

# What you don't know can hurt you more than you realise...

# Are YOU making these mistakes?

As regular readers of *Copycat* will know, I do believe very strongly that most of today's marketers really haven't got a clue. Especially the young bucks.

It's tragic - and doing our industry untold damage...

In my own humble way, I've been doing my level best to educate. Showing examples of crap work I have received. Offering wisdom. Providing guidance.

I travel worldwide, presenting Masterclasses. I run Seminars.

I tell stories. Recommend books. Showcase the greats. Share great work. (Explain why it's great, too...)

I even walk out of meetings with dopey clients. (*Yes I do. I was chased to the lift in La La Land recently, apologised to and asked to return to the meeting. I did, then walked out again 15 minutes later. I never went back.*)

So, I can't really do much more.

All this makes very little difference. Most of the brainless berks that work in marketing these days just ignore it all – and get on and do what they do best...

...continue to waste money at an alarming rate.

But today, I'm actually going to move it up a notch. I'm actually going to <u>prove</u> to you, that what I have been saying for years is <u>true</u>. It is no longer the Gospel according to Andy Owen - it's now *official* and rubber-stamped.

The lunatics are running the marketing asylum. Thank you very much...

The fact is, most marketers today have little knowledge about anything. This is for 3 main reasons. They don't study. They don't test. And they have little or no respect for the history of the marketing culture and how much can be learned by looking back.

They think marketing started with the web. What's more, they have been totally seduced by it – and all its frivolous and overstated spin-offs.

The result is there for us all to see. So much bad work. So much wastage.

UK Marketing Directors are in their jobs now, for less than 12 months. That's a staggering statistic in itself. For most of them, that's probably 9 months too long.

And here's the scary part. Because of all this nonsense, the consumer and business audiences that are gold dust to all of us - are increasingly turning their backs on our messages, because they are now totally hacked off by it all.

We are biting off the hand that feeds us...

I was recently given a copy of the *Seventh Annual (2011) fast.MAP Marketing-GAP Tracker*. This is the <u>only</u> marketing study I know that tracks both consumer <u>and</u> marketer activity and their opinions.

This superb piece of marketing research is the brainchild of one of the smartest guys in our business. His name is David Cole. And he runs a great company called Fast Map, based in London. Check them out. <u>http://www.fastmap.com</u>

Some of you may recall that David and I worked together a couple of years ago, to offer a superb testing opportunity to marketers everywhere. Marketers could test pieces of collateral, emails, letters, ads, headlines, envelope straps etc., <u>before</u> they committed to funding the full campaign.

A document was produced on this – and this testing document is still available on my website now. <u>http://www.andyowen.co.uk/testing.html</u>

The take-up was abysmally low. No surprise there, then...

Anyway, this report that David has produced, has been tracking changes in consumers' view of the marketing industry - and their reactions to marketing innovations since 2005. What's more, it simultaneously checks whether marketers have been keeping pace with these changes.

In other words, are marketers aware of what consumers want?

You know the answer to that, don't you?

Knowledgeable direct marketers have known for a long time that our goal is to reach the right people at the appropriate time with the perfect message. We know that if we do this, we will increase sales, improve profits and strengthen brand image.

We have also known that it's always important to listen. We must give our customers what they *want* – not what we *think* they want...

But this is where the fun starts. Because today's marketers have never applied this to their strategies. They are not interested in it. They worship at the altar of brand image, mission statements, corporate guidelines and other worthless stuff.

And, of course, everything digital. The result is, they are totally out of tune with the marketplace. (Haven't I been telling you this for years?)

In the seven years that the *fast*.MAP Marketing-GAP study has been running, it has shown <u>time and time again</u>, that on certain key issues, some marketers stubbornly cling to outmoded industry theory and worthless personal opinion, rather than listening to - and learning from - the consumers they claim to be scientifically targeting.

As I said earlier, the young bucks are by far the worst.

For example, they have enthusiastically embraced SMS, Mobile Marketing, Twitter, Facebook and other Social Networks, seemingly unaware that their enthusiasm is not shared by <u>nine out of ten members of the public</u>, who say they do not want to be contacted by these routes.

Nine out of ten!

If marketers are to ensure they make the most cost-effective use of the many and varied promotional routes now on offer to them, they need to understand and respect consumer preferences. Anything else is lunacy.

If they do this, then they have a chance to exploit this essential knowledge ahead of the herd, while simultaneously avoiding wasting budget on unpopular fads and approaches that <u>simply don't work</u>.

For your delight and education, here's a brief summary of some key elements of this fantastic report.

#### **Direct Mail**

A massive 87% of UK adults open and read mail packs – up a massive eight percentage points on last year - and a new record high. This is the highest marketing-mail opening level since tracking began in 2005 - and this applies to both warm and cold mail.

This illustrates the massive improvement in public acceptance of direct mail that has taken place since the very first *fast*.MAP Marketing-GAP Report in 2005, when 26% did not open promotional mail.

#### What marketers thought

86% of marketers got this all wrong. Only 14% of marketers correctly judged that between 41% and 50% of consumers would open and read marketing mail from companies they use. 30% optimistically presumed the figure would be higher.

*Similarly, 89% of marketers <u>did not</u> predict the correct 31 – 40% who would open mail from any company – 56% thought it would be less.* 

#### The reasons people open a mail pack

For seven years, more than half of consumers have said they are most likely to open mail from a known company or brand. Personalisation has increased in importance as a motivator and moved into second place. Third reason for opening, is if they are interested in the product or service offered. Fourth and fifth choices are if the pack may contain - or obviously contains - a coupon or voucher.

#### **Preferred contact routes**

Consumers prefer direct mail and email equally. They are currently level-pegging in popularity stakes. But each medium is favoured for the delivery of information about different types of product and service. And email acceptance, of course, is closely related to previously opted-in preferences.

