

Is direct mail dead within a digital marketing world? Exploring the value of direct mail in multichannel communications

BACKGROUND

Considering contemporary society, e-marketing has become significant in the marketplace for businesses and consumers (Chaffey & Smith, 2013). In practice, fixed and mobile access to the internet is growing rapidly, with large increases in use over the last decade. The World Data Bank (2019) has reported that over three billion people regularly access the internet worldwide in 2019, in comparison to just over 1 billion users in 2008. Specifically to the United Kingdom, digital usage is extensive, with the Office of National Statistics (2018) reporting that 89% of adults used the internet daily in 2018, with usage trebling since 2008 within adults aged 65+. Trend analysts attribute the technological impact on society to the growth of innovation and digital transformation which has propelled growth of technologies such as smartphones and 4G/5G data access. Kerr (2017) depicted specifically, technologisation has catalysed business benefits such as service delivery, marketing, speed and transparency of data, mobile working, smart cities and virtuality. As such, given the scale of access and substantial business benefits, e-marketing has reinforced its position within marketing plans for the foreseeable. This differs from early perceptions of the internet which was viewed as 'just another channel to market' (Kumar, 1999: p.204). Subsequently, it is increasingly apparent that marketers are beginning to abandon or avoid Direct Mail (DM) adoption within the marketing mix, with declines of 10% or £1.5 billion predicted over the next two-years (PrintWeek, 2019). The advertising landscape has fundamentally shifted in the face of the rise of email, social and online PR (Marketing Week, 2018).

DIGITAL COMMUNICATIONS GROWTH

Referred to as 'direct mail on steroids' (Chaffey & Smith, 2013: p.77), Email has become a frequent addition to the marketing mix. Studies advocate its value, with benefits encompassing low-fulfilment costs as DM is considerably more expensive when considering postage (Mullen & Daniels, 2011). Lead-times and lifecycles for Email are additionally shorter than traditional media, generating immediate calls-to-action and increasing its attractiveness to marketers (Mullen & Daniels, 2011). Furthermore, Damian (2014) argues the growing demand for personalised services is easily achievable via Email than other media, owing to customisable-tag functions.

Furthermore, Social Media is frequently utilised as a communications tool in marketing, generating a widespread reach across platforms where there is purported to be 3.02 billion users online in 2021 (EU, 2019). As a result of strong-usage, marketers are expected to invest 22.7% more in social media marketing by 2019 (Marketing Week, 2018). 92% of marketers further reported that Social Media has generated more exposure for their business (Social Media Examiner, 2014). As a marketing tool, Social Media can be utilised as a cost-effective method for

businesses to achieve goals such as brand awareness, customer acquisition, lead generation, retain customers and demonstrate thought leadership (Ramsay, 2010). For the purposes of online PR, researchers have uncovered the value of user-generated social media communities in effectively cultivating brand-related equity, leading to business growth (Halliday, 2016). Subsequently, the rise of digital transformation has led to the assumption that customers expect to engage with brands and businesses through a range of digital channels. Rowley (2004) outlines the advantage of the internet for both business-to-business (B2B) and business-to-consumer (B2C) communications, identifying digital tools as a cost-efficient route to audiences. Consequently, with the widespread increase of e-marketing media and communication channels, it is anticipated that traditional communication channels such as television, telemarketing and DM will decline to some extent (Bezjian-Avery et al. 1998).

IMPLICATIONS FOR DM

It is evident that the contemporary digital stratosphere has impacted business processes and consumption habits, transforming and empowering communication and culture (HBR, 2017). Subsequently, researchers have begun to explore the premise of the plugged-in paradox, debating that technology has accelerated the growth of consumers who are always online and connected (BBC, 2015). It can therefore be inferred that the plugged-in paradox has implications for perceptions towards DM. For instance Black (2010) suggests that technology has driven demand for instant gratification across newer generations. As DM is shown to have longer lead-times than other channels, it can be reasoned that its utilisation for communicating with newer generational cohorts will be less of a priority in comparison to digital and instantaneous channels (Bezjian-Avery et al. 1998). Furthermore, when DM is unsolicited, research shows it is frequently perceived as junk mail which therefore reduces its overall value (WRAP, 2019). Consequently, the Citizen's Advice Bureau (2019) has established a number of measures that consumers can take to prevent DM, taking these changes in customer perception into account. Accordingly, in practice the query has emerged which posits 'Is DM dead?' (Forbes, 2017, Marketing Week, 2018; The Drum, 2017).

RESEARCH OBJECTIVES

- Explore the relevance of value of DM to contemporary consumers.
- Establish whether marketers can leverage DM in Multichannel communications.
- Evaluate the premise which considers 'Is DM dead?'.

METHODOLOGY

This dissertation will be exploratory in nature, attempting to gauge an insight into the attitudes and perceptions that practitioners and consumers have towards DM and whether it is still relevant within contemporary contexts such as multichannel consumption. To ensure triangulation and ensure an integrity of findings, a multi-method research will investigate objectives via a multitude of qualitative and quantitative primary and secondary data collection (Olsen, 2004). Semi-structured interviews will be designed following a conceptual framework,

which will provide a valuable foundation to identify criteria applicable to contemporary media channels and consumption habits (Kerin et al. 1992). Combining new data collection with existing academic constructs within the design of interview questions will help to establish research validity (Olsen, 2004) developing or expanding on pre-existing concepts within the fields of DM and multichannel communications. Following primary qualitative data collection, the methodology proposes an examination of DM applicability within Multichannel communications, outlining secondary case studies where DM was used and avoided and how this impacted outcomes. In turn, this will assist the researcher in informing reasonably valid generalisations which adopt a pragmatic interpretivist approach, examining how the interview sample findings interlink or diverge from case study explorations (Saunders et al. 2012).

SAMPLE & ETHICS

This dissertation will explicitly focus on mixed-methods primary and secondary data collection to explore research objectives. As the background investigation identified the prevalence of interchangeable consumption across generations (Black, 2010), this suggests that varying demographics such as age, education and lifestyle may have a correlational impact on the types of media which are relevant or valuable to consumers. Subsequently, isolating independent variables such as demographics for example, females and males aged 18-65 will help to identify segmentation factors that impact how communication channels are perceived and valued. Subsequently, a non-probability purposive sampling method will account for a selective sample group, capturing a variety of perspectives by use of demographics which present a multitude of consumption habits and preferences (Saunders et al. 2012). A following cross-analyses across the secondary data case studies will help to establish empirical validity and generalisability to what businesses are achieving or missing in marketing strategies (Saunders et al. 2012). Informed consent will be required to address ethical concerns where the dissertation will require interviewees to discuss personal experiences for the purposes of the study (Saunders et al. 2012). To mitigate concerns, anonymity will be reflected by referring to participants numerically/alphabetically to protect identities and limit intrusion (Saunders et al. 2012).

Overall, all resources and expenses to be utilised will be low-cost, with time the largest investment required to ensure that each milestone is completed to satisfaction. Resources include time for library hours, primary and secondary data collection as well as use of equipment and room space for interviews. As interview questions will be structured from the literature's conceptual framework, the largest proportion of time has been allotted to the literature review chapter, being essential for the deductive approach of the study (Saunders et al. 2012).