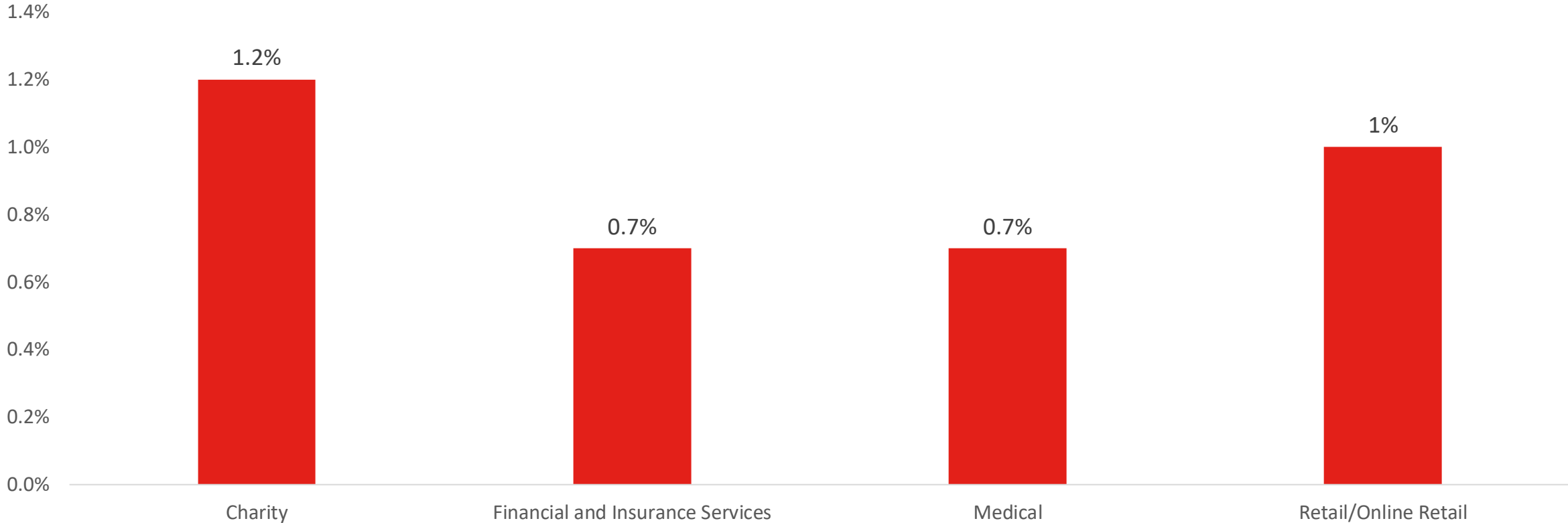


Of consumers say they get the right amount of mail only 47% say that's true of email

