



The question is no longer if you should mail? The question is what kind of Mail should you send?

Modeled Mail vs. Saturation (EDDM)

A quick tutorial:

- A- **Saturation Mailing** often called Every Door Direct Mail (EDDM) is when you send mail to most every house and or door on a mail carriers' route. It is less expensive and effective when you have a mass appeal message to share
- B- **Modeled Mail** is best when your message is meant or geared to a more specific segment of the universe.

X Home Service is currently engaged in acquisition marketing programs that are fueled by Every Door Direct Marketing (EDDM). While EDDM is an economical tool for casting a wide marketing net, it has a number of limitations. Some of the limitations include:

- Limited targeting abilities
- Waste (e.g., DMA do-not-solicit, vacant properties)
- Logistical challenges

Bann has developed a program that maximizes the benefits of EDDM by testing its effectiveness against other proven direct marketing tactics. Through multivariate mail programs, we have the unique ability to keep elements we like and discard elements we don't. This leads to systematic adjustments that drive incremental gains

Our Approach

We fully embrace a crawl, walk, run approach. To start, we propose the development of a very basic descriptive model that allows us to determine the demographic, geographic, and psychographic makeup of your best customers. Armed with this information, we can determine where to concentrate our efforts. In an attempt to stack the deck in X Home Service's favor, we propose a three-pronged direct marketing program that include the following three pillars:

- EDDM – Every Door Direct Mail
- Smart Saturation – Saturation mailings that filter-out worst prospects
- Targeted DM – Mailings that do not attempt to qualify for the best postage rates

Our philosophy is that each of the above strategies could work...we just need to determine which delivers the greatest ROI. Furthermore, we need to determine which pillar (in any) allow for incremental

gains through channel augmentation (e.g., introduction of email, social, display). Through the careful construction of a direct marketing mailing matrix and a clean list of learning objections, we can test and measure the impact of a variety of strategies, while keeping costs down. This multivariate approach is akin to having multiple swings at the plate – the more attempts you have...the greater your chances are of striking the ball.

Once we have validation of our first phase (i.e., crawl phase), we look to graduate to the second phase, which introduces a more sophisticated modeling technique AND segmentation. This type of advancement will illustrate our ability to continually drive performance. The final step of our approach introduces the most sophisticated form of modeling, which is generally described as attitudinal. While it is easy to predict behavior (e.g., propensity to respond to X Home Service's offer), it is much more difficult to identify the attitudes that drive said behaviors. Through primary research and advanced mathematics, we can achieve our goals and experience second-to-none results.

Lastly, our programs leverage a number of proprietary tracking tools that afford X Home Service the luxury of maximizing marketing spend. One such tool is called Insite RealTime (IRT), which identifies anonymous website visitors (as a result of receiving your marketing materials) and creates custom communications both online and offline. Our ability to retarget these anonymous hand-raisers using a variety of channels allows lowering cost-per-acquisition and raising ROI.

What strategies are you deploying? We would love to hear back or field any questions!

Sincerely,

Michael C Bann