

# THE PROGRAMMATIC DIRECT MAIL IMPERATIVE: HOW A CHANNEL WITH OFFLINE ROOTS FITS INTO YOUR DIGITAL MARKETING MIX

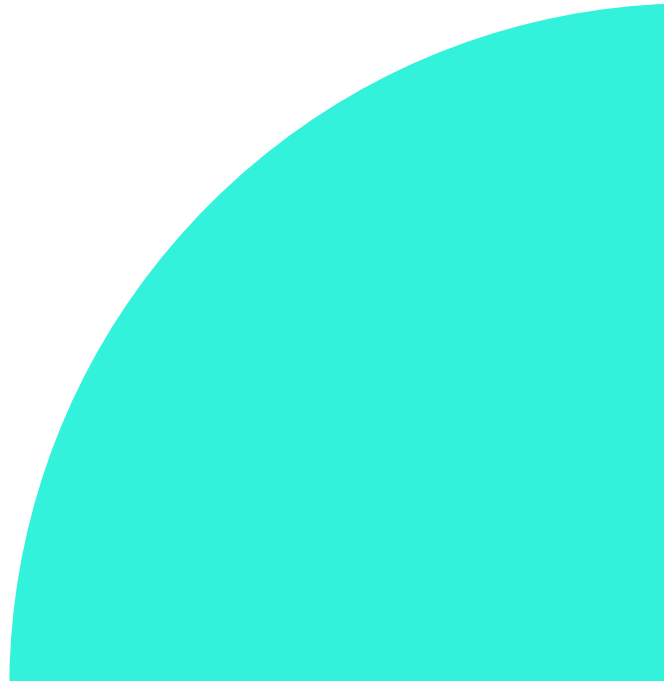


**PEBBLEPOST**

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# INTRO

Direct mail has been around for longer than anyone reading this has been alive.

Long before email came onto the scene, the typewriter helped direct mail become a widespread marketing medium after 1867. The term “direct mail” itself [emerged around 1905](#), and the Direct Mail Association—now the Data, Marketing & Analytics arm of the [Association of National Advertisers](#), or ANA—began in 1917. The first direct mail agency came into creation in 1921, and then a special class of advertising mail in 1928.

Fast-forward almost 100 years later, and direct mail now forms the foundation of a compelling channel for engaging decision-ready consumers at scale: Programmatic Direct Mail (PDM).

While digital marketing is and will remain, essential to any effective marketing strategy, it’s also shown its limitations of late. Consumers are digitally fatigued from receiving so many ads on their screens daily. They’re also increasingly engaging in non-linear, “phygital” shopping experiences in which they toggle between an array of channels in the online and offline worlds, often simultaneously. Privacy law and browser changes mean it’s harder to track users across the internet and measure the effectiveness of advertising campaigns in programmatic channels, greatly diminishing addressability.

Marketers now require solutions that go beyond and complement their typical efforts to get the most out of their marketing budgets. That’s where PDM comes in.

PDM solves the aforementioned marketing pain points by blending the most well-honed characteristics of direct mail—compelling creative, concise messaging, and persistent household addresses—with robust digital targeting features and measurement capabilities. Like traditional direct mail, PDM media is more memorable, has a longer shelf-life, and is 100% addressable. At the same time, it also applies many of the same features we know and love from digital advertising: faster execution, real-time relevance, and a focus on performance.

PDM uses online shopping and buying behaviors with machine learning to separate signals from noise. This data informs who gets a piece of mail so you can confidently get a personalized message to the right person. In essence, PDM helps you seamlessly merge digital purchase intent with a physical touchpoint, creating a much-improved consumer experience. And that better experience is what turns marketing dollars into business revenue. In the following few pages, we’ll explore how PDM helps brands achieve this ultimate goal.

# WHY USE PDM TO AMPLIFY YOUR DIGITAL STRATEGY?

PDM is the cousin of other emerging, fast-growing offline-to-online channels that we refer to as “hybrid.” Describing PDM this way provides a necessary reference point for understanding how marketers can apply these legacy tactics in a digital world. Channels like connected TV (linear), digital-out-of-home (out-of-home), and audio (radio) have all followed the same playbook, stitching together online and offline components to provide a more complete picture of consumers and close the loop on marketing measurement.

