



THE “REAL MONEY” MAILING

MAILSHOTS ARE REGARDED by most recipients as the dark side of marketing. Direct mail is the most unpopular marketing tool—usually characterized as junk mail, it is often thrown away without being read beyond the most cursory glance to check that it isn’t “real” mail, and sometimes it is thrown away unopened.

Getting people to read the mailing is the first hurdle to overcome. The advice offered to direct mail companies is often counterproductive—for example, making the envelope look enticing by using color printing, putting a “teaser” question on the envelope, and so forth—because this flags up to the recipient that there is a sales pitch inside.

The idea

One of the earliest mailshot promotions, in the 1920s, was for American insurance giant Metropolitan Life. The company sent out a mailing promoting retirement plans, and glued a genuine one-cent piece to the letter. The weight of the one-cent piece made the balance of the envelope feel strange, encouraging people to open it: the letter inside explained how one cent per day saved, at compound interest, would produce over \$500 after 25 years—all from only one cent, an amount that most people would not notice.

The letter went on to ask how much better it would be if the person could save two cents a day, or five cents—or a dollar. The style was sober, as if writing to an existing customer—no sales-pitch hyperbole or advertising “puff.”

The key issue in the mailshot was the one-cent piece—not an eye-catching, gimmicky piece of envelope design, but a genuine (if small) gift to the recipient of the mailing. Apart from creating an intriguing mailshot, even such a small gift as a penny makes the recipient more inclined to do business with the firm. Allowing for inflation, that penny would be worth close to 50p today, of course, so it may be worth considering sticking a larger-denomination coin to the letter. After all, with the average mailing costing around £2 a time, an extra 10p (or even 50p) for a coin that will perhaps double the response rate has to be worth trying.

Metropolitan Life became one of America's largest insurance companies, funding the construction of the Empire State Building and later being the largest investor in war bonds for funding World War II.

In practice

- Make the gift worth while. Real money will always attract more attention than yet another ballpoint pen.
- Don't be stingy. Send a coin that is worth something.
- Explain the benefits clearly, without rhetoric—you already have their attention if they are reading the mailshot at all.
- Accept that not everybody will respond—but if you get a 15 percent response you are beating the direct-mail averages by a considerable percentage.
- Ensure that you link the message to the coin—Metropolitan Life were pitching for savings accounts, but the money on the letter would work just as well for home insulation, loans, and indeed anything where the main advantage is financial.