# The Essential Guide to Direct Mail







# Reach them where they live with direct mail

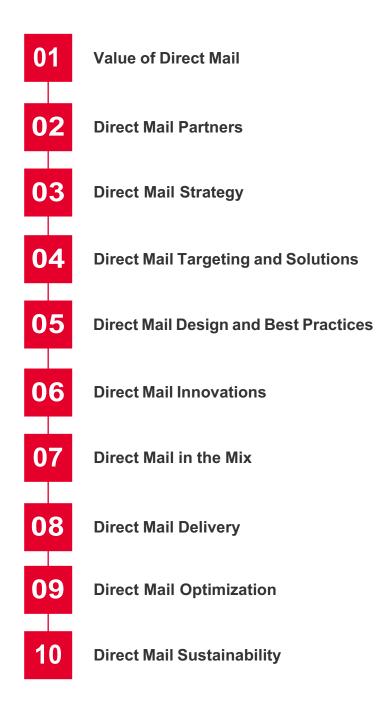
The home continues to be central to our lives and where decisions that really matter are made. That makes direct mail the ideal channel to break through to your target. Canada Post gives you the data, insights and expertise to make it happen.

Like any marketing channel, you need to know how best to use it. That's why we created this guide. To help you connect with existing customers and top prospects, it covers the direct mail process from start to finish – with valuable attraction, acquisition and retention tips throughout:

- learn how new and emerging data-driven insights help you reach the right audiences;
- discover how to align direct mail with your brand and business objectives;
- unlock the latest tools and technologies to meet your marketing challenges;
- choose paper weights, envelopes, formats, colours and offers;
- understand how to integrate and sequence physical and digital;
- find out how to amplify your campaign results;
- read about the sustainability of direct mail.

Our help goes beyond this guide. Don't hesitate to <u>contact an expert</u> or connect with <u>a Canada Post</u> <u>Smartmail Marketing<sup>™</sup> partner</u> for answers to all your questions about direct mail.

# Let's get started.





# Value of Direct Mail



# Three goals, one solution

# **C**onnect

Data-driven insights to reach the right audience and deliver an integrated message into the hands that matter: <u>Learn how to find</u> <u>your audience</u>.

# **C**aptivate

A unique combination of relevancy, physicality and storytelling for immersive brand experiences that resonate with audiences: Read who broke through to drive results.

# **C**onvert

Engaged audiences are motivated to take action, igniting marketing performance: <u>Amp up</u> <u>your marketing with an</u> integrated channel mix.

# No place like home.

Connect with Canadians where they make important decisions



Canadians have never been more connected to their homes – and there has never been a more personal and impactful way for your business to connect, captivate and convert customers with direct mail from Canada Post.



# Home is the hub<sup>1</sup>

Our lifestyle shift into the home looks to continue into the near future, as we embrace the spaces we have created for offices and classrooms, working out and hanging out, movie nights and dinner in.



of Canadians expect to do most of their socializing in their home, a friend's home or virtually over the next six months.



of Canadian consumers are shopping in neighbourhood stores with three-quarters of them planning to do so for the long term.



of Canadians who never worked from home previously now plan to work from home more often in the future.

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### Mailbox behaviour<sup>2</sup>

The mailbox remains an important ritual in the lives of all Canadians-a vital connection between themselves and the world.



of Canadians pick up their mail at least times a week. their mail at least three More than

of Canadians scan their **70%** mail for any survey or of interest to them. mail for anything relevant



Younger Canadians – Gen X, Millennials, and Gen Z – are more excited to see what's in their mailbox and would like more visibility of what's coming to their mailbox.



### Attitudes on advertising<sup>2</sup>

Slightly more than half of Canadians say they will be opening and reading advertisements they receive in the mail in the next six to eight months. They are most likely to read advertisements related to:

#### Groceries • Restaurants • Clothing/footwear

Gen Z is more likely to save and share direct mail that they received from auto, credit cards, electronics/computers, home décor, real estate and travel companies.



# 60%

The majority of Canadians love receiving coupons no matter their generation.



When it comes to catalogues, younger generations – Gen X (50%), Y (40%) and Z (42%) think catalogues are a great way to provide a brand experience.



Canadians say direct mail is a good way for online stores to advertise. When it comes to favourite brands, they are always open to receiving direct mail from those retailers.



### **Subscription boxes**

Subscription boxes that periodically send themed packages to one's address have become the go-to gift that keeps giving all year long.

The most popular boxes include:

Books • Food • Clothing & accessories • Wine/spirits/beer • Health & wellness<sup>2</sup>



### Largest geolocation database

Canada Post has the largest geolocation targeting database in the country. Utilizing billions of consumer data points with Smartmail Marketing<sup>TM</sup>, you can put your brand into the hands of those customers most likely to respond to it – right in their homes. Receiving direct mail prompts 88% of Canadians to visit a store and 51% of Canadians to make a purchase.<sup>3</sup>

### Key takeaway

A renewed focus on the Canadian home presents an exciting opportunity for your business to communicate with customers directly where they live, work and play. If you target your audience correctly, direct mail is a powerful connector to customers – placing your brand in their hands.

# **Getting help!**

You don't have to do it alone. To find out more about Smartmail Marketing and how to integrate direct mail into your marketing mix, <u>contact a Canada Post expert</u>.

<sup>1</sup> Accenture. COVID-19 Consumer Research. June 2020.

<sup>2</sup> Canada Post/Phase5. *Fall Omni Survey*. 2020.

<sup>3</sup> Canada Post/Kantar. SMM Stats Update. 2018.

Chapters

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# Direct Mail Partners

# Industry leaders can support your campaign goals

Chapter

02

Ranging from mail service providers to advertising and data marketing providers, our partners can help you with every aspect of your campaign objectives. This can include campaign planning, data and targeting, creative, printing and delivery to Canada Post.

# Why use a partner?

With a Canada Post Smartmail Marketing Partner, you can access expertise and in-depth marketing knowledge that can help you maximize your marketing objectives based on your budget. Using a consultative approach, they can help you:

- target the right prospects and optimize an existing list;
- develop creative that drives consumer attention, emotional engagement and brand recall;
- integrate your marketing mix so you can create consistent messages across all channels;
- ensure your mailing meets all print and processing requirements.

Our Smartmail Marketing Partners can help make your direct mail campaigns more relevant, efficient and effective – ensuring your direct mail strategy has the impact it deserves.

### Find a Canada Post partner.

To find a complete list, you can visit canadapost.ca/directory.

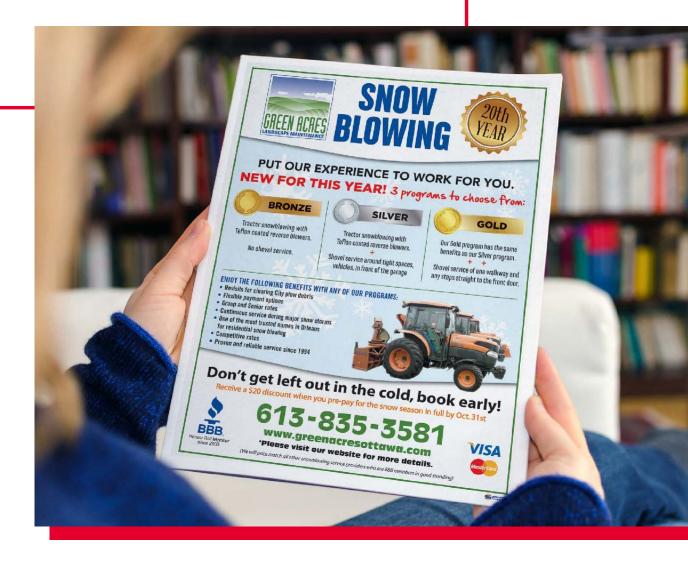
Smartmail Marketing Partners are third-party businesses that are wholly independent of Canada Post. Canada Post provides a list of Smartmail Marketing Partners as a convenience, but does not specifically endorse any partner or make any representations or warranties about any partner or its services.