Incorporating PDM into your marketing mix specifically carries three main benefits.

## 1 It allows marketers to deliver a truly omnichannel experience

It's getting harder and harder to reach today's consumers. Digital noise is real, and some Internet users now choose to tune out. Time spent on media is decreasing, and U.S. e-commerce growth is behind other economies as more shoppers flock to brick-and-mortar stores. For these reasons, industry experts like [Insider Intelligence analyst Jeremy Goldman](#) recommends advertisers take advantage of “innovative formats that break through the clutter.”



When thinking about digital in a silo, it can cost brands [20% of their marketing spend's ROI](#). [Studies show](#) that consumers now engage with five channels before making a purchase. And the ways they want to engage with those channels are personal to each consumer.

According to the National Retail Federation, [80% of all shopping still happens in stores](#). However, consumers are now also using technology in-store more often, with [56% using smartphones to shop or browse](#) products in a physical retail location. While some consumers may ignore an email or unsubscribe, they might be excited to get a postcard that sends them to a retail store to score a deal on an item they've been browsing online.

Said another way: An “omnichannel” strategy can't just mean “omnidigital.” Brands must be present across all channels to reach consumers when and where they are decision-ready.

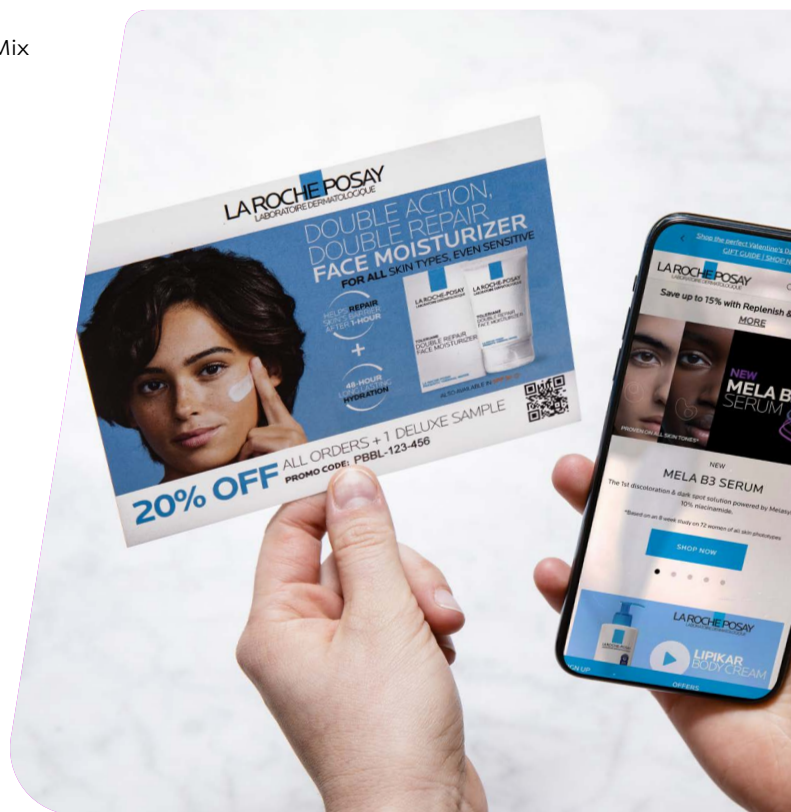


## 2 It increases reach, performance, and ROI

Half of US adults use an ad blocker, limiting the reach of digital advertising. And when it comes to email, open rates hover around 20%, which means 80% of your customer or prospect list misses your messages. Google's [new requirements for bulk senders](#) also stand to reduce the effectiveness of email marketing in the future.

PDM bypasses these challenges. A brand's universe of potential customers is anyone with a household address. No, they're not going to tap into even a fraction of that population nor should they, because not everyone is in the market for a specific product simultaneously). But knowing you have the option to engage such a vast audience does help in areas like customer acquisition and audience modeling. And while a consumer can quickly delete or ignore an email, most check their snail mail daily. There's no ignoring PDM.

