



Customer Acquisition and Digital disruption via direct mail

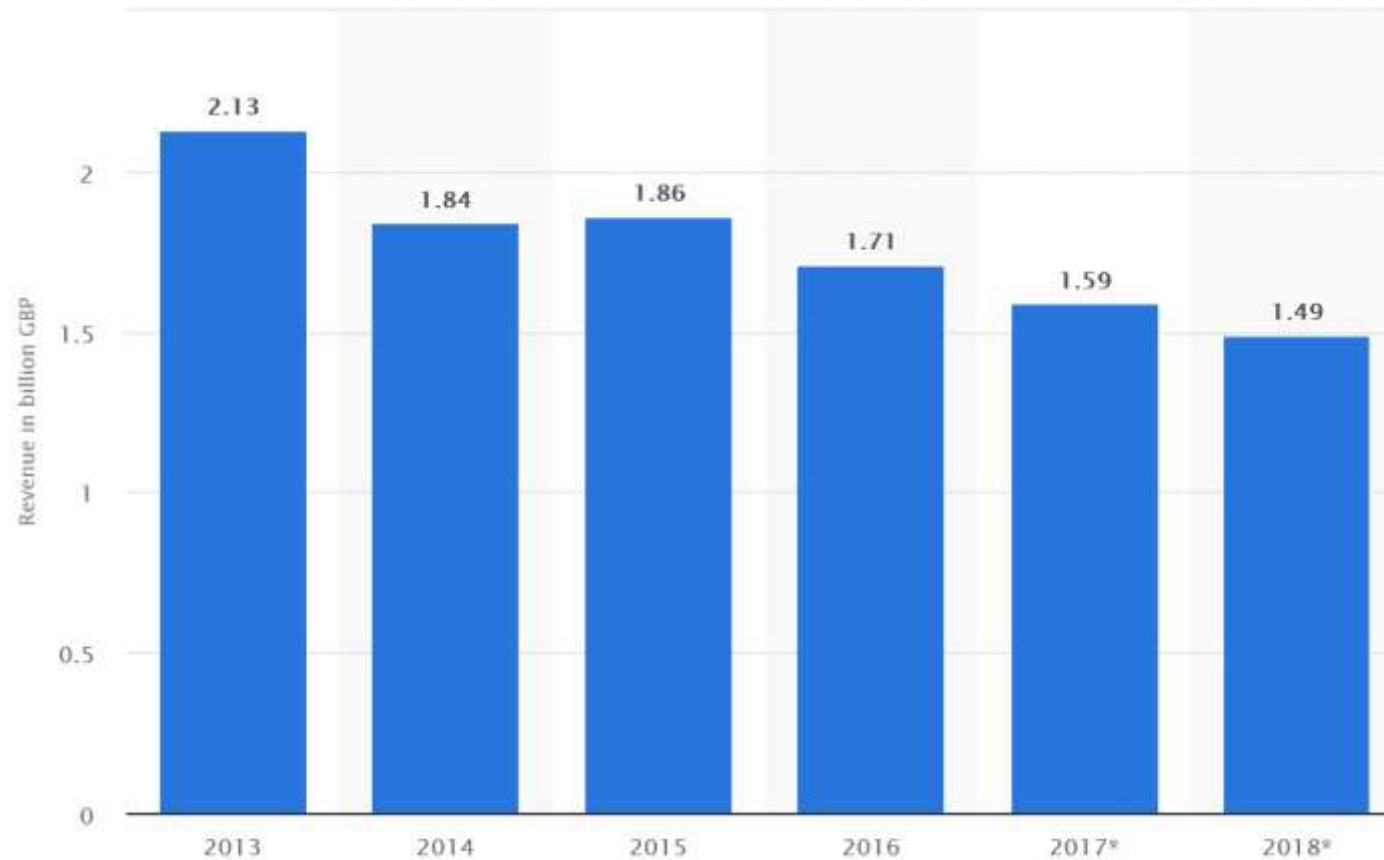
Marketing spend in the UK has hit £23 billion