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# **Direct mail in action**

Green Acres worked with a Canada Post Expert Partner to reach neighbourhoods with news of snow-blowing services. The partner helped the landscaping maintenance company manage its direct mail campaign, use data to find the right customers and save time. All told, it saved the company time and effort and let them stay focused on moving snow and client satisfaction. The campaign generated 500 responses, increased client numbers by 50% and delivered a 6x ROI.

#### Get the full story and make it yours!



Results are as reported to Canada Post by Green Acres and may not be typical.

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# Direct Mail Strategy



# Experience the benefits of planning and preparing for success

Chapter

03

Whether you use a Canada Post partner, an agency or do your campaign in-house, it's important to nail down what it is you hope to achieve. Planning will simplify and speed up your decision-making process.

Use this checklist:

# 1. Define your strategy

#### What is your main objective?

Create brand awareness? Acquire more first-time customers? Increase repeat customers and strengthen loyalty?

#### Who do you want to reach?

Define your target: geography, demographics, interests and behaviours, lifestyle and life stage. (Read more information on data and targeting in <u>Chapter 4</u>.)

#### What do you want your audience to do?

Attend an event or sign up for an e-newsletter? Make a purchase or donation at your website? Visit your physical store or pop-up? Take action on social media? Talk to a rep?

#### What is your offer/message?

How will you get your target to act? Direct mail does better when it includes a simple message and a relevant offer to excite your customers.

#### Will your campaign be integrated?

Will you be doing direct mail on its own, or will it be integrated into a harmonized mix for better results? (<u>Chapter 7</u> has more details on effective media integration.)

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# 2. Assess your resources

#### What is your budget?

Knowing this will help narrow your choices, from paper quality to mailer formats to the size and scope of your campaign.

#### What data do you have?

Evaluate your data so you have a good understanding of your targeting capabilities, which will factor into your results. (See more information on data and targeting in <u>Chapter 4</u>.)

#### Will you work with a Smartmail Marketing Partner and how?

A Smartmail Marketing Partner can provide access to industry expertise to help develop and execute successful campaigns. Their expertise allows them to enhance the direct mail process, and lay the foundations for smooth execution. (Refer to <u>Chapter 2</u> to find out what a Canada Post partner can do for you.)

# 3. Determine how you'll reach your target

#### What type of direct mail service is right for you?

Each type of direct mail service has a different purpose and specifications. So you'll need to choose what fits.



**Canada Post Neighbourhood Mail**<sup>™</sup> gets you into the mailboxes of Canadians within a specific neighbourhood, region, or the entire country. It's ideal for creating mass awareness, acquiring new customers and retaining existing ones. For example, to highlight current promotions, quick service restaurants often use Neighbourhood Mail<sup>™</sup>, as do new businesses, to create awareness when entering the marketplace.



**Postal Code Targeting** is a surgical targeting tool. It helps to identify and reach postal codes that match the profile of your ideal prospects, so you can expand into new markets, target look-alike audiences, reach specific communities and optimize your targeting by suppressing existing audiences to focus on acquisition. For example, retailers use Postal Code Targeting to target specific postal codes for strategic acquisition targeting, and not-for-profits use it to cover areas where they do not have a canvassing presence.



Canada Post Personalized Mail<sup>™</sup> is a one-to-one communication, allowing for a tailored message directly to your customer or prospect. It has their address on the mailing and most often includes their name as well. Your data comes from your customer contacts or you can buy/rent a list. Personalized Mail<sup>™</sup> can help you acquire new customers, deepen connections with existing ones and build customer loyalty. For example, not-for-profits often rent lists to obtain new donors, and financial institutions use Personalized Mail to communicate regularly with customers as well as send them special promotions.

Canada Post Lettermail™ and Personalized Mail: What's the difference?

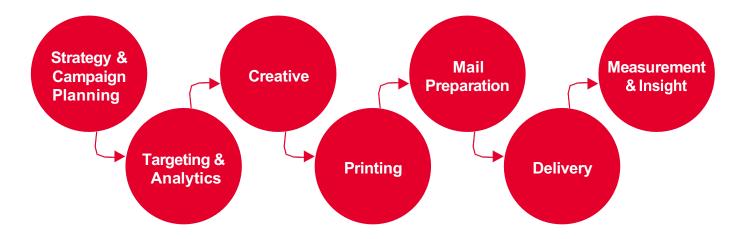
Both are addressed communications. Lettermail is non-promotional. Personalized Mail is a paid service businesses use to send promotional communications.

# 4. Define your goals and measure

It's important to define the results you hope for so you can design a campaign to achieve your objectives. Once your campaign is completed, be sure to measure its success. Identify what's working and what requires improvement. Being open, honest and familiar with all of this will mean you'll know what to change next time. (See <u>Chapter 9</u> for further details on measurement.)

# 5. Organize your workflow

All direct mail campaigns follow a similar workflow. Be aware of the steps so you hit your launch deadlines.



#### **Measurement and insight**

Create a work-back schedule to ensure your mailing arrives in customers' mailboxes when it will have the most effect. Consider:

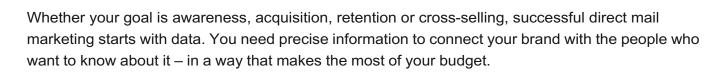
- briefing,
- creative review (two rounds),
- translation (if applicable),
- approval,
- printer upload,
- review of proofs,
- data transfer,
- review of samples (print production, data, live samples).

Canada Post partners can help you every step of the way; please refer to Chapter 2.

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# Chapter

# Direct Mail Targeting and Solutions



# Starts with a target audience in mind

If you are just starting out and maybe don't have an existing database (or yours is in its very early stages), you may wish to turn to external data sources for your targeting. This is a very common practice with businesses large and small. In this case, to develop an audience list, you can use what you've learned researching your target audience. Applying those insights, you can work with a third party to generate your list, which can be accomplished through list rentals, using data intelligence from <u>Canada Post</u> and/or working with a <u>Canada Post partner</u>.

### Your ideal customer

As you gain more sales, you will get more customer information – more data. Use this to continually refine the profile of your ideal customer.

Why? Because to find new customers you have to be able to define who you are looking for. These look-alike customers can be your most lucrative. Take a look at your data and ask yourself:

- What are the demographics of my best customers (age, income, education level)?
- Are my customers clustered in specific geographical areas?
- How might pain points influence their buying habits (for example, time-starved working families)?
- Are there any life stage and/or lifestyle traits that my customers have in common (for example, empty nesters)?
- Where do they spend their time online?

You probably have a lot of these details. Think about it, document it and analyze the data to check and correct as necessary. Where do you look for it? Your in-house data contains valuable information about existing customers and their habits. Data from other sources can provide additional information to help target a broader range of attributes. Use Canada Post or partner resources to help suppress duplicates and tailor your message to make it resonate strongly. When you're confident you know your audience, communications become more targeted.

When you collect and use consumer data for commercial purposes (including targeting other potential consumers), ordinarily you will need to obtain informed consent. Other requirements may also apply. As with any marketing campaign, be sure to comply with applicable laws and seek legal advice if you need clarification.

# Take Lily as an example



26-year-old female millennial

Media used:



#### **Brand affinities:**



#### Ideal customer profile:

Lily is a millennial, who lives in an urban area and who loves getting gifts and discounts from her favourite brands.

#### Finances:

Lily makes about \$55k/year. After paying rent, she spends her money on entertainment, eating out and her work wardrobe.

#### Life stage:

Within the next two years, Lily wants to be an HR manager. In about six years' time, she'd also like to start a family. She hasn't travelled much and would love to explore the world.