Plus, physical mail is more memorable than digital marketing and lasts longer on the fridge or counter, which is excellent for extended consideration cycles. Coordinating direct mail and digital can also result in a [60% increase in ROI](#) because it allows marketers to amplify and reinforce their digital messaging to those consumers who are decision-ready and in-market.



## 3 It makes marketing truly addressable

As the industry continues to curb digital identifiers and consumers gain agency over their data, companies reliant on third-party cookies and data will find it increasingly difficult to resolve identity accurately and make deterministic decisions about individuals and households.

Because PDM is built on household IDs, not digital identifiers that could get deprecated at any point in time, it provides brands with a future-proofed means of engaging decision-ready consumers. Consumers can change their email addresses whenever they want and ask apps not to track them online. But they'll only likely move a handful of times in their lifetimes, making the household address a persistent

## WHERE DOES PDM FIT INTO YOUR OVERALL MARKETING STRATEGY?

The simple answer is anywhere and everywhere.

PDM allows you to engage audiences across the entire funnel in an easier, more cost-effective, and more

measurable way. Because PDM is rooted in household postal addresses, not legacy digital identifiers, brands can link consumers across both digital and physical and the buyer funnel, from registration to purchase.

Let's use the example of a [full-funnel PDM campaign](#) with the fine jewelry brand Mejuri, which sought to overcome today's congested advertising environment and scale faster by connecting with the right audience.

“Direct Mail is part of our omnichannel approach, so any creative you see online is matched and mirrored in our Direct Mail, reinforcing the message with consistent creative across multiple channels which leads to stronger recognition.”

**KELSEY KNIGHT**, Growth Marketing Manager, Mejuri

MEJURI

6X  
Prospecting  
ROAS

9X  
Prospecting  
ROAS

50X  
Prospecting  
ROAS

### PROSPECTING



Model Lookalike  
Prospects



Engage Email &  
SMS Subscribers



Optimize  
Prospects Lists

### RETARGETING



Convert Unknown  
Site Visitors



Re-Engage  
Past Purchasers

### RETENTION



Optimize  
Customer Lists



Engage Email &  
SMS Opt-Outs



Launch  
Tentpole Events

## Prospecting

Mejuri had noticed a considerable increase in the volatility of digital ad pricing. CPMs continue to rise, making it challenging to forecast marketing spending efficiently and reach their target market.

PDM is the perfect foundation for customer discovery and lead generation. It goes beyond simply leveraging insights from your website and CRM like you would in a digital-only campaign. PDM applies behavioral signals, brand affinity, and send and response data to identify and engage prospects with attributes like your highest-value, decision-ready customers.

Mejuri applied lookalike modeling to its list of best customers to identify prospects who look and act the same and saw a 6x return on ad spend (ROAS).

## Retargeting

No consumer wants the proverbial retargeting ads that creepily follow them across the internet with an item they might not even be in the market to buy.

PDM is different. It doesn't use rules-based triggers to re-engage visitors to your website. Instead, it applies online browsing and buying behavioral signals from across your website to dynamically identify audiences based on their active purchase intent every 24 hours. You can then use those signals to identify what interests your visitors and engage them through a personalized postcard with more real estate to provide offer details and a more extended exposure period.

Retargeting enabled Mejuri to exceed its goal and reach 9x ROAS and an 85% conversion rate lift.

## Retention

A typical approach to engaging lapsed customers is emailing promotional or discount offers. However, while consumers are likely to read and respond to messages they expect, they're just as likely to ignore marketing emails.

A channel like PDM lets you approach this funnel stage holistically. When you use PDM as part of the marketing journey, you can leverage identity, intent, and transaction signals to pinpoint decision-ready customers. Instead of mailing all lapsed or disengaged customers who did not open emails, you can engage only those in the market to buy, saving time and increasing ROI.

Mejuri achieved 50x in retention ROAS by optimizing customer lists and engaging email and SMS opt-outs.