	Adspend 2016 (£m)	2016 v 2015	Forecast 2017	Forecast 2018
		% change	% change	% change
Internet	10,304	13.4%	8.5%	7.6%
of which mobile	3,866	45.4%	30.4%	20.8%
TV	5,277	0.2%	-0.5%	3.0%
of which spot advertising	4,730	-0.5%	-1.4%	2.4%
of which broadcaster VoD	197	12.6%	13.7%	11.0%
Direct Mail	1,713	-10.4%	-7.5%	-6.0%
Out of Home	1,106	4.5%	3.4%	2.3%
National newsbrands	1,101	-10.0%	-7.4%	-7.2%
of which digital	230	4.9%	1.9%	1.4%
Regional newsbrands	1,021	-13.2%	-8.6%	-8.3%
of which digital	193	-3.4%	0.2%	1.0%
Magazine brands	877	-6.8%	-5.1%	-4.6%
of which digital	282	0.2%	3.3%	3.7%
Radio	646	5.4%	3.3%	2.6%
of which digital	28	35.0%	21.3%	18.7%
Cinema	257	8.0%	5.3%	3.6%
TOTAL UK ADSPEND	21,372	3.7%	2.5%	3.3%

.. Mostly weighted towards acquisition

<https://www.marketingweek.com/2017/04/25/uk-ad-spend-digital/>

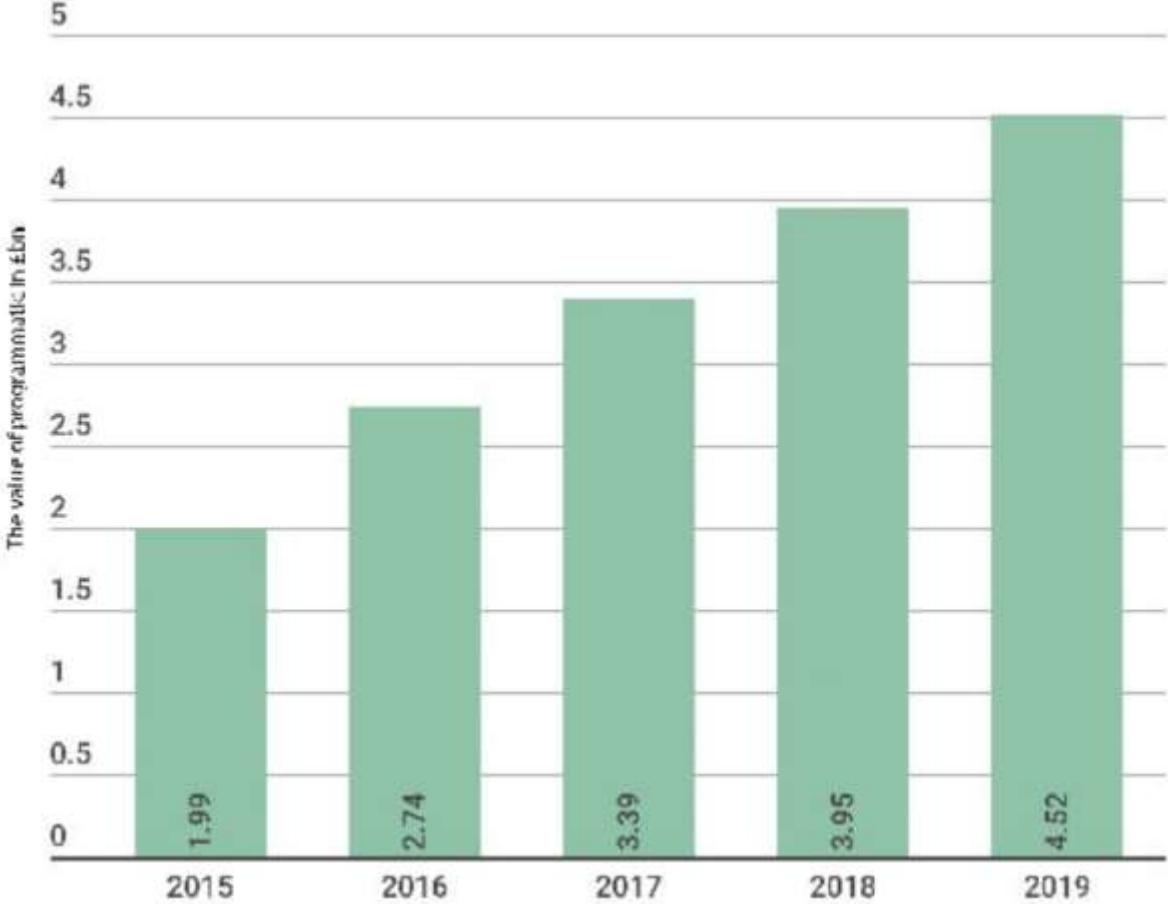
Direct Mail advertising revenue in UK from 2013 to 2018 has declined