#### Worries and fears:

Debt keeps Lily awake at night. That and living in such an expensive city, where she believes she'll never be able to buy a house.

The more you know about Lily enables you to find more individuals like her. As you collect more data, you might find other customer segments and begin to differentiate how to talk to them based on your marketing objectives.

#### Target for acquisition and awareness

Use ideal customer profiles to target look-alikes.

Now that you know the characteristics of your ideal customer, you're ready to put your data to use to acquire or retain customers, to generate awareness or to build loyalty. We're going to start with data and targeting for awareness and acquisition.

Smarter targeting uses data intelligence that blends demographics, geography, life stage, lifestyle and behaviour to precisely target the right audiences.

#### How can we target Lily?



Geography

Downtown Toronto



#### **Interest and behaviour**

- Shopping patterns enjoys shopping for products aligned with her interests as long as she can justify the purchase
- Pursuit of novelty





- Female
- University graduate
- Earns \$55-\$65k/year
- Rents



#### Lifestyle and life stage

- Looking to save money (deals and sales)
- Paying off student loans
- Likes to travel when possible

Canada Post offers a full suite of Smartmail Marketing solutions to help you achieve your objectives.

The suggestions in this section assume that you are in compliance with all applicable laws relating to the collection and use of customer information. You are responsible to ensure that you are in compliance.

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# **Target for retention and loyalty**

#### Engage with your best customers

It is said that 80% of your future profits will come from 20% of your existing customers. <sup>4</sup> To strengthen your relationship with them, don't miss a big opportunity to deliver impactful, relevant customer experiences into the hands of at-home consumers. Turn the thinking on its head and ask yourself, "Who hasn't bought from me lately?" Make the most of your in-house data by targeting existing customers in different ways based on their relationship with you. Many in the retail industry send thankyou notes with an incentive for a future purchase. Not-for-profits are looking at their current lists to re-engage with lapsed donors. Financial institutions up-sell and cross-sell products that are relevant to current customers.

# Canada Post offers a full suite of Smartmail Marketing solutions to help you achieve your objectives.



Personalized Mail One to One



Postal Code Targeting One to Few

**Neighbourhood Mail** 

One to Many

# **Neighbourhood Mail**

Neighbourhood Mail connects you to every home and apartment in specific neighbourhoods or regions across Canada. Reach is wide and allows you to cover large areas. An example of Neighbourhood Mail is your local restaurant sending menus or promotions to the surrounding community.

We're here to help. It is easy to execute a Neighbourhood Mail campaign.



Use our online tool Precision Targeter™.

Precision Targeter lets you plan and cost out your mailings using interactive maps and demographic data. You can send flyers, postcards or samples to every mailbox in a selected neighbourhood. Targeting only the postal routes with the most potential means you don't waste valuable marketing dollars.

Here's how it works:

- Choose from 14 demographic categories like household age and income, houses, apartments or businesses.
- Select a delivery neighbourhood from interactive maps.
- Adjust the target area or demographics to meet your business and budget goals. (To prepare for delivery, see <u>Chapter 8</u>.)

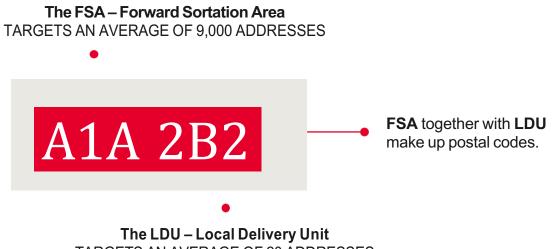
Watch the tutorial video: Getting familiar with Precision Targeter.

- 2 Work with our Data Solutions Centre. <u>Learn more here</u> or call <u>1-877-281-4137</u>.
- **3** Work with a Canada Post partner. <u>Find one here</u>.

# **Postal Code Targeting**

Postal Code Targeting is a surgical targeting tool that uses the postal code to reach a desired audience. The location of a potential customer plays a key role in determining who is most likely to buy from you. We call it the birds-of-a-feather effect. Chances are, people who live in the same neighbourhood share similar demographics, life stage, aspirations, preferences and behaviours.

The postal code is an important tool you can use to reveal clusters of high-value prospects.



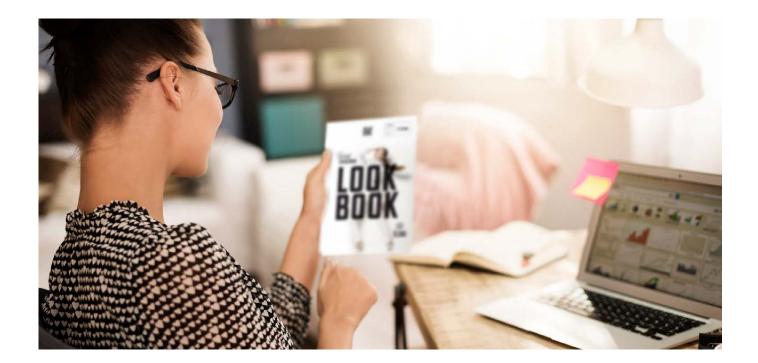
TARGETS AN AVERAGE OF 20 ADDRESSES

We're here to help execute a Postal Code Targeting campaign.

- Work with our Data Solutions Centre. <u>Learn more here</u> or call <u>1-877-281-4137</u>.
- 2 Work with a Canada Post partner. <u>Find one here</u>.

Canada Post respects personal privacy by aggregating household and business data insights at the postal code level.





# **Personalized Mail**

Winning loyal customers comes down to being relevant to the individuals you're targeting – whenever and however they choose to interact with you. Personalized Mail works well for both building loyalty and acquiring new customers.

We're here to help. It's easy to execute a Personalized Mail campaign.

- 1 Work with our Data Solutions Centre. <u>Learn more here</u> or call <u>1-877-281-4137</u>.
- 2 Work with a Canada Post partner. Find one here.
- 3 Refer to <u>Chapter 8</u> to learn the requirements.

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## Validating your data

When you're compiling your data, it's important to verify that all addresses are complete and in a standard format. Just like an email subscription list, clean data has no duplicates, which not only waste money and make it impossible to accurately calculate results, but can also be annoying to anyone who receives your communication twice. Take the time to go through your customer files, delete duplicates and check that addresses are complete (for example, including suite numbers is important for accurate addressing).

We can help you! You have options with our Data Solutions Centre. <u>Learn more here</u> or call <u>1-877-281-4137</u>.

# How to get your hands on the right data

There are a number of ways to access data and to ensure it's used intelligently and respectfully.

We can help develop your list, help identify postal codes to target and we can combine your data with proprietary operational data and intelligence from strategic partners to create complete data packages. This includes exclusive insights into ecommerce behaviour. We also have data intelligence that relates specifically to businesses. <u>Contact an expert</u>.

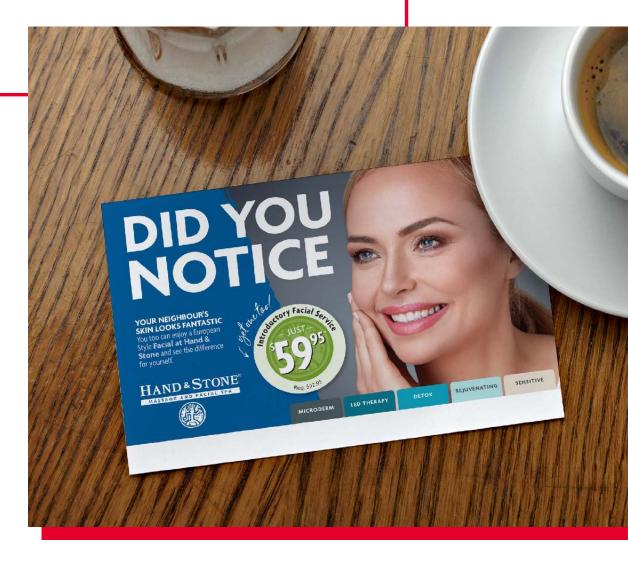
The suggestions in this section assume that you are in compliance with all applicable laws relating to the collection and use of customer information. You are responsible to ensure that you are in compliance.