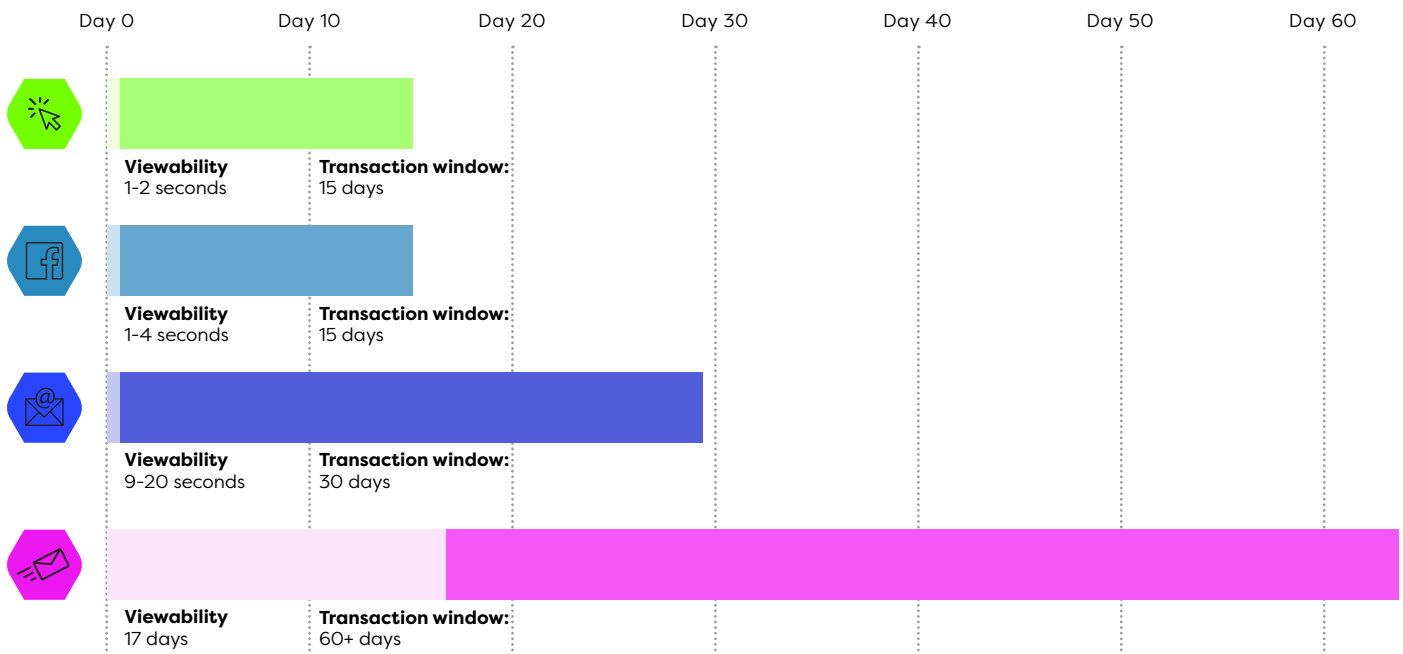


## HOW DOES PDM IMPACT THE CONSIDERATION PERIOD AND ATTRIBUTION WINDOW?

No matter the marketing technique or strategy, PDM does one thing in almost every case: extends the consumer consideration period.

Because PDM uses a physical asset, it extends a brand's digital impression to stay top of mind longer. Automation and machine learning allows you to identify decision-ready consumers with active purchase intent in near real-time. While a Facebook ad may drive a consumer to your website, PDM can follow up on that visit with a piece of marketing mail delivered in 24 to 48 hours. This lets your brand pick up where digital left off and continue the conversation during a critical consideration period.

In this case, you've increased your "impression" from seconds to 17 days and extended how long your brand will stay in the consumer's mind by up to 45 days. This physical, long-lasting impression is highly impactful and complementary to digital channels.