.. Whilst spend in digital has increased

<https://www.statista.com/statistics/262729/direct-mail-advertising-revenue-in-the-uk/>

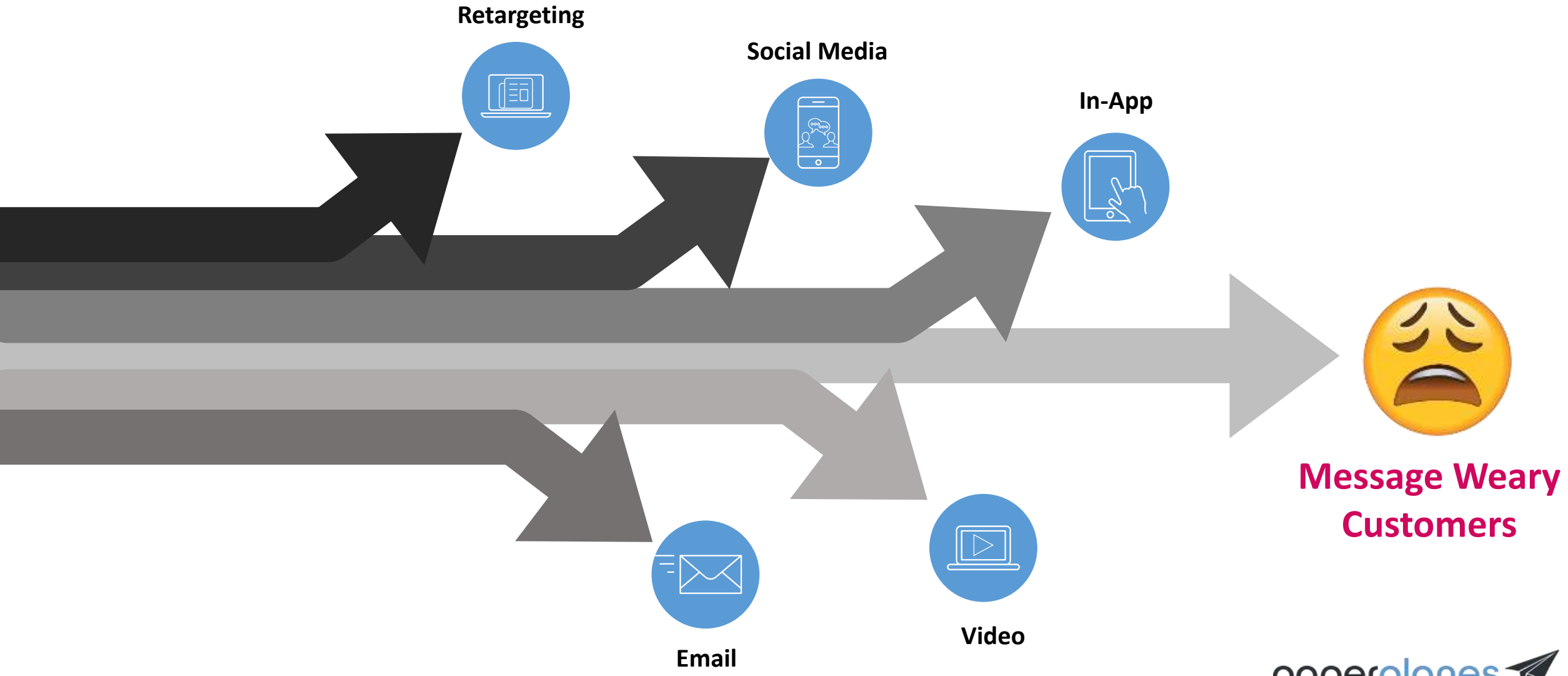
Programmatic spend is also predicted to keep rising



Estimated to top 4.5 billion by 2019...

<https://www.marketingweek.com/2017/12/12/uk-programmatic-ad-spend-2017-and-beyond/>

How do we currently acquire customers?



87% of people want meaningful interactions with brands, but only **17%** truly think this is what they offer...

