

10 Tips for Buying Mailing Lists

With over 30,000 different lists available, it is essential that you make informed and quality choices to ensure you get the best list for your needs. Too many marketers spend the bulk of their time focused on the design and production aspects of a mailing rather than the list. This contradicts a basic fact regarding direct mail marketing: A company can have an outstanding product or service along with an extremely attractive mail piece but without the proper list the mailing will fail miserably.

In other words, the list that you choose will dictate the success or failure of your direct mail effort. An often quoted rule is the 40-40-20 principle. It states that the mailing list makes up 40% of the success of a mailing, the offer makes up another 40% and the package itself (paper, design, copy) is responsible for the remaining 20%.

Don't compromise your efforts by cutting corners on the purchase of your mailing list! Follow the steps outlined below to improve your chances of success.

1. Choose the right list vendor

Work with a quality list provider who will take the time to understand your business and educate you on the list options that are available. Choose a company that can offer a wide variety of mailing lists. An effective mailing list supplier will have access to all available mailing lists on the market rather than just focusing on a few specialized lists. Working with a company that has the broadest range of list options ensures that you will get the best list available for your specific needs. A company with a narrow focus may try to force-fit your request into one of the lists that they offer.

Look for a company that provides personal service and is willing to answer all of your questions candidly. Finally, make sure they offer a guarantee on their lists.

This is not a time where using an intermediary is more expensive. As a rule you will have access to pricing unavailable to the direct buyer. Think of your list provider as an extension to your marketing department.

2. Ask the right questions

Ask the right questions to understand where the information is derived from, how up-to-date it is and which selection and format options are available.

- How do they compile their lists? What sources were used to create the list you will be buying? When was the list last updated? How was it updated?

- How many names are on the list and is there any duplication? If there are duplicates, is it possible to select one name per address or location?
- Which demographic and psychographic selections are available on the database?
- Are telephone numbers available for follow-up efforts and have they been recently scrubbed against the Do Not Call Registry? Is it cheaper to buy mailing and telemarketing records at the same time versus buying them separately?
- What format can you get the list in? CD-Rom, internet download, labels?

3. Know your customer

Who are your customers and what do they have in common? Understanding your customer base (or potential customer base) is the foundation of proper mailing list selection. Once you know the characteristics of your best customers you'll be ready to apply that knowledge to selecting qualified prospects.

If you market to consumers, think about the customers that buy from you in terms of age, gender, income, marital status, interests, lifestyles and geographic region. For business-to-business applications, focus on the type of industries you attract, whether they tend to be larger or smaller businesses and who within the organization typically makes the buying decision related to your product or service.

If you don't know what constitutes your best customer you can get a reputable company to profile your existing database. If you prefer to use your own intuition to begin your list selection efforts just be sure to follow Tip # 10 below.

4. Outline your marketing objectives

What are you hoping to accomplish with your mail campaign? Lead generation? Direct sales? Increase in store traffic? Determining your marketing objectives up-front will allow you to make more intelligent tactical decisions as you put your mail campaign together.

How does this affect list selection? Store traffic is generally tightly bound by drive time considerations which affects the geography used for list selection. Conversely, prospecting for direct sales via mail order usually starts with a qualified list of former direct mail buyers and geographical constraints are far less of a consideration. With an understanding of your overall objectives your list supplier can help you make more informed decisions regarding your list selection criteria.

5. Determine the type and number of solicitations you wish to make

Studies show that combining direct mail with telemarketing can as much as double overall response rate. Also, re-mailing to the same prospects several times per year builds brand awareness and increases responses and market penetration. These decisions have financial impact both in terms of up-front costs as well as back-end results.

Unfortunately, many first-time marketers make the mistake of doing just a single mailing. They make the decision to do another campaign (or not) based upon the results of that one-time effort. The reality is that the best results and highest returns on investment are realized via sustained, repeated effort over time.

Map out an annual or semi-annual marketing calendar based upon your budget, goals and objectives. Select mail “drop dates” and create project time-lines from that date backward based on the turnaround times of your suppliers. Your well-planned marketing calendar will be the foundation for your long-term success in direct marketing.

6. Educate your list provider

Provide your mailing list supplier with an accurate description of your product or service and, as mentioned above, what you’re hoping to accomplish with the mailing. He or she will have recommendations as to the type of list that will best suit your needs.

With over 30,000 different lists available in the United States today, it is nearly impossible for anyone other than mailing list experts to be familiar with all of the list selections currently available.

7. What about current Customers?

Another important decision is whether to include current customers in the mailing campaign. If you’re sending out an enticing offer to get new customers, don’t offend current customers by having to explain that the discount is only good for people who haven’t yet purchased from you. If you would like the mailing to generate sales to both new and existing clients have your mail shop combine your customer and prospect list.

Whatever your decision be sure to match your customer file with the prospecting list and eliminate all duplicates before you mail.

8. Select your target quantity

Once you have determined your budget, objectives and target audience the next step is to decide how many names are required for the mailing.

The answer may not be as simple as “as many as possible”. Consider the number of responses your business can handle. If you’re a small business with limited resources consider staggering the mailing over several days or weeks so that you can efficiently handle the responses. If you’re trying to drive traffic to your store consider your staffing levels during the sales period and estimate the number of customers they can service each day.

With a thorough understanding of your target quantity and campaign objectives, your mailing list supplier can intelligently lower the quantity of your list.

9. Why E-mail isn’t right for everyone

We frequently receive requests for lists of email addresses for prospecting efforts. While there are a few quality lists available the truth is that e-mail as a prospecting method is more hype than reality.

Email works very well to contact existing clients and prior inquirers. However, in this age of Spam, using a

supposedly “opt-in” list won’t keep you from receiving negative responses (aka “flamers”) from the prospects you solicit.

More importantly, the cost to acquire new customers in most cases is 10% to 25% higher via e-mail versus direct mail. Additionally, for marketers whose coverage area is limited to a few counties or perhaps even just a few ZIP codes, qualified opt-in e-mail lists are simply not large enough to justify the effort of creating a campaign and paying the high minimum order charges involved to solicit a few dozen prospects.

...and Last but NOT Least!

10. Analyze your results!

The beauty of direct marketing is its measurability. Evaluate the success of your mail campaign by analyzing and tracking the results to determine who is responding. Use that information to refine your lists enhance your offer or possibly even re-design your mailer on subsequent campaigns.

This concept fits hand-in-glove with the long-term multiple contact strategy discussed earlier. Create your plan and implement it. Analyze the results and refine the plan based upon your findings. Repeat. Repeat. Repeat.