



Summer Issue, 2011

Volume 4, Issue 6

Labour Dispute Over

It is with great relief that we note the end of the Canada Post labour dispute that has seen mail delivery disrupted and then stopped over the past month. Canada Post is open for business and the mail is moving. Canadian mail delivery is a cost-efficient, fast and, once again, stable method of delivering important information and marketing materials. Please feel free to share this month's article on the value of direct mail. Let's get back to business!

The Value of Direct Mail

With the mailing situation now resolved, it is a great opportunity to remind customers why Direct Mail continues to be a relevant and important marketing tool. The following information was compiled from The Power of Direct Marketing (2009-2010 edition) by the DMA, "What is Direct Mail" by William Roby, the USPS and Canada Post.

Much has been said about the decline in lettermail, however, direct marketing continues to increase. And e-mail is not the solution: The DMA found that commercial e-mail drove only \$26 billion in sales in 2009 whereas non-catalogue direct mail drove \$445.8 billion in the same year.

Although consumers sometimes complain about "junk mail", William Roby points out that advertisers wouldn't continue to use direct mail campaigns if they weren't effective. In fact in 2009, the DMA found noncatalogue direct mail returned on average, \$15.22 for every dollar spent.

So why does Direct Mail still make a difference? Mr. Roby compares direct mail to other forms of advertising, such as television or radio advertising. How many of us change the station to avoid watching or listening to commercials? It is just as easy to ignore a newspaper or magazine advertisement. However, everyone looks through their mail. USPS studies show that 98% of consumers bring in their mail the day it is delivered and 77% look through it immediately.

The DMA report determined "print is less intrusive than broadcast" and that "print motivates consumers to quicker responses and actions."

Yankelovich Partners studies have shown that "print translates into more brand awareness and brand loyalty." The key, as stated by Canada Post, is that the message is delivered in a "friendly, familiar way – the daily mail. Your audience can read it when they choose and when they are most receptive."

Direct Mail can help achieve marketing objectives such as:

- · Awareness of new products or services;
- · Generation of prospects and new sales;
- Upselling, cross-selling or repeat selling to existing customers: and
- The ability to stay in touch with your customers to promote brand loyalty.

Companies continue to see the value of direct marketing and in particular, Direct Mail. It is cheaper than first class rates, can be easily targeted and personalized, and the message is delivered directly to the consumer. More and more often, these recipients appear on the list because of a related purchase or common interest which increases response rate.

The USPS has an excellent summary of the benefits of Direct Mail. They note that it is:

- Targeted: focuses on a specific group most likely to respond to your offer
- Personal: addresses customers and prospects by name and appeals to their interests
- Flexible: available in a large variety of sizes, shapes and formats
- Tangible: physically places your message in the recipients' hands
- Measurable: results can be tracked and analyzed to plan future campaigns
- Simple: generated from desktop software through to experienced printers and lettershops
- Cost-effective: discounted postage with small minimum volumes

Direct Mail is an effective marketing tool for companies and should always be considered for advertising campaigns. It has proven its value over the years and will continue to provide value long into the future.

It remains highly relevant so lets get the message out there! If you would like more information on the value of Direct Mail, please contact

newsletter@flagshipsoftware.com.

PoCAD Update

The software now contains a list of large business building postal codes that are excluded from the accuracy score. Many of these postal codes fall within the Toronto and Montreal areas. If your list contains business addresses with these postal codes, they will now fall under the "Excluded" category on your Statement of Accuracy. They should still be verified with the recipient, however, as this exclusion ends on January 1, 2012.

Canada Post is rolling back some postal codes to the Postal Code Address Data so that they can conduct quality checks on the PoCAD data. These changes will be reflected starting with the July 15, 2011 to August 11, 2011 data file. As the data is verified, it will be gradually replaced with the Point of Call Address Data.

You should start seeing increases in your accuracy scores within the next two months, in particular for files with business addresses. If you don't see better scores or have questions regarding these changes, please contact Kristi@flagshipsoftware.com or support@flagshipsoftware.com.



REMINDER: Important Notice!

Please note that Flagship Software supports Windows XP® and higher operating systems on your PC. This includes Windows Vista® and Windows 7®. The ability to import .xlsx files should be implemented by the end of July. If you have questions about support or compatibility, please contact

support@flagshipsoftware.com.

iAddress™ has Geocoding!

This is a reminder to all our customers that a Geocoding module is incorporated into the Canadian iAddress™ software. By definition, geocoding is the process of recording a locational identifier as part of a data record. Geographic location is a significant element of information for many businesses. Some examples of businesses who use Geocoding include:

- Direct marketing companies use geocoding to target marketing campaigns and analyse response rates
- Insurance companies use geocoding to better understand risk; costs/competitive prices vary by location
- Retail companies use geocoding to analyse customer demographics and tailor specific advertising to a geographical area
- Real Estate companies use geocoding to map their properties, analyse customer demographics and forecast trends and long term planning within the market activity
- Health care professionals use geocoding to better allocate resources based on demographics
- · Utility companies use geocoding to map their assets
- Telecommunication companies use geocoding to plot signal coverage

For more information and pricing on the iAddress™ Geocoding module please contact sales@flagshipsoftware.com.

Last Newsletter until September!

With summer already here, we thought you might like to find some lighter reading material for your holidays! We won't be publishing a newsletter in July or August but will restart with industry and product updates in September. Whether your plans include travel or enjoying your neighbourhood, sports with the kids or gardening at home, we wish you a warm and relaxing summer!



Web Training Available

Flagship Software continues to offer web training throughout the summer! If you would like a refresher course on *iAddress*™ or if you have new hires, please contact Carolyn at <u>carolyn@flagshipsoftware.com</u> to schedule a session.

