

Lecture 46

Direct Marketing- Part I

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What is direct marketing communications?

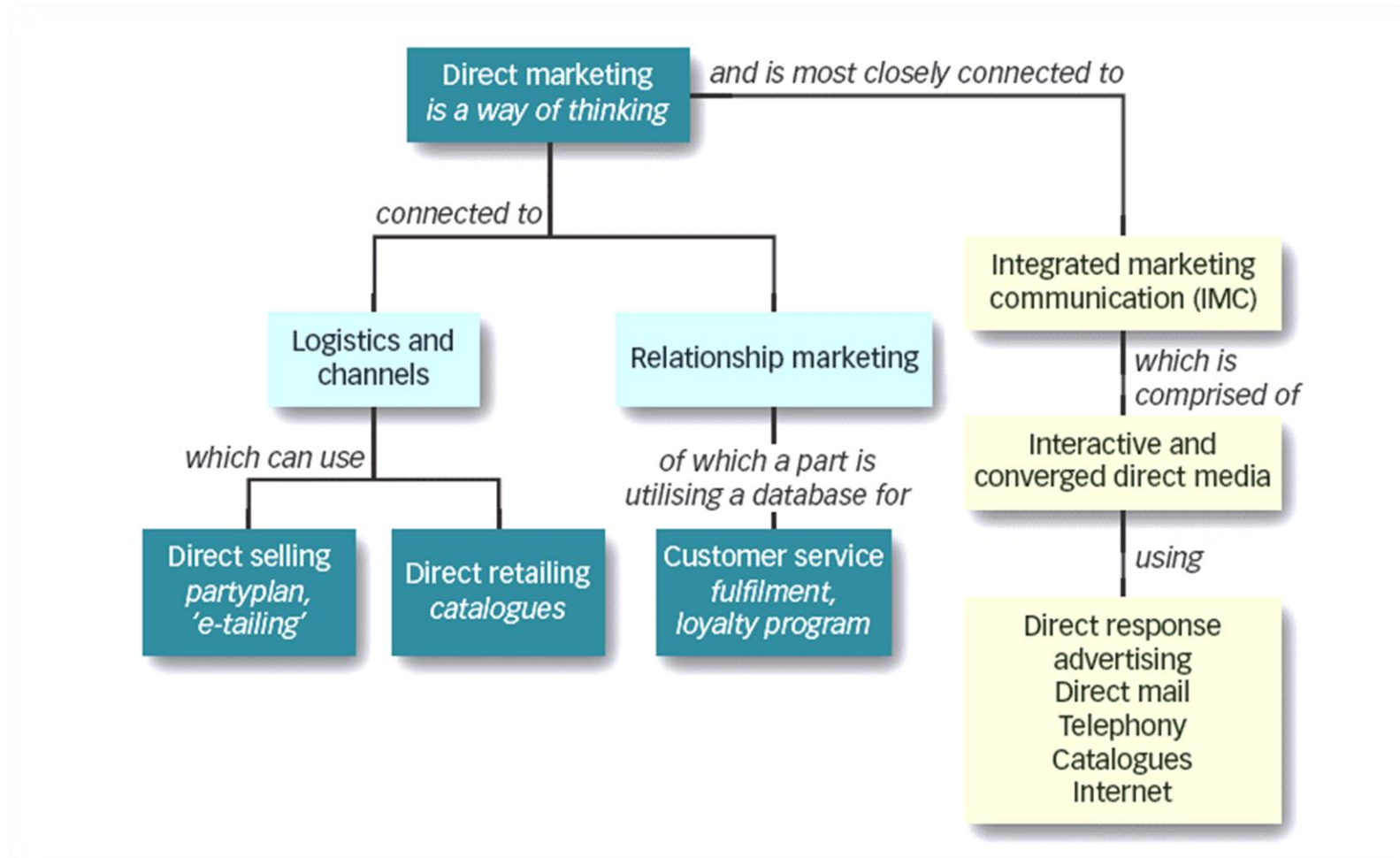
- “The total of activities by which the sellers' direct efforts to a target audience using one or more media for the purpose of soliciting a response by phone, mail, the internet or personal visit from a prospective customer.”
- Includes:
 - ✓ Direct selling
 - ✓ Direct mail
 - ✓ Telemarketing
 - ✓ Internet selling
 - ✓ Direct action marketing
 - ✓ Catalogue selling

Remember

Direct marketing communications is not restricted to direct mail. Potentially all media can utilize a direct function, e.g., direct response TV advertising, direct response radio advertising, Internet communications, telephone communications.