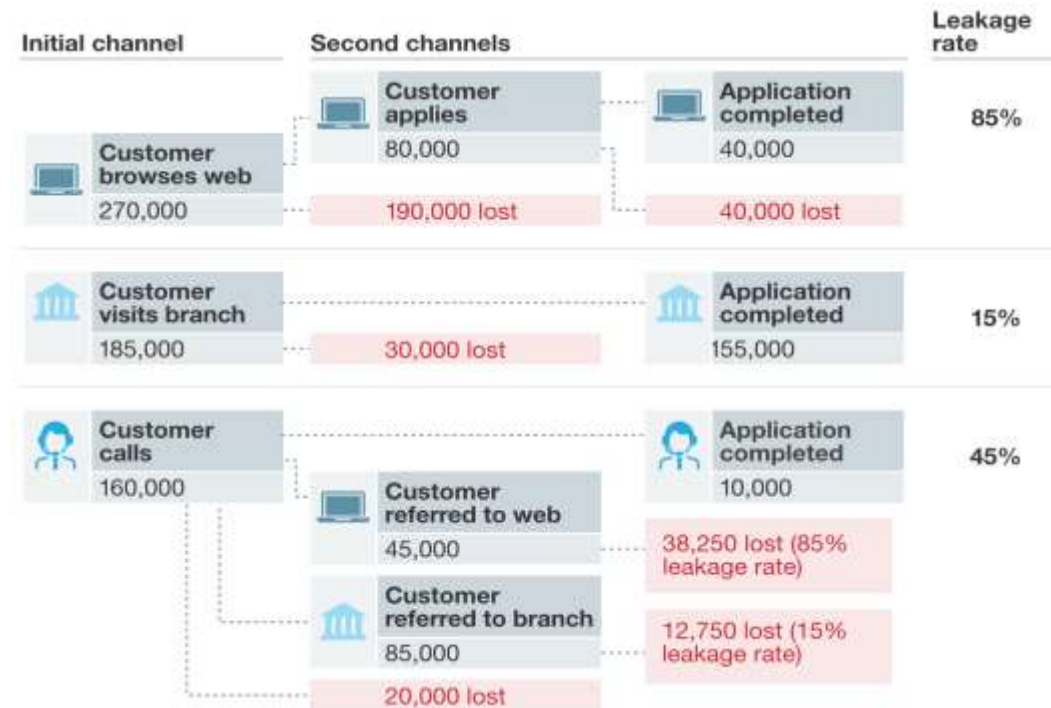
Capgemini, 2017

We are still losing far too many customers online

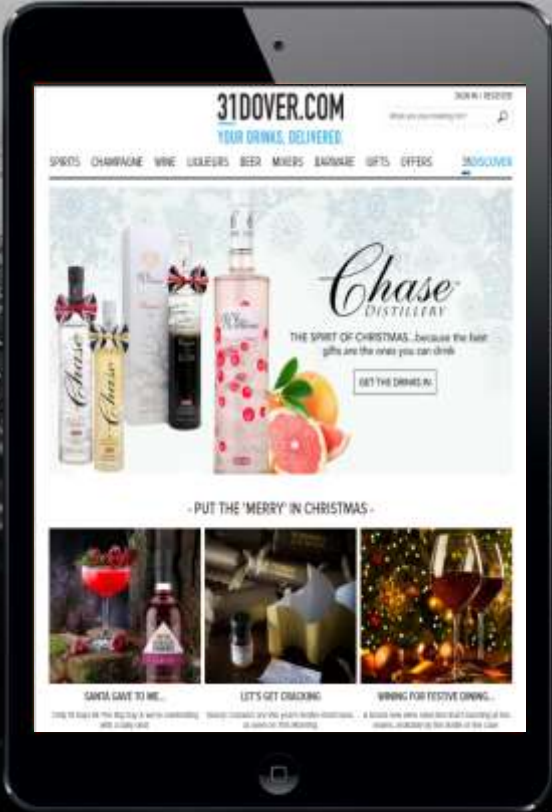
Failure to optimize digital channels may result in underperformance.

Banking example

Channel — Customer action
Traffic — Online — Bank branch — Call center



Automating the production of highly relevant and measurable personalised direct mail based on customer website interaction...