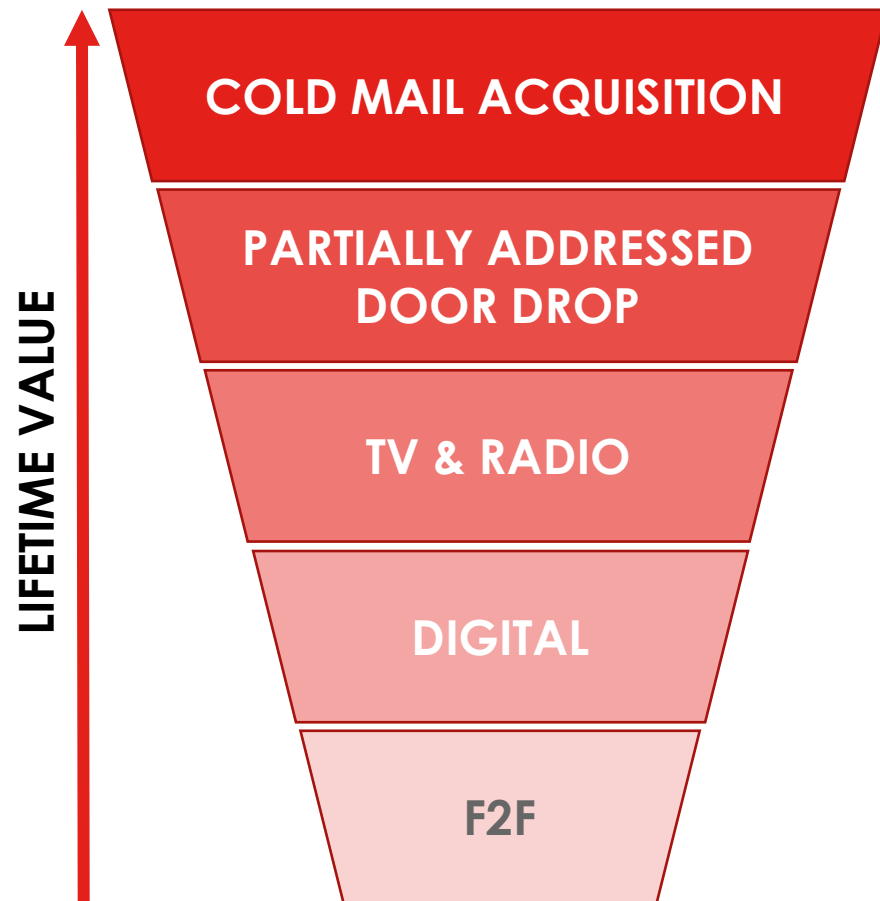


TYPICAL COLD RESPONSE RATES

Will vary of course across different sectors

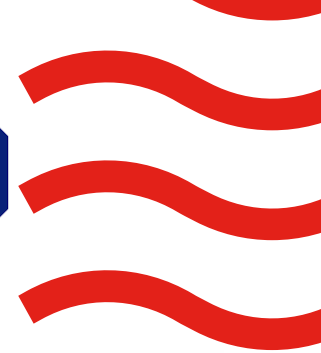


TYPICAL LIFETIME VALUES



- Take a look at your own data and the lifetime values to your different acquisition channels
- Brands will typically see that whilst direct mail acquisition isn't the cheapest route to acquiring a new customer lifetime value will almost certainly be greater than other channels
- This is also true of door drop and partially addressed
- And will perform at better lifetime value outcomes than more main stream broadcast channels
- The channels that tend to be least “sticky” will be the ones where it is easiest to drop out of the relationship that a consumer might have signed up to, which is why F2F tends to yield lower LTV

COLD MAIL, PAM AND DOOR DROPS MADE 2020 RSPCA'S BEST CHRISTMAS EVER



Background

Between 2018 and 2020, RSPCA had upweighted face-to-face to replace the shortfall in cold mail acquisition due to GDPR. Lockdown stopped this. The charity urgently needed to fill the gap in donor acquisition and fundraising.

Solution

RSPCA and their marketing agency Edit shifted their strategy to create an integrated multi-channel campaign that had mail at its heart. Cold addressed mail was used to find highly targeted prospects – identified using TGI and JICMAIL data. PAM and door drops extended the campaign reach without cannibalising other activity.

To understand the true performance of each channel, creative and format were kept consistent across addressed mail, PAM and door drops. The pack invited donors to 'Join the Winter Rescue'.

Results

Across the campaign, donation revenue was 87% above target. 47% more donors were recruited than target. Cold mail delivered 150% more donors than target. Revenue from Partially Addressed Mail was 88% higher than predicted. The ROI on door drops improved by 59%.



Source: Karen Pierre, Marketing Manager – Donor Recruitment, RSPCA

FOCUSSING ON QUALITY NOT QUANTITY DELIVERED RESULTS TO SWOON OVER

Background

Swoon is a UK design-led online furniture brand. During the height of the Covid-19 lockdown, when spending on household goods skyrocketed, Swoon needed a new approach to acquiring customers.

Solution

Swoon's print agency Mailbird used JICMAIL to conduct pre-campaign analysis that confirmed mail's potential to engage to the Swoon target audience.

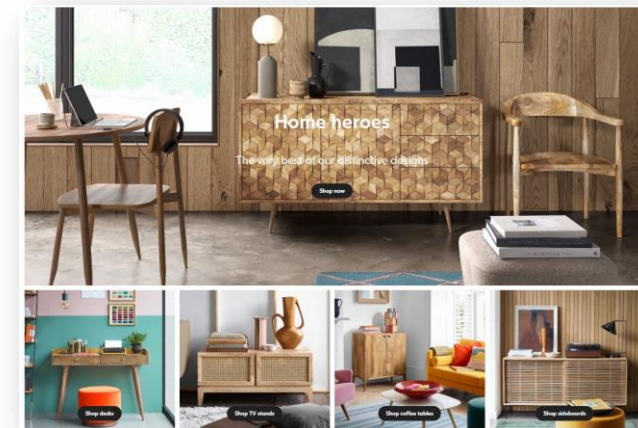
Swoon's targeting strategy was 'quality rather than quantity', focusing on highest quality look-a-like data and not volume. Advanced profiling techniques, statistical modelling and insight analytics were used to identify 25,000 affluent prospects who should be the first to receive. Swoon's high quality, 32-page A5 catalogue.