*Direct marketing combines with...Advertising, Public relations
Personal Selling, Sales Promotion, Support Media.*

Direct marketing: roles and relationships



Source: Advertising and promotion An integrated marketing communication perspective 2e, Blech, Blech Kerr & Powell, McGraw-Hill Page. 461

Direct marketing strategies

One-step approach

- The medium is used to obtain an order
- Goal is to generate an immediate sale

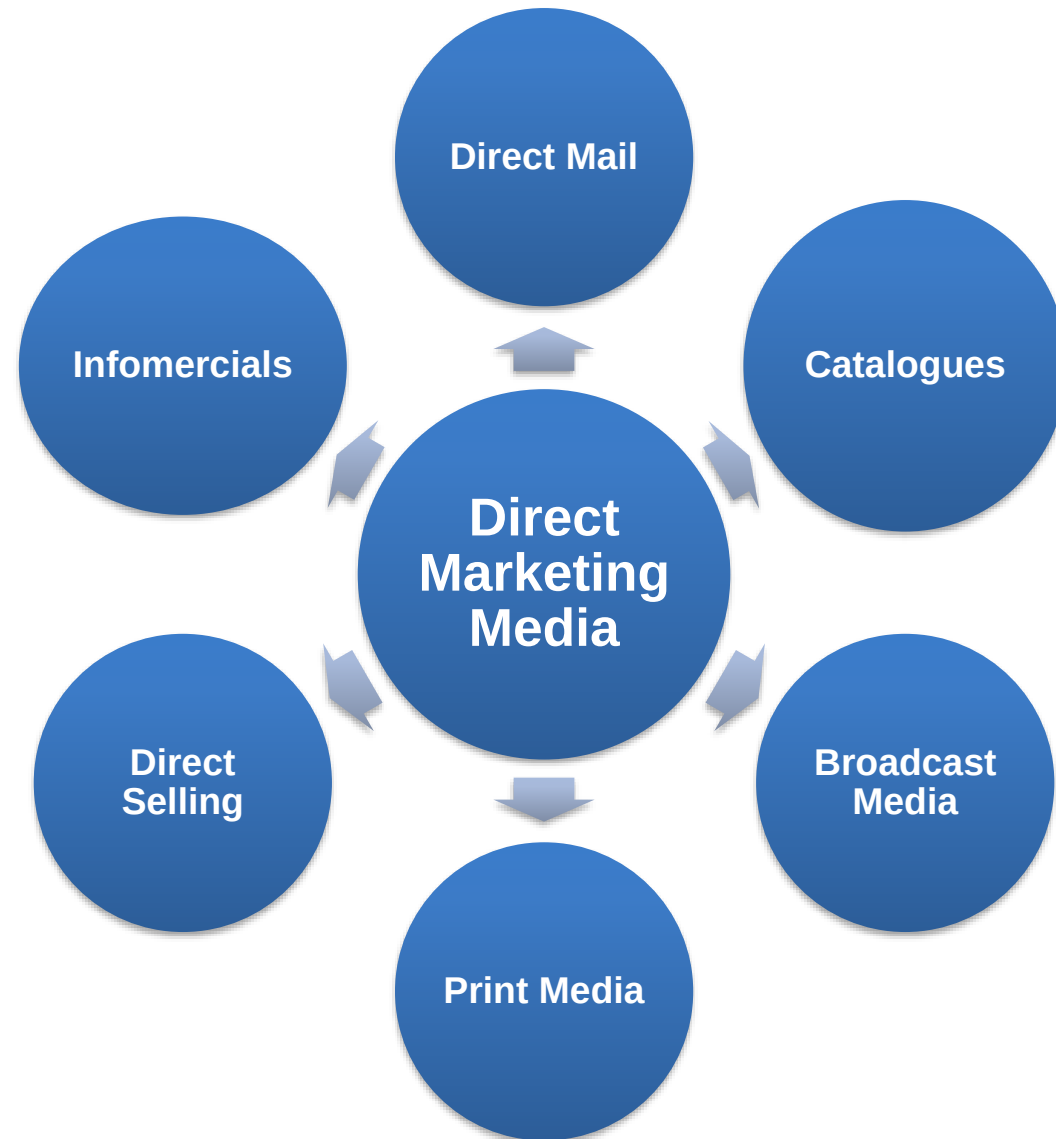
Examples:

- *(for example, television direct-response ads Naaptol).*

Two-step approach

- The medium is used for inquiry and to qualify prospects
- Follow up with a second medium to complete the sale
- Also known as permission marketing

Direct Marketing Medias



Direct Mail

- All forms of advertising sent directly to prospects through the Postal Service or through private services
- Direct mail reaches both consumers and business-to-business customers.
- Prospective new customers receive different direct mail pieces with messages designed to induce repeat purchases
- Companies utilize two sources when compiling a mailing list: the firm's internal database and/or a commercial list.

For example, Porsche targets prospects with direct mail



The commercial list is of two types: Response list and Compiled list

Response list

- Consists of customers who have made purchases or who have responded to direct mail offers in the past.
- More personalized, but harder to reach new customers.

Compiled list

- Provides information about consumers who meet a specific demographic profile.
- Disadvantage is that although someone might fit a demographic category, chance of response is very low

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