### As a result of this longer consideration period, PDM also has a longer attribution window.

While the longer transaction window is excellent for driving long-lasting impact and incremental revenue, marketers must shift their thinking in measuring PDM vs. digital channels. Compared to digital channel attribution windows (typically 15 to 30 days), the standard PDM attribution window can be up to 60+ days. This is a critical callout because:

#### *Frequency capping works differently.*

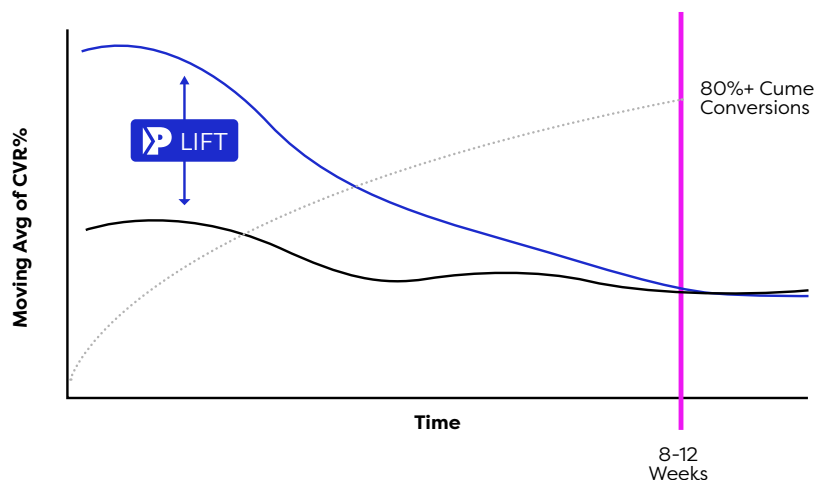
You can serve a digital ad to someone multiple times daily or weekly. But that's a terrible customer experience for direct mail. The benefit of PDM is that consumers can convert at their convenience, through whatever point of sale (online or off) they want.

#### *There are no clicks in offline media.*

With PDM, you don't have those early performance indicators—everything is “view through.” Using QR codes and offer redemption as the sole means of measurement does not tell the whole story of PDM's impact on performance.

#### *The most accurate way to measure is via hold-out groups.*

To expand your view of PDM performance beyond things like QR codes, you need to measure differently. Since PDM is all household-based targeting, it supports clean hold-out groups, suppresses existing customers accurately, and enables always-on incrementality studies. As you continue to scale; you can compare your lift results to industry benchmarks or your historical data, which can help indicate performance ahead of the longer



## CONCLUSION: FIVE KEY PDM TAKEAWAYS

By now, you should know better how and why PDM can be effective as part of your overall marketing strategy, regardless of the funnel stage. If you remember anything from this short guide, we hope it's these five things about PDM:

- 1 It combines the best of physical media and digital ad tech** so brands can engage decision-ready consumers across the online and offline moments that matter to drive measurable performance everywhere.
- 2 It amplifies a brand's digital strategies** by enabling a truly omnichannel experience for consumers, increasing reach and performance, and making marketing addressable in a world full of changing privacy regulations.
- 3 It allows you to reach and engage consumers** across the entire customer journey, making it a critical part of any marketing strategy.
- 4 It extends the digital impression so you can stay top-of-mind** during longer consideration cycles.
- 5 It acts and thinks like digital, but with longer attribution windows** due to longer transaction windows, so brands must rethink how they gauge PDM performance.

Programmatic Direct Mail is a powerful channel that can fuel incredible growth for your brand—especially when used in tandem with digital marketing to engage consumers with an integrated, omnichannel approach.

Want to learn how you can redefine your marketing success with PDM? Speak with a PebblePost PDM expert to discuss the perfect solution for your brand: <https://www.pebblepost.com/learn-more>.



# ABOUT PEBBLEPOST

**PebblePost** is the industry leader in **next-generation addressable marketing**, enabling brands to **engage decision-ready consumers** across the online and offline moments that matter via **Programmatic Direct Mail**.

Fueled by billions of shared 1st-party identity, intent, and transaction signals, PebblePost's platform enables brands to quickly and easily engage addressable audiences with active purchase intent and measure performance across all points of sale with address-level accuracy. With these powerful audiences and analytics on their side, brands can build a sustainable marketing engine, creating impactful ways to engage consumers and fostering profitable growth with full-funnel solutions tuned to their data and goals.

Hundreds of leading brands trust PebblePost to help them grow profitably through performance-driven marketing strategies built around their first-party data and goals. PebblePost is based in New York, New York with offices across the United States. Learn more at [www.pebblepost.com](http://www.pebblepost.com).

