

Direct Marketing

Direct marketing refers to any form of marketing communication that takes place directly between the organisation and the potential customer. Direct mail has been popular for a long time. Telephone marketing is a growing element of direct marketing. The Internet is one of the fastest growing forms of direct marketing, with both domestic and international potential.

Direct marketing also includes sales promotion — the use of samples, competitions, coupons and information handed out at shopping centres, train stations or airports, or included with other purchases, and catalogue selling.

It includes:

- ◆ direct mail;
- ◆ telephone sales (telemarketing);
- ◆ the Internet;
- ◆ on-site promotions.

Direct Mail

The use of direct mail is becoming increasingly popular in the arts and entertainment industry. Mailing lists can be developed from an organisation's own customer or visitor information. Mailing can also be done through commercial mailing houses, which can target specific groups such as members of professional associations (architects, doctors, accountants, etc.).

Some organisations work co-operatively with others, when they feel there is a good membership 'match' and their products are not in competition with one another.



Direct mail can be an extremely effective way to reach a target audience.

- ◆ It goes to the person directly.
- ◆ It can be very cost-effective.
- ◆ It is especially useful for communicating with existing or lapsed customers.
- ◆ It can be valuable if you want to reach your target market to tell them about new services or products, give them news, or seek support.

Direct marketing has serious drawbacks if it is not done correctly. The major problem is the accuracy and usefulness of the mailing list. If you advertise your ballet production in a newspaper, targeting adult males interested in physical fitness, your ad may or may not reach the people you intended. But there is also the chance others will see it, (someone looking for a gift for a male relative, or children who show the ad to someone in the target market). Even though your message didn't reach your intended target directly, you may still benefit.

However, if you post an item of direct mail to a person who is not in the target market, they are not going to recommend you contact someone else and pass along another address or telephone number. You have completely wasted your money.

For effective direct mail:

- ◆ Locate the target market you have identified — there is no room for error. This means putting together your own contact list or purchasing one from a commercial mailing list house. Prices vary depending on the type of list you want.
- ◆ Ensure the accuracy of the contact list — correct names, titles, and addresses — and it must be up-to-date. Sending mail to someone who has relocated, changed jobs, or died is not only a waste of money, but it could have negative feedback.

- ◆ Make certain the mailing stands out — through design or the quality of the offer — otherwise it may be discarded without even being opened.
- ◆ Build in a response method — a telephone number to ring, a coupon to return, an order form to complete. It is no use stimulating interest or enthusiasm and then making it difficult for the recipient to actually respond.
- ◆ Reply quickly to direct mail responses and enquiries. It sounds obvious, but it is a real problem in Australia. It's a complete waste of money to set up a direct mail campaign and then not follow-up when people respond.

Telemarketing

Telemarketing, as its name implies, is based on using the telephone to achieve sales objectives. There are two types of telemarketing:

- ◆ Inbound — the organisation provides a Free Call line, recorded information lines to provide information, or a 0055 number for orders or competitions (can be part of a direct mail response system). A telephone response system makes it easy and convenient for people to respond. It can also be used for customer service contact and information.
- ◆ Outbound — the organisation makes contact via telephone to reach target markets with specific messages. Telemarketing can be used to follow-up sales leads (e.g. people who have indicated interest in a festival event or a subscription to a concert series) or to sell direct to potential customers.

Although organisations can and do undertake their own telemarketing programs, both inbound and outbound telemarketing can be subcontracted to professional organisations which specialise in telemarketing. These organisations generally provide highly sophisticated equipment, trained staff, and have experience in designing effective telemarketing programs.



Although direct marketing can be effective, there has been some resistance to outbound telemarketing, which is sometimes criticised for being intrusive or an invasion of privacy. The Australian Direct Marketing Association has issued a standard practice for telemarketing which provides guidelines on issues such as privacy, identification, and dealing with clients.

The Internet

One of the fastest growing areas of direct marketing is the Internet.

The arts, leisure, and tourism industry is one of the biggest suppliers of information to the Internet. Banking was the major area of commerce on the Internet in the mid-1990s, but it is estimated that travel and leisure will overtake it before the year 2000.

Galleries, museums, arts and entertainment venues, theatre groups, and festivals list their programs or exhibitions, hours, and special events on their site. Museums and galleries have Web sites which offer 'virtual' tours of the gallery, providing information on artists and illustrations of works in the collection.

There are search engines and browsing tools to help you locate relevant sites and information on the World Wide Web. The Internet makes it possible for even small organisations to make their product known internationally and to reach niche markets which might otherwise have been impossible to contact.

Although many organisations have set up their own Home page, smaller organisations lacking the technology expertise may find it useful to begin by working through others. Contact local tourism associations, arts councils, or local government to see what information is already being listed about your community, and how your organisation can be involved.