Results

The highly targeted catalogue delivered a 2.1% response rate and an ROI of more than 1:22, resulting in new revenue of more than £300,000 with many product lines selling out.



SWOON
EDITIONS



MAIL HELPED SKIERS EXPERIENCE MORE AT EVERY TURN

Background

Neilson wanted to sell their ski holidays exclusively direct, but they were 3x smaller than the market leader and 70% of customers were new each year.

Strategy

Neilson, and their agency WDMP, combined multiple data sources to uncover the perfect 'Neilson skier': '*Experienced Intermediates*' who enjoy skiing but weren't "powder hounds". A classic piste map in a 1930's style illustration was used across mail and digital to tell multiple stories for a savvy audience to discover their own story and "*Experience More at Every Turn.*" It then connected them to the Neilson point of difference: *Mountain Experts* who knew the mountain like the back of their glove.

Results

Neilson's entire Mountain Collection inventory sold out for the first time ever with £262,000 incremental revenue. Direct mail activity delivered booking uplifts and drove £1.45M revenue at an ROI of 20:1.



SOME MORE COMPELLING REASONS...



Direct Mail is easier to understand and more memorable than digital media. It requires 21% less cognitive effort to process and elicits a much higher brand recall.

Direct mail is far more persuasive than digital media. Its motivation response is 20% higher – even more so if it appeals to more senses beyond touch.

Direct mail is visually processed quicker than digital media. When considered in concert with its higher motivation and lower cognitive load, this suggests it gets the message across faster.

Direct mail is more likely to drive behaviour than digital media. Surpassing the important motivation-to-cognitive load ratio threshold of 1.

Direct mail requires 21% less cognitive effort to process than digital media, says a study by market research firm True Impact. Therefore, it's easier to understand and more memorable.

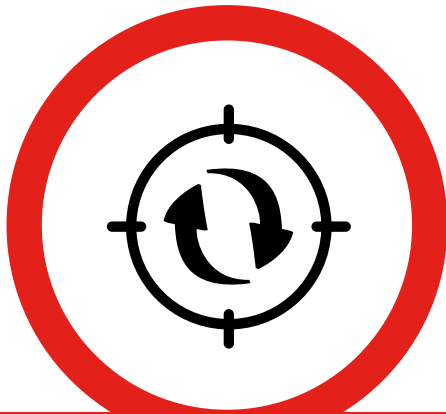
In 2021, only 11.9% of fundraising came from online donations, according to data in the most recent Blackbaud Institute Charitable Giving Report. This means that 88% of giving comes from offline sources – like mail.



INCENTIVE DETAILS

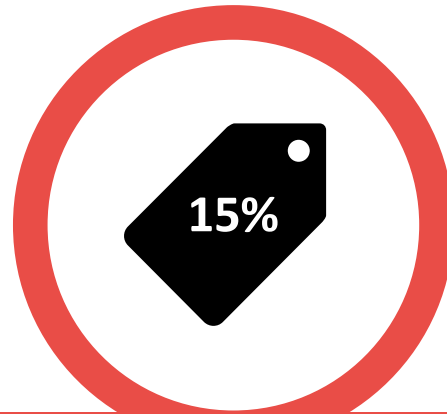
ADVERTISING MAIL

Test and Innovate Incentive for new Acquisition Mail



WHO IS IT FOR?

For when you try new acquisition advertising mail activity.



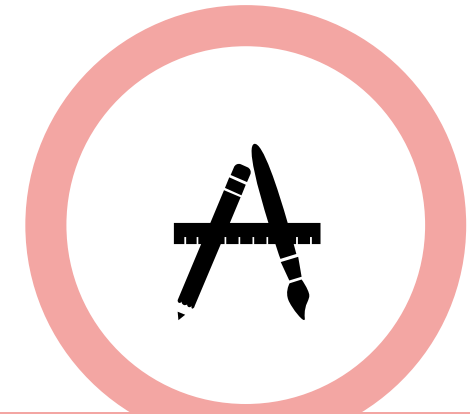
CREDIT

A postage credit is available on eligible Economy Advertising Mail.