<sup>4</sup> Lavinsky, Dave. "Pareto Principle: How to use it to dramatically grow your business." Forbes. 2014. Consulted online in October 2019 at https://www.forbes.com/sites/davelavinsky/2014/01/20/pareto-principle-how-to-use-it-to-dramatically-grow-your-business/#6f1990913901.

# **Direct mail in action**

Hand & Stone Massage and Facial Spa wanted to increase sales of facials. They tested a direct mail campaign on a store with stagnant growth. Using PRIZM5 segmentation data to target prospect clusters and predictive eye tracking (PET) to test mail piece design, they increased facials from 27% to 34% of total sales.

Get the full story and make it yours!



Results are as reported to Canada Post by Hand & Stone and may not be typical.

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# Chapter 05

Direct Mail Design and Best Practices



# Follow these best practices to elevate your presence in market

A perfectly timed, well-written piece that has a clear and relevant message, with a compelling call to action, is priceless. Match your mail piece to your marketing objectives by carefully choosing the best format, look, feel and messaging.

Here's how we suggest you direct your time and energy when planning your direct mail:

# Follow the 40/40/20 rule



#### 40% Audience

The right data to find the right people. Before all else, consider who you're mailing to and what information you'll need to reach them. A well-defined target profile and/or mailing list is key to success – whether it is your own customer list or a rented list.

#### **Consumer Audience Intelligence**

- Demographics
- Geographics
- Life stage and lifestyle

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#### 40% Offering

#### What's in it for me?

What are you offering and why is it relevant? This is where you consider what action you want someone to take, why they should take action and how you'll reward them for doing it. There are many ways to present an offer – a promotion or discount, special event, free expert advice, information to solve a problem, etc. If you don't offer something of value, you'll be disappointed by the response no matter how good your data and creative. Pre-test your offers, track them and adjust according to results.

#### Offers

- Free information
- Discounts, specials, rebates
- Donation matching
- Exclusive invitation
- Client onboarding incentive
- Free gift
- Samples
- Free trial
- Loyalty points
- Promotional contests

(Don't forget to include any eligibility requirements, time limitations and other terms and conditions with your offer.)





#### 20% Creative execution

Time to brand your look and feel. This includes creative, message and format. It's also about how you integrate direct mail with other media – and in what order. Consider working with a <u>Canada Post</u> <u>partner</u> to ensure your process fits budgets and timelines. Consider paper quality, weight and finish. Add a varnish or coating to enhance the experience. Include inserts like buck slips and cards to make your brand difficult to ignore.

#### Make it special

- Enhancements
- Formats
- Inks
- Coatings
- Finishes

- Technology (AR and QR)
- Inserts
- Dimensional
- Interactive
- Sensory

While you'll need to take your brand into account, there are several rules of thumb for direct mail design that are proven to increase the value of your mailer.

**Avoid clutter:** Too much on the page scatters attention. It makes it difficult to absorb the value proposition and to locate the call to action (CTA). Design for easy skimming.

**Use simple visuals:** Use high-contrast, simple imagery, which the brain can easily process. Bright colours and a big, bold font can make the communication stand out.

**Show faces:** Images of people interacting with your product or service can help reinforce your key messages and have a positive effect on the reader.

**Use action-oriented words:** Avoid the passive voice and verbs that lack power. Use your copy to focus on selling your offer, rather than your product or service.

**Include a strong CTA:** Your CTA should encourage a lead or prospect to take advantage of your offer by performing a specific task. Make it easy for the eye to locate – and easy for your customer to perform so you don't cause frustration. Be clear, leaving no doubt in your customer's mind what it is that you want them to do.

**Embed tracking mechanisms:** Including these in your piece will make it easier for you to measure success. You can use a promo code, a marketing URL or a unique toll-free number. (Refer to <u>Chapter 9</u> to learn more.)

**P.S.** Adding a P.S. is important. People often skip to the end of a mailing to see what's in it for them. Reinforce your message and your advantage there.

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# **Choose your format**

From cards to catalogues, there is a variety of direct mail formats available to use. Each comes with its own set of benefits and pricing considerations, so make your choice according to your objective and budget. Here are your main options:

#### Cards

These are the simplest forms of direct mail, the most cost-effective and the fastest to create.

The key is to keep your message and call to action clear, such as to attend a VIP event, take advantage of a sale online or in-store, sign up for a class or check out a store opening. Consider using an oversized piece to grab attention.





#### Self-mailers

Another cost-effective format is one that doesn't include an envelope. Instead, the customer's address appears directly on the direct mail piece. A self-mailer can come in different formats, including postcards, flyers and brochures with multiple folded panes, often with an adhesive that holds it together. Without an envelope you see the message right away.

#### Outer envelope and letter

The envelope and letter is a classic and effective format of direct mail and you're not limited to a letter. You can include a brochure, a reply card, even samples.

The #10 envelope can have a clear pane, so the name and address can be seen, which makes it ideal for personalization and can create a sense of mystery and anticipation. You can add copy, imagery or some kind of visual interest to entice people to open it.





#### Catalogues

<u>Catalogues, look books, mini-catalogues</u> and <u>qift guides</u> allow you to include more information than other direct mail options. Use them to tell your brand story.

This is a visual format, so design with that in mind. Often, the goal is to inspire readers and have them visit online or in-store. Cover shots can be the big sellers. Catalogues can be a premium mailing, so consider sending them to highly targeted prospects or current customers.

#### **Special formats**

Oversized pieces and die-cut shapes typically stand out in the mailbox, adding creativity and grabbing attention.



# Select the paper

Your choice of paper, envelope and card stock will reinforce the tone of your campaign and reflect your brand overall. These choices help convey qualities such as simplicity, trendiness, luxury, sustainability or budget-friendliness. Consider:

**Thickness:** Consider getting some samples, so you see and interact with your direct mail the way your prospects and customers would. Note: There are requirements on paper thickness.

**Colour:** Colour plays a big role in creating emotional engagement. Cool colours, like blue and green, can be relaxing and reassuring, while bright colours, like red and yellow, can attract attention and stimulate action. A good contrast will make your message easy to read.

**Finishes and effects:** There are numerous creative options you can explore, including foils and metallic inks, embossing and debossing to add texture, die-cuts and laser-cuts for different shapes and cut-outs to stand out in the mailbox.

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# Know the size and weight requirements

Depending on the service and format you're using, there are specifications you must follow to avoid surprises and unforeseen frustration. Refer to the specific <u>Customer Guides</u> for the details and consider working with a Canada Post partner for their expertise. A few key requirements are listed below:

**Neighbourhood Mail** gets you into the mailboxes of Canadians within a specific neighbourhood, region or the entire country. This type of mailing works well for awareness, acquisition and retention, depending on your business and your marketing objectives.

	Length	Width
Standard Neighbourhood Mail dimensions	30.50 cm (12 in)	15.24 cm (6 in)
Oversize maximum dimensions	30.50 cm (12 in)	28 cm (11 in)

- Minimum paper thickness 0.18 mm (0.007 in)
- Ensure your Neighbourhood Mail pieces do not contain an address



**Postal Code Targeting** helps you identify and reach specific postal codes, as well as mail to those who match the profile of your ideal prospects. That allows you to expand into new markets, target look-alike audiences, reach specific communities and/or optimize your targeting by suppressing existing audiences for a pure acquisition campaign. (Requires working with a Canada Post partner.)

