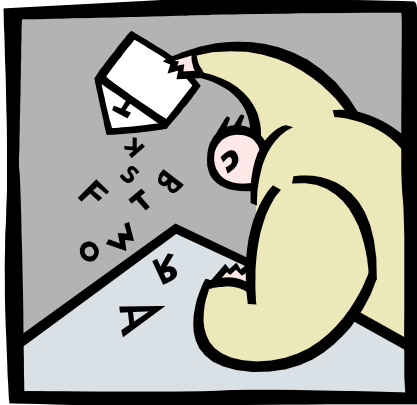


RETURN TO SENDER



**Response rates are proportional to the degree of tailoring**

**A Pearlfinders' subscriber asked us - "What would you consider to be a good response rate for an agency DM piece?"**

This is something we're asked a lot and it's really determined by how relevant the communication is to each *individual* recipient. Generally speaking mailers may be assigned to one of two categories. The first, a 'programmed mailing' makes a good general point that needs to be communicated to many people and isn't diminished particularly by not being individually tailored. Perhaps it can be 'top and tailed' to an extent, with some customization in the introductory paragraph and the call-to-action. The second however, a 'tactical mailing', makes a highly specific point that is relevant to only a handful of people, whereby it is necessary to tailor the entire communication.

You may have time to create up to say ten highly tailored and (we hope) intelligently written and proofed new business communications in one day. But you can't do a thousand. And at that number and above, you would probably want to use a scanned signature rather than sign each one by hand. And so the response rate will depend on how many units you need to send out, which is proportional to the degree of tailoring.

For example (and on the basis there is no follow-up activity whatsoever), if we were sending out three very tailored communications for a marketing services company, I'd expect a response ratio of one in three. If I send ten, I'd expect two back. If I send out on average one hundred, to two hundred, I'd expect around ten responses. If two hundred to five hundred, on average around 7.5%, and if five hundred to one thousand, it would be around 5%. Over one thousand, 2.5% is good, and here we must remember that new business mailers are not just measured on the short-term response, they also perform valuable and much more difficult to measure awareness and brand-building functions.

As a rule, if response is less than 2% for a high-value, marketing services communication, then there's probably something wrong with the content, tone, execution or dispatch. Here's a table for reference on response.

Units	Good Response*
3	33%
10	20%
100-200	10%
(At this point individual tailoring becomes more challenging). Then...	
200-500	7.5%
500-1000	5%
>1000	2.5%

For the last row of this table, bear in mind that as we are talking about high-value professional services, and that you're unlikely to get a response unless there's a good reason, twenty-five responses can contain some quite exciting news.

I hope this not only answers the question, but also encourages you to do more hardcopy direct marketing. Email has to be in the mix, but in a space that's very crowded, there are certain qualities hardcopy DM provides in the areas of first contact attention, recall, personality and brand building, that email does not.

\*Some may question that these percentages represent 'good responses'. On occasion we've had 100% and sometimes zero percent responses – the above numbers are based on the averages.