#### Landline, Mobile, SMS, Twitter & Social Media

Demand for contact via any medium other than direct mail and email remains exceedingly low. Apart from a handful of very specific exceptions, averages of <u>less</u> than two per cent of consumers are happy to receive marketing information via any of the above media.

#### What marketers thought...

For the first time since the study began, marketers have begun to trim their expectations about the public acceptance of marketing contact via landline, mobile phone and SMS messaging to single-figure percentages.

However, these percentages are at least four times over inflated.

*They believed that consumers wanted contact about competitions via SMS, Twitter and Social Media at 14%, 12%, and 21% respectively – instead of 5%, 4% and 5% respectively* 

*Similarly, they continue to overestimate people's willingness to welcome Social Media and Twitter contact – by about <u>ten times and five times</u>, respectively.* 

#### The mail most likely to be opened

Eight out of ten households open mail that is expected, requested, personalised or from a company they use.

# <u>Useful mail</u>

Most people find marketing mail that contains discount coupons and product samples, the most useful. This is a third more than consider Government information to be useful. A third of householders find mailed competitions, promotions and customer magazines useful.

#### The marketing messages that are read straight away

Financial, utility and supermarket mail is most likely to be read straight away.

## The marketing messages that are ignored

75% of consumers ignore and delete pop-up ads on websites. 60% ignore doordropped leaflets, social network invitations to become a friend - and email from unknown companies.

#### Mail effectiveness

More than 40% of consumers have used a voucher or coupon mailed to them. Almost 30% have visited a website after receiving a mail pack. 20% have bought something online and 15% have visited a store.

## The motivational power of coupons

The number of shoppers who redeem coupons continues to grow - to a massive 88%. Almost 40% will redeem a 20p coupon. More than 50% will redeem a coupon worth  $\pounds 1$  or more.

#### How people use coupons

70% of shoppers redeem coupons occasionally. 20% do so regularly and only 10% have never used a coupon.

#### The promotions people have used this year

60% of shoppers participate in loyalty schemes. And most people take advantage of several different kinds of offers, discounts or promotions.

#### Samples that work

20% of people who sampled a product, went on to buy.

#### Discounts prompt a third of weekly purchases

Almost 80% of shoppers were prompted by discounts and special offers to buy up to 30% of their weekly shop.

#### SMS and mobile marketing acceptance

75% of consumers object to marketing texts.

## <u>Emails</u>

75% of consumers object to receiving unsolicited prospecting emails. Almost 50% of consumers admit to receiving between one and six spam emails a day. 14% receive more than 21 every day.

#### **Fundraising**

Of the 60% of adults who donate to charity, almost half have remained loyal to their chosen charity for more than ten years.

#### Phone contact by charities

80% of those enrolled in the TPS would not be happy for charities to call them. Only 7% of donors feel charities should be excluded from the service.

#### Opting out

71% of consumers always tick the opt-out box to bar third parties from making contact and 22% also ban the company they are responding to, from further contact.

So, there you are. A snapshot of current consumer thinking and preferences. It's great information that can help anyone slaving at the coalface of marketing in these tough times.

Ignore it at your peril. This might be a UK study, but you can rest assured that the findings are pretty much relevant to wherever you may be based.

But, I have to conclude by saying, that for me, two things come out of this superb report, head and shoulders above everything else.

1. The enduring popularity of direct mail. Continuing last year's trend, there is almost no consumer demand to be contacted about any marketing subjects by media other than by mail and opted-in email.

**2.** How little marketers really *know*. I have only shown a couple of examples of the massive gap between consumer and marketer thinking. Nearly every question asked, displayed a worrying difference.

Despite media proliferation, consumers are now happier to be contacted about most subjects via their letterbox than they were seven years ago. Where do you read this in today's marketing press? How many marketers know this? Why are postal authorities worldwide not reacting to this in a positive way?

I am expecting to be speaking to clients and prospects in the coming months about future campaign activity - and hearing that they are committing large sums to Social Media. I am expecting to be told that direct mail is too expensive compared to email.

I will laugh, as I have been laughing for the last few years.

I will remind them that 90% of consumers (and business people incidentally,) look forward to, open and read direct mail. Over 75% object to emails and less than 10% of cold consumer and business prospecting emails are even opened.

Work out the sums for yourself. These are very scary numbers.

How many times does it need to be said? It's not what it costs. It's what it delivers.

So, remember this. There are known knowns. There are things we know we know. We also know there are known unknowns.

We know there are some things we do not know. But there are also unknown unknowns – the ones we don't know we don't know.

However, within that seemingly all-encompassing set of options, one is missing.

Things we think we know, but we may be wrong...

Listen to what your customers and prospects are telling you. Because what they tell you, is almost certainly going to surprise you. Wondering how you can find out?

Test. Test again. And continue to test. Then you will know...

Keep the faith

# About the Author

Andy Owen is MD of Andy Owen & Associates, a leading International direct marketing consultancy, specialising in all aspects of creative, copy and strategy for direct marketing.

The company's corporate website is <u>www.andyowen.co.uk</u> The specialist copy division has its own site at <u>www.copywritingthatsells.com</u> Andy is personally involved in <u>every</u> creative and copy element that is produced by Andy Owen & Associates.

As well as his International speaking engagements, Andy runs in-house copywriting and direct marketing Masterclasses, Workshops and Seminars for companies and organisations all over the world. Check his latest gigs on the website. http://www.andyowen.co.uk/speaker-presenter.html

If you feel your company could benefit from any of these, or if you would like further information on any aspect of copywriting and creative for direct marketing, please contact Andy personally at <a href="mailto:andyowen@aol.com">andyowen@aol.com</a>

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