• Your mail pieces must have a unique 2D barcode or a "non-personalized address" generated from a data file.

#### Postal Code Targeting envelopes, cards and self-mailer cards

		Machineable		Special Handling	
		Length	Width	Length	Width
	Minimum dimensions	140 mm (5.6 in)	90 mm (3.6 in)	100 mm (3.9 in)	70 mm (2.8 in)
	Maximum dimensions	245 mm (9.6 in)	156 mm (6.1 in)	380 mm (14.9 in)	380 mm (14.9 in)

**Personalized Mail** is a one-to-one mailing. It can help you acquire new customers, deepen connections with existing ones and build customer loyalty. 87% of Canadians open addressed mail.<sup>5</sup>

• Minimum thickness: 0.18 mm (0.007 in)

	Standard Personalized Mail		Oversize Personal Mail		
	Length	Width	Length	Width	
Minimum dimensions	140 mm (5.6 in)	90 mm (3.6 in)	140 mm (5.6 in)	90 mm (3.6 in)	
Maximum dimensions	245 mm (9.6 in)	156 mm (6.1 in)	380 mm (14.9 in)	270 mm (10.6 in)	

Still searching for inspiration? Be sure to check out <u>INCITE magazine</u> – full of examples of direct mail campaigns that have worked for brands in Canada and around the world.

For a full set of specifications, please consult our <u>Customer Guides</u>. Specifications subject to change.

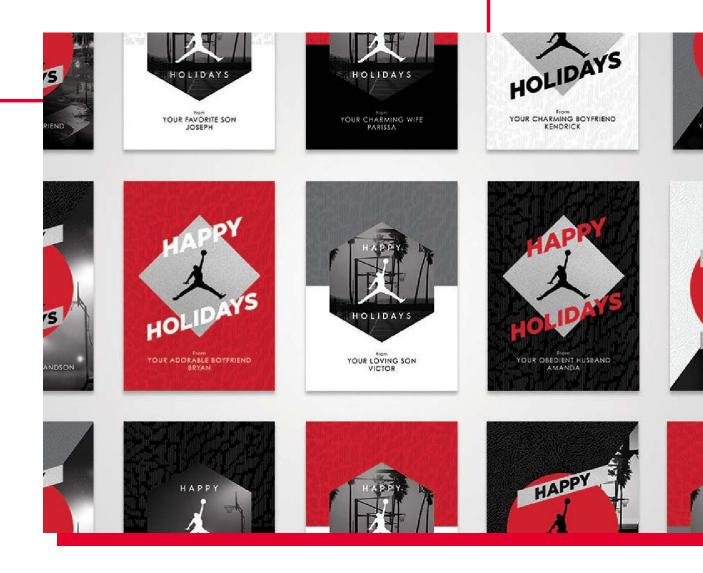
<sup>5</sup> Canada Post. Consumer Attitudes Towards Direct Marketing and Traditional Media. March 2010.

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# **Direct mail in action**

Foot Locker and Jordan Brand used digital and direct mail to deliver a consistent message and drive sales during the holidays. The result? A 12% lift in Jordan Brand sales at Foot Locker. And the mail piece went viral, helping generate 22 million earned impressions.

#### Get the full story and make it yours!



# **Direct Mail** Innovations

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### Tapping into the tools and technology needed to stand out

Chapter

Direct mail can do more for your marketing than you might think. Sophisticated, innovative technologies have changed how you can respond to customer signals, act on geolocation data, understand consumer behaviour and get your messages into the hands of at-home consumers faster than ever. And some technologies are taking on new meaning.

### **Canada Post Programmatic Mail**

Developments in technology make direct mail an even more flexible and responsive marketing tool – delivering brand experiences right into the hands of consumers at home, where they're at their most receptive to your message.

<u>Programmatic Mail</u> is the physical equivalent of digital remarketing. Using customer insights, a brand can send someone a direct mail piece with a targeted message in as little as 48 hours. Programmatic Mail can help in many ways.



Promote your business by delivering timely, tactile messages to at-home consumers using accurate, relevant customer data.

- 2 React quickly to signals and triggers from other channels to get messages into the right hands.
- 3 Add a personalized touch that reflects a customer's most recent interaction with your brand.

There are many ways to use Programmatic Mail. Here are some opportunities to drive customer action:

### Mail triggered by customer service interactions

Following a customer interaction, intentions can be quickly translated into a personalized direct mail piece that leads to action.

Use Programmatic Mail to retarget a customer calling a telco about phone or digital services.

### **Retargeting based on online and offline behaviours**



### **Digital triggers**

What are some of the online events that could activate a physical follow-up?



Email

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Anniversary

### **QR** codes



Technology and behaviours have caught up with the QR code and marketers are finding lots of new ways to use them to connect with customers. Easy to scan directly from a smartphone camera and a welcome addition in a touchless world, these little codes are popping up everywhere and are increasingly used by all age groups.

"

What makes the QR code so interesting is its versatility to impact a business – from restaurants to real estate, purchases to content. As we move away from cookies and lean more heavily on first-party data strategies, owned media sources – both online and offline – will increasingly help us find and understand likenesses between customer cohorts. In all of this, QR codes are likely to play a key role as customer data magnets.

Because you can put more data into that QR code, you can do some fancy things.

 Richard Hyatt, co-founder and CEO, Candr So, what are the business benefits of using QR codes?

- Unites offline and online audiences
- Allows you to collect customer data and track campaign results
- Creates a memorable experience and positive brand image
- Drives offline conversion and sales

Not all QR codes are the same.

- Location QR codes are the most efficient way to drive foot traffic in-store.
- Dynamic QR codes can be updated in real time with no need to reprint the original mail piece great for a restaurant posting daily specials, an automotive dealer whose offers change monthly or a bank whose interest rates can change overnight.

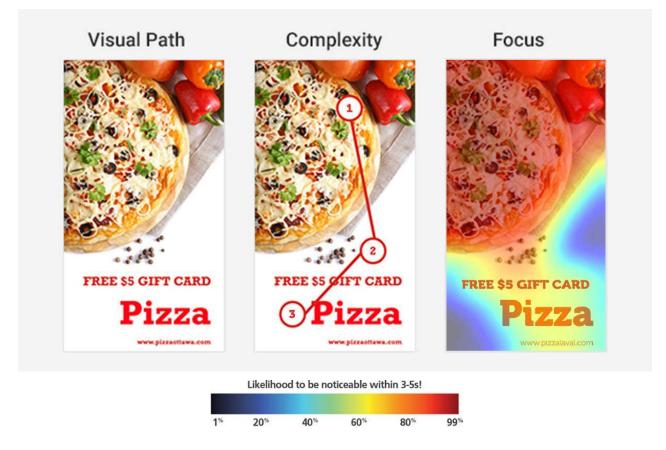
QR codes apply to most industries. Here are some examples of how direct mail QR codes can be used in automotive, real estate and retail:

Automotive	Book test drive	Build and price	Pre-order new model	Current offer	Referral rewards	Find a dealer	Enter a contest
Real Estate	Book showing	Virtual tour	View image gallery	House valuation	Listing directions	Contact info	Realtor homepage
Retail	Drive to store	Connect to website	Sales and discounts	How-to videos	Product instructions	Brand content	Social media links

For more information on adding QR codes to your marketing, contact an expert.

### **Predictive eye tracking**

Before your marketing message can incite action, it must be seen. How do you know for sure key messages stand out? The data revealed by predictive eye tracking (PET) may be the answer. PET analysis software simulates human vision and can determine whether key areas of your mail piece are getting noticed. You can use these insights to reveal the effectiveness of your direct mail to predict and improve campaign response rates.



For an example of how predictive eye tracking works, <u>read</u> how Burger King's fresh approach to direct mail increases gross profit on coupons by 40 per cent.