TO QUALIFY

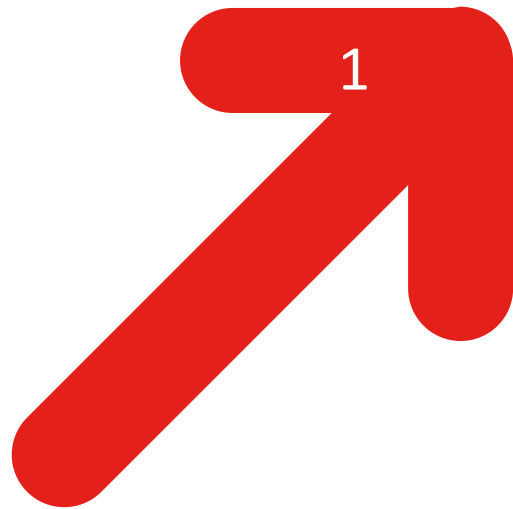
The minimum volume is 4,000 items. The maximum test period is 5 months.



TO APPLY

For more information and to apply go to www.royalmailwholesale.com

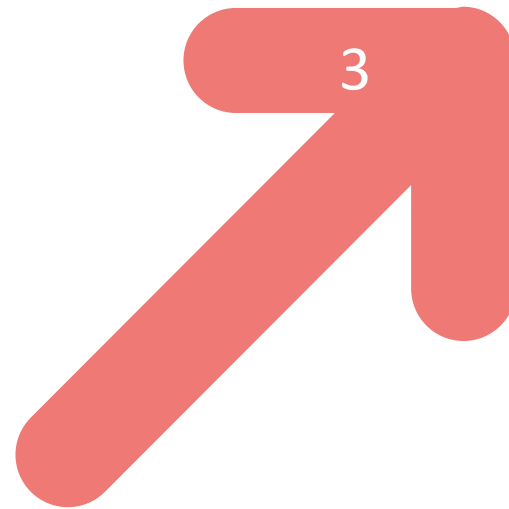
ENTRY REQUIREMENTS



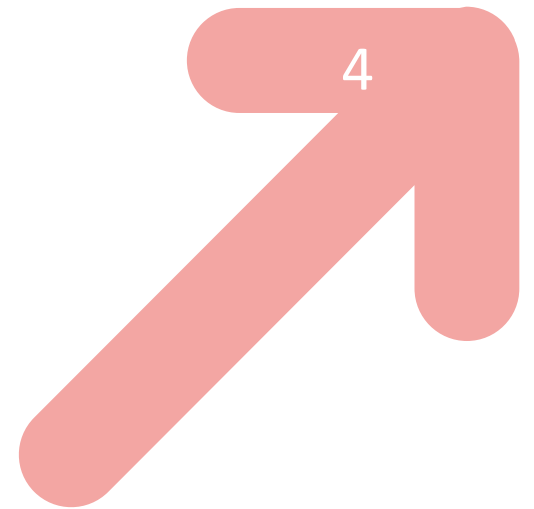
Test addressed Letter items sent using Advertising Mail Economy.



Measure the performance of the test and share the results with us so we can understand whether the tests we invest in achieve their objectives.



To qualify, test mailings must include a minimum of 4k advertising mail items and a maximum of 500k items over a 5 month period.



Submit your application form 10 days before the start date of your test.



OFFER DATES



Applications open



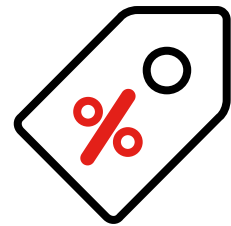
Last application



Last posting date

POSTAGE CREDITS

20%



Get postage credit of:

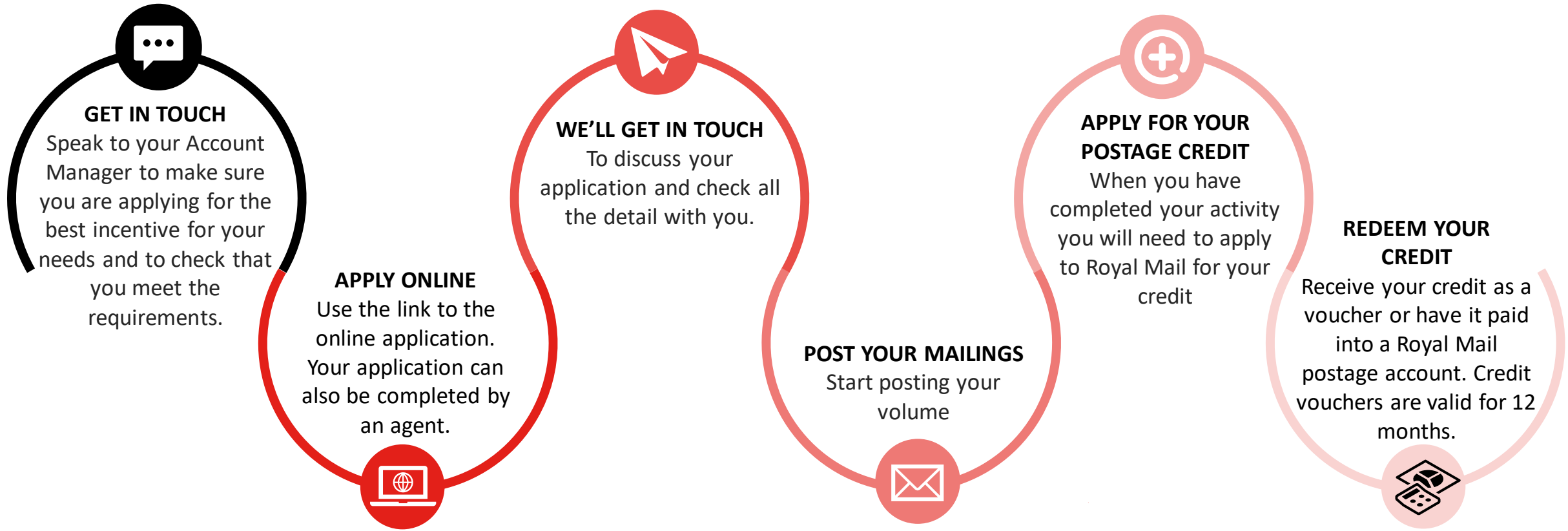
- 20% for the first 250k incremental economy advertising mail items; and
- 10% for the next 250k incremental items

THE APPLICATION AND CREDIT PROCESS

Offer open for postings mailed by 30th March 2024



Go to the application form here



THE MORE DETAIL THE BETTER!

The more information you can provide will help us process your application

Why are you testing?

- Can you tell us about the objectives and strategy for your new acquisition activity
- Could you explain how this is something new to your marketing plan
- Outline the strategic thinking on why you are including mail in your cold acquisition now
- Are you returning to mail for acquisition after a break?

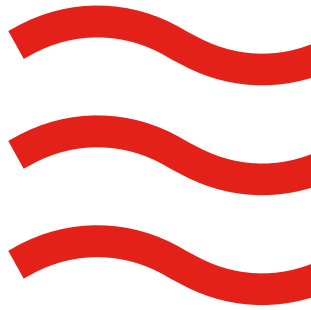
What are the details of the test?



- Who are you targeting and why?
- What targeting strategy have you used e.g. profiling? existing customer base
- What test cells are in your plan?
- Are you testing different creative routes and if so why?
- If you have a test matrix please do include it.

How are you measuring the results?

- Please tell us the volumes you are testing
- What are the main KPIs for this campaign – predicted response rate, sales, ROI
- Is there anything else you want to achieve with the campaign? Drive to digital, push to store or other softer brand measures, for example?

FREQUENTLY ASKED QUESTIONS



 Can I send Standard Advertising Mail Mailmark items and qualify for postage credits?	By exception, we may support Standard Advertising Mail Letter format. For more details, please contact groupincentive@royalmail.com .
 Can I use postcard formats?	Traditional postcards are not eligible, please see the Machinable Postcard and One Piece Mailer Guide for options to use with incentives at www.royalmailwholesale.com/incentives
 What will happen if my actual TIS volume is less than 4,000 items?	You will not receive any postage credit if your actual TIS volume is less than 4,000 mailing items.
 How long will my postage credit vouchers be valid for?	Postage credit vouchers are valid for 12 months from date of issue.



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THANK YOU