...And delivering
it into a customer
home can help

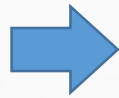


Warm acquisition tactics such as abandoned subscription follow up can be automated and will deliver strong results

Through utilising the right channels there is opportunity to acquire more customers and increase conversions



1) New customer shows interest in your titles



2) Address validated as details entered



3) Customer drops out after providing info but before confirming subscription. Mailing sent



4) Relevant follow up sent encouraging conversion

Other channels typically used for retargeting have become saturated

Conversion from existing abandoned basket emails				
Channel	Campaign	Offer	Conversion full vol. send	Conversion through Click
	Abandoned Basket after 1 HOUR	No offer	2%	13%
	Abandoned Basket after 24 hours	No offer	1%	8%
	Abandoned Basket after 24 hours	Free Delivery	2%	8%
	PPC Brand (people who have abandoned then searched for a brand term)	No offer	n/a	14%
	PPC Non-Brand (people who have abandoned then searched for a generic term)	No offer	n/a	13%
	Display Marketing (display banners across various websites including Facebook)	No offer	n/a	4%
	Paperplanes Programmatic DM Abandoned Basket strategy	Free delivery	11%	42%

*Paperplanes clicks are measured by engagement (those who came back to the site after receiving the mailer as a 'click')

...Our average conversion far exceeds expected retargeting results across digital channels



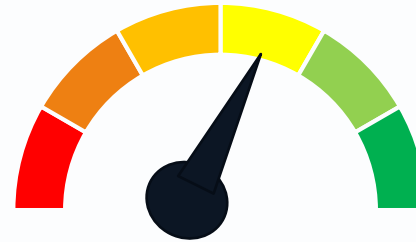
Programmatic Mail creates amazing results



Conversions as high as
33%



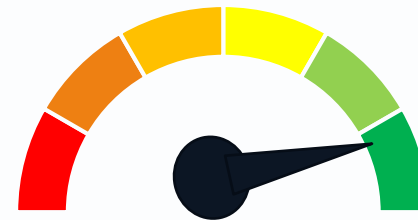
Average conversion rate
of 14%



Strong levels of ROI



Increased online
engagement



Extended sales cycle

100% responders

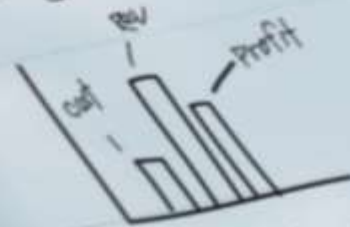
5\$ each

8.4% conversation rate

Costs : $\frac{\$42,000}{}$
 $= 7,843 / \text{buyer}$

89%

Upcoming Campaign



Audience Size 10,000

Response Rate \rightarrow 10%
(expect, how?)

Conversion Rate \rightarrow 5.3%

average buyer purchase \rightarrow \$14,000

Subscription

Generating strong levels of incremental uplift for customers interested in magazine titles



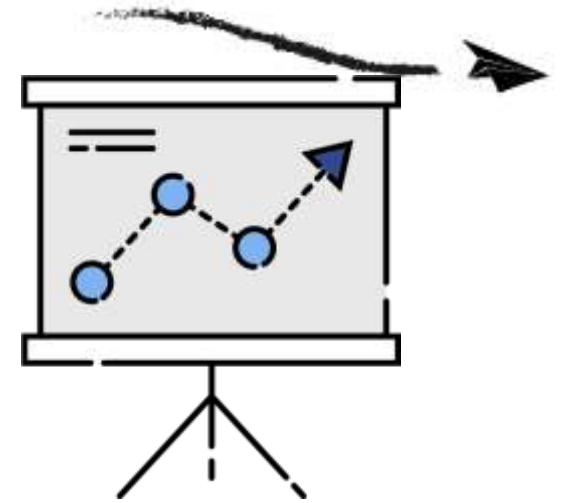
The Problem

A client wanted to find a way of winning new customers in a post-GDPR setting. They noted significant traffic abandoning subscription bookings online. Typically email was used to retarget these customers. Although the email led to a good return it had become difficult to further improve the performance of this channel or reach customers who has not opted into the channel



The Solution

The client partnered with Paperplanes to identify online browsers of titles that abandon and send those prospects programmatic direct mail. Customers were retargeted and encouraged to come back to complete their subscription process. We delayed execution of content 24 hours to allow time for the email retargeting campaign to capture browsers



The Results

The campaign led to strong incremental uplift and extremely favourable ROI.

- We generated a 20% conversion rate
- 75% uplift on typical conversions
- 35% incremental sales uplift generated
- £12 ROI for every £1 invested
- The campaign continued to generate strong conversions well past a standard 7 day period engagement normally occurs, thus extending out the typical sales cycle



But don't also underestimate the value of engaging with your previous or existing customers



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Your loyal customers will be the most valuable to the brand, especially if they are purchasing multiple titles

Lapsers are also extremely important. Have you got a relevant customer contact strategy in place across multiple channels to follow up with these customers