Looking for more information on how to test your creative with PET? Contact an expert.

# **Direct mail in action**

Not all of the many visitors to Canadian Down & Feather's website were browsing, then leaving without making a purchase. However, using data from abandoned carts, direct mail re-engaged high-value shoppers and got them back online to finish the sale, generating over \$11,000. Revenue per order was 65% higher than digital-only marketing streams and 56% of respondents purchased the items shown on the direct mail piece.

### Get the full story and make it yours!



Results are as reported to Canada Post by Canadian Down & Feather and may not be typical.



### Direct Mail in the Mix



# Change the way you tell your stories, attract attention and extend your reach

Combining web, email and mobile with print can lead to exciting results:

Chapter

- 45% increase in response rates compared to a digital-only media mix;<sup>6</sup>
- 39% more attention for integrated direct mail and digital campaigns when compared with single-media digital campaigns;<sup>7</sup>
- 5% more emotional intensity (arousal) triggered by integrated direct mail and digital campaigns compared to single-media digital campaigns;<sup>7</sup>
- 10% higher brand recall with integrated direct mail and digital campaigns than single-media digital campaigns.<sup>7</sup>



### Avoid data silos

Create alignment in your online-offline communication and consistency in your messaging to achieve the strongest impact. Your campaign will benefit from consistent creative across all of your channels so that you are building on the message with each touchpoint.

Consider these media combinations to offer more engaging experiences for your customers and build your brand.

**Combine direct mail and mobile.** Geolocation data combined with geo-fencing can map the customer journey to increase response rates.

**Combine direct mail and social media.** Social data can help create personalized catalogues, while direct mail can lead to a shoppable social feed.

**Combine direct mail and out of home.** You can target more precisely by connecting programmatic out of home and direct mail media. Geolocation data matches audiences on the move with billboard locations to ensure companies are reaching the right audiences across all the right channels.

**Combine direct mail and email.** Research suggests integrated campaigns that include direct mail get more consumer attention, emotional engagement and brand recall than single-media digital campaigns. Brand recall peaks when direct mail follows email, outperforming the average for other single and integrated media campaigns by 40%.<sup>7</sup>

### Integrated media in action

These Canadian retailers have optimized their media mix to create engaging customer experiences that amplify brand performance:

### Golf Town driving online traffic in-store.

A compelling website can generate robust traffic and sales, but can retailers convert online browsers to in-store shoppers?



### Barbies restaurants integrates billboards, television and radio advertising with direct mail.

Combining strong value offers with data-driven geotargeting doubled redemption rates.



### RBC partners with lifestyle brand to promote the OVO Summit.

To increase relevance with younger Canadians, RBC and OVO used direct mail as an exclusive invitation that was amplified by recipients as a social badge.

<u>Watch this customer journey</u> in action to see how you can integrate media to create meaningful experiences, build connections and encourage conversions.

### Need some guidance?

Contact an expert.

<sup>6</sup> "Mix digital and physical marketing to build an integrated plan," *The Globe and Mail*. September 2020. Referenced from Canada Post. *Amping Up the Media Mix*. 2020.

<sup>7</sup> Canada Post. Connecting for Action. 2016.

# **Direct mail in action**

The Metro grocery chain wanted to build on the success of their direct mail campaigns. An integrated marketing strategy generated the response they craved. Combining direct mail with social media enhanced campaign results, with a 64% higher response rate and over four times more sales and orders.

### Get the full story and make it yours!



Results are as reported to Canada Post and Metro and may not be typical.

# Direct Mail Delivery

Chapter

 $\mathbf{08}$ 



### Follow these guidelines for preparing and depositing your mailing

With millions of pieces going through the mail stream every day, it's important to prepare your shipments to avoid issues or delays. You can prep it yourself following the Canada Post guidelines or work with a Canada Post partner who can take care of this for you, including printing. (For more on the expertise of Canada Post partners, refer to <u>Chapter 2</u>.)

### **Prep for smooth mailing**

At Canada Post, we handle mail in two ways. We run standard mailings through machines, while other types of mail need Special Handling. We've included links to our <u>Customer Guides</u> throughout this section, which you can use to find more information on both Machineable mail and Special Handling items.

To get your mailing moving quickly and efficiently, there are a few things to do before it can go to a Canada Post facility. Here are the basic requirements and guidelines for each of our Smartmail Marketing services. Additional requirements may apply. To learn more please refer to our <u>Customer Guides</u>.

### Don't have an account?

Create one here. Bring two printed copies of your Order with you when you make your drop-off.

### 1. Neighbourhood Mail

Used to target neighbourhoods rather than specific individuals, this type of mailing works well for awareness and acquisition. Find the neighbourhoods you want to target using Precision Targeter, a Canada Post partner or Canada Post Data Solutions Centre. When using Precision Targeter, select the audience characteristics you want to match (demographic, geographic, life stage/lifestyle, etc.). Then use our <u>Electronic Shipping Tool</u> to create your *Order* (Statement of Mailing).

A sample is required for our records and verification.

To complete your Statement of Mailing, you'll need:

- size and weight of your pieces,
- number of items you're mailing,
- distribution routes you want to reach (the first three digits of postal codes),
- one complete route required (houses, apartments, farms, businesses, or a combination of a given route),
- household types you want to reach (houses, apartments, farms, businesses).

To learn more about creating an Order, go to canadapost.ca/SMMguide.

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### Preparing and depositing your Neighbourhood Mail mailing

Before you bring your mail to Canada Post, you'll need to securely place it in Canada Post containers or your own boxes, making sure all pieces are facing upright. Label each container with the urban or rural facility address where you have chosen as your drop-off for your mailing. Make sure to write your *Order* number on the label. This will help keep track of your mailing.

To recap, you'll need to:

- 1 securely place your mailing in Canada Post containers or in your own boxes,
- 2 make sure all mail pieces are facing upright in the box/container,
- 3 label each box/container with the urban or rural facility where containers will be delivered,
- 4 make sure to write your Order number on each label.

### Are your items:

Within the height requirement for bundles (under 500 g: (15.24 cm); between 500 g and 1,000 g: (20 cm)) and in labelled Canada Post containers or cardboard boxes and/or on pallets?

For more detailed preparation information go to canadapost.ca/SMMguide.

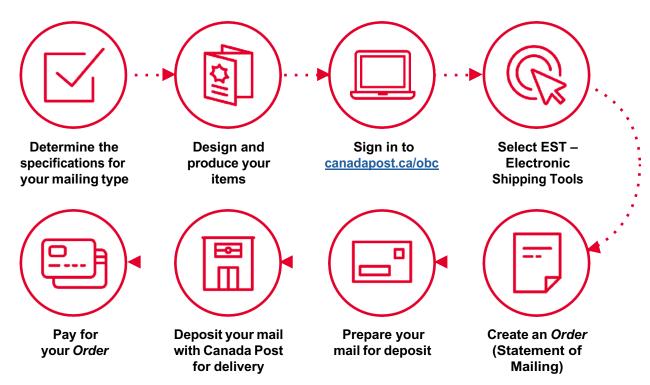
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#### A few tips:

Size, weight and transportation all factor into delivery timelines. A local, standard-weight, standard-size mailing might take longer to deliver than an Oversize mailing with national distribution. Be sure to consider these elements in your work-back schedule.

Find the right deposit location for your mailing at <u>canadapost.ca/depositlocations</u>. It's where you'll also find other helpful information such as cutoff times for depositing your mailing. For more details, go to <u>canadapost.ca/SMMguide</u>.

At a glance:



Canada Post partners can help you through each step; please refer to Chapter 2.

### 2. Postal Code Targeting

Postal Code Targeting focuses on specific geographic areas and/or demographics. This type of mailing works well for businesses focusing on awareness and acquisition and needing more surgical targeting. You must work with a Canada Post partner for this type of mailing as a 2D barcode will need to be produced for Machineable mailings and/or a "non-personalized" address printed on the mail item when using Special Handling.

To determine what postal codes you want to target, you will need to:



Request a count of the target market for your mailing, along with the criteria for your mailing. (More in <u>Chapter 4</u>.) This will determine approximately how many mail items to print.

2 Request your data by emailing <u>data.solutionscentre@canadapost.ca</u>, or by calling <u>1-877-281-4137</u>. Make sure to do this well before your print date.

Once you have your list, you can use our <u>Electronic Shipping Tool</u> to create your *Order*. This is needed for drop-off. If you don't have an account, you'll need to <u>create one for free</u>.

Print two copies of your Order to bring along when you deposit your shipment.

You will need to know the size and weight of your mailing and the number of items you are mailing to complete your Statement of Mailing.

Minimum volume requirement: 100 Machineable mail items and 1,000 Special Handling items



### Preparing and depositing your Postal Code Targeting mail

Before you bring your mailing to Canada Post, you'll need to:

- 1 securely place it in Canada Post containers or in your own boxes,
- 2 make sure all mail pieces are facing the same direction with indicia facing the front (label side) of the container,
- 3 label each box/container with the urban or rural facility where containers will be delivered,
- 4 make sure to write your Order number on each label,
- 5 bring a copy of the Postal Code Targeting Summary Report when mailing is prepared as Special Handling.

More on how to prepare your mailing.

A few tips:

Mailings must be deposited within 90 days from when the data file was provided.

A standard Machineable mailing will normally take between three and five days to reach the intended destination. Special Handling mailings will take between three and eight days. Weight and final destination play a factor.

You can find the right deposit location for your mailing based on postal code and quantity at <u>canadapost.ca/depositlocations</u>. You'll also find other helpful information such as the deposit location cutoff times.

At a glance:



Canada Post partners can help you through each step; please refer to Chapter 2.

### 3. Personalized Mail

For these one-to-one personalized mailings, you will be using a list, either your own customer/ prospect list or a rented one. (We can help with that. See <u>Chapter 4</u>.) This type of mailing works well for businesses focusing on targeting that involves surgical acquisition as well as retention and loyalty.

Once you have your list, you can use our <u>Electronic Shipping Tool</u> to create your *Order*. This is needed for drop-off. If you don't have an account, you'll need to <u>create one for free</u>.

Print two copies of your *Order* to bring along when you deposit your mailing. A sample is required for our records and verification.

You will need to know the size and weight of your mailing and the number of items you are mailing to complete your *Order*.

Minimum volume requirement: 100 Machineable mail items and 1,000 Special Handling items

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### Preparing and depositing your Personalized Mail

Before you bring your mailing to Canada Post, you'll need to:

- securely place it in Canada Post containers or in your own boxes,
- 2 make sure all mail pieces are facing the same direction with indicia facing the front (label side) of the container,
- 3 label each box/container with the urban or rural facility where containers will be delivered,
- 4 make sure to write your *Order* number on each label.

This checklist can help you ensure your mail is prepared correctly.

More on how to prepare your mailing.

A few tips:

A standard Machineable mailing will normally take between three and five days to reach the intended destination. Oversize pieces and those needing Special Handling will take between three and eight days. Weight and final destination play a factor.

Find the right deposit location for your mailing based on postal code and quantity at <u>canadapost.ca/depositlocations</u>. You'll also find other helpful information, such as the deposit location cutoff times.

At a glance:



To ensure your materials comply with the mail preparation and specification requirements, contact a Commercial Service Network representative at <u>1-866-757-5480</u>. They'll help review your mail items before dropping them off.

Canada Post partners can help you through each step; please refer to Chapter 2.



# Measuring mindset and the importance of testing

Chapter

Today's direct mail campaigns are driven by data. With customer journeys changing and touchpoints getting harder to predict, it's important to keep checking what works best. Even champions have challengers. Marketers who successfully integrate direct mail into their mix pay close attention to small-batch testing and quickly scale their best results to a wider audience. Just like digital, direct mail responds well to testing, allowing you to manage your campaigns and control expectations and results.



### Where do you start?

Testing begins when you establish an alternative mailing. This tests variables that may help generate even higher response rates and/or lower acquisition/retention costs.

Set yourself up for success by applying these best practices:

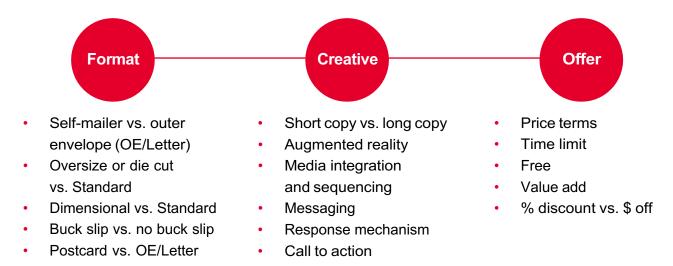
- Have your data provider split your data 80/20 to enable champion vs. challenger tests: 80% = your proven results group (based on prior successes) and 20% = your test group. Keeping test runs small allows you to make the most of your budget as you explore what works best.
- Establish a sample size large enough for statistical significance. We recommend ~250 responses to achieve campaign insights.
- Set up a control group, which will not receive any communications or offers. By measuring the difference between your control and test cells, you will be able to gauge the success of your campaign.
- Gather response data from every customer touchpoint to get a full picture of who is responding to your message: coupons and promo codes, unique landing page/webpage, 1-800 number, address capture (online and offline) and/or content download.

Use this information to get a better understanding of customer journeys. It will help you reach them in the right place with the right message.

Canada Post partners are here to help. Read more on how they can help in Chapter 2.

### What should you test?

Change only one element at a time (format, creative or offer) so you can clearly identify what works best.



### **Tracking and attribution**

Make sure that any point of contact included in your direct mail piece is unique and trackable. There are many ways you can follow and credit the success of your direct mail campaign:

**Coupon and promo codes:** These can drive traffic in-store and online. Use exclusive codes for each direct mail campaign for full attribution.

**MURL:** A smart and easy way to track response is to drive to a marketing URL and landing page with promotional-specific content. This ensures that traffic is directly attributed to your mailing; for example, vegancookies.ca/freesample.

**PURL:** A personalized URL is a unique landing page created especially for each recipient of your direct mail campaign.

**Social media:** Include sharing icons in direct marketing channels and encourage customers to share the offers with others in their network, #greatoffer

**Email and phone number:** Provide dedicated toll-free numbers, email addresses or other points of contact. Using a call tracking phone number on your direct mail offers helps accurately track performance. Setting up a call tracking number is quick and easy. You can pick a local or toll-free number and forward it to your main phone line.

**Augmented reality:** Apply this technology to print. Recipients are encouraged to scan certain areas of a printed ad, catalogue or mailer to access additional content like videos, 3D images or digital games.

**QR codes:** Quick and affordable, these codes can be scanned with a mobile device to drive to video or a landing page. These quick-response codes are particularly effective. (See <u>Chapter 6</u> for more on QR codes.)

It's easy to get bogged down in metrics. A way to avoid this is by staying focused on measuring what really matters: the quality and quantity of responses.

Close the gap between objectives and response by focusing on relevance. Your objectives need to be translated into the context of people to ensure they make sense in real life.

Success doesn't begin and end with dollars. Define success in human terms – the value you will create – to achieve the response you want and then translate this into a direct mail campaign. Focus measurement on this customer-centric definition based on a clear understanding of the role direct mail needs to play in the customer journey.

Measure what matters and ensure that measurement isn't just about outcomes but a tool to test, learn and adapt.

Canada Post partners can help every step of the process. Learn more about how they can help in <u>Chapter 2</u>.

### **Direct mail in action**

Online retailer Wayfair tested the effect of adding direct mail to their digital media. Having identified the most active online shoppers, they targeted new users and retargeted those who'd abandoned carts. The direct mail retargeting response rate was about double that of digital only.

Get the full story and make it yours!





# Chapter 10

### Direct Mail Sustainability

# Injecting sustainability into your marketing process

In a Nielsen survey, 81% of global respondents say it's "extremely" or "very" important that companies implement programs to improve the environment.<sup>12</sup> Connecting with customers means meeting them in their channels, in the context of their lives. When brands demonstrate genuine purpose, they connect with customer values and set the stage for sustainable growth. Sustainability – both environmental and commercial – should be part of every marketer's planning processes.

### **Understanding the numbers**

Paper is one of the most commonly recycled materials in North America and the most widely recycled commodity in the solid waste stream.<sup>8</sup> It can be made of up to 73% recycled<sup>\*</sup> material and recycled up to seven times.<sup>9</sup> Paper recycling rates in Canada are over 70%.<sup>10</sup>

Canada has one of the world's most sustainable forest canopies<sup>\*\*</sup> and one of the lowest deforestation rates. Canadian law requires forestry regeneration for all harvested forests by all industries.<sup>11</sup>

Paper recycling produces fewer greenhouse gas emissions in comparison to many alternative materials.<sup>8</sup> Emissions by the pulp and paper industry have been cut by 60% over the last two decades.<sup>8</sup>



\* Average across the industry.

\*\* In forest ecology, canopy refers to the upper layer or habitat zone, formed by mature tree crowns and including other biological organisms.

### A sustainable media mix

Impactful marketing campaigns need a sustainable media mix. The conversation that revolves around the pros and cons of digital and physical advertising pieces has been going on for years. The problem is, it's not an apples to apples conversation. While there are many undeserved and outdated myths surrounding the environmental impact of paper, direct mail is in fact an important part of a sustainable channel mix. People often overestimate the environmental impact of paper products and underestimate that of digital devices – plus the origin of the power that is used to keep these devices running. Nowadays – from media planning, creative execution, format, printing and paper to data management and fulfillment – not only is direct mail compatible with sustainability, it can also create a sustainable advantage.

### The three Cs of sustainable media

With ad blockers and email opt-outs now common and third-party cookies on their way out, direct mail offers a long-lasting and sustainable media advantage in the mix:

### **C**onnect

Clean data improves targeting – reducing data duplication, returns, production costs, environmental impact – and increases conversions, with fewer customer touchpoints. Data also enables personalization, which improves response rates.

### **C**aptivate

In the decade of the home, physical media formats reach people where important decisions are made. The emotional draw of tangible media can nudge them closer to the buy button. Smaller sizes, lighter formats and sustainable papers, inks and printing processes can also improve brand perception.

### **C**onvert

Direct mail and digital channels are most effective when working together (read more in <u>Chapter 6</u>). It's a more sustainably balanced way of reaching customers everywhere on their journeys. For example, behavioural data and intent signals can trigger direct mail to amplify digital marketing messages so marketers can connect when, where and how it suits their customers.

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# Sustainability best practices for Smartmail Marketing

To help guide your campaigns, we've listed some best practices for sustainable direct mail media:

### Paper and ink specifications<sup>13</sup>

Paper is one of the planet's most renewable natural resources and the most recycled commodity in North America. Our forestry industry also generates one of the lowest greenhouse gas emission levels. Paper production uses renewable energy and by-products.

The good news is your direct mail campaign is already off to a sustainable start. But is there more you can do? Yes, you can amp up the sustainability of your marketing without sacrificing creativity.

Canada's paper industry is regulated by strict environmental laws. Look for third-party certifications like the Forest Stewardship Council (FSC), the Canadian Standards Association (CSA) or Sustainable Forestry Initiative (SFI). Go one step further and use the *FSC FORESTS FOR ALL FOREVER* branding. Consider papers containing ag-fibre (agricultural-waste fibre), which have created an entirely new feed stock for fine printing papers.

If you're feeling ambitious, aim for paper made with elemental-chlorine-free (ECF), virgin-fibre content that meets paper production targets above the forestry industry's sustainability averages.

### Want to learn more?

Go to <u>INCITE Online</u> (YEAR AHEAD issue, 2021, *The Path to Sustainable Media*, p.35) to get tips from some of Canada's leading printing and paper companies about:

- sourcing paper from sustainably managed forests,
- optimizing recycling rates,
- using vegetable-based inks,
- keeping up to date with new technologies,
- how to tap into renewable resources.

### Alternatives to plastic<sup>13</sup>

Some envelopes have plastic windows, magazines are protected by plastic sleeves and flyers are often delivered in a plastic bag to protect contents from natural elements. Difficult to recapture, plastic makes its way into waterways and results in pollution. Where possible, avoid plastic and consider sustainable alternatives.

- 1 Naked mailings, paper wraps and pouches make a great alternative to poly wraps and bags. For example, *National Geographic* now uses paper-based wraps, changing the way publications are processed for mailing.
- **2 Post-consumer recycled plastic (PCRP)** is produced in part from previously used consumer plastic packaging that's been recycled. If you choose plastic, use PCRP to offset the environmental impact of sourcing virgin plastics.
- **3 Compostable plastics** decompose and leave behind no toxic chemicals. When looking for suppliers, ask if their products meet Canadian standards. Check that your target municipality can safely compost these materials.

**Contact an expert:** We're here to help you to navigate alternatives to plastic as you aim to make more sustainable decisions for your business.

10

Keep your eye out for these solutions:



#### **Heavy-duty mailers**

Among other sustainable options, the <u>Conformer Heavy Duty Mailer</u> provides added protection of its contents and is made from FSC Certified paperboard that is 100% recyclable.



#### Plantable paper

This biodegradable eco-paper is made with post-consumer materials and embedded with seeds. Once planted, the seeds grow and the paper composts with zero waste. Combining sustainability with creativity, <u>Bloom Everlasting</u> <u>Chocolate</u> used seed-infused packaging so that consumers could grow mint, roses and chillies depending on the chocolate they'd bought.

### Data hygiene and targeting<sup>13</sup>

Bridging the gap between digital and traditional advertising, strong data hygiene habits play a very important role when it comes to sustainability best practices for direct mail.

By producing fewer, more accurately targeted and validated pieces, you will produce less physical waste and gain more value per piece produced.

Optimize your targeting, identify the right audiences and send them relevant content to increase the effectiveness of your mailings and reduce environmental impact.

### Practice good data hygiene habits

By reducing undeliverable mail, removing duplicate contacts from your data and eliminating wasted printing and postage costs, you'll not only reduce waste but also optimize results.

Use data hygiene solutions like Address Accuracy, National Change of Address (NCOA), de-duplication, deceased suppression and the Canadian Marketing Association (CMA) do-not-mail service to ensure you have accurate and valid addresses.

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### **Profile your customers**

Optimize your campaign by analyzing your first-party data using key characteristics like lifestyle and demographics to fully understand who your best customers are. With this information, you can identify and target prospects with similar traits, avoid mailing to low-probability customers, target the audience most likely to act on your mail piece and eliminate unnecessary waste.

Canada Post has the country's largest geolocation targeting database. Whether or not you have your own data, this third-party data provides you with enriched insights to reach your intended audience.

### Struggling to identify and sort data?

We can help. Contact an expert.

Access free online tools like Precision Targeter to help find your best neighbourhood prospects based on demographic and geographic data.



**Develop insights:** Find the best audiences for your marketing message by analyzing data before and after each campaign to understand who responded and took action. Use data analytics to reveal actionable insights so you can continually optimize your marketing approach. See <u>Chapter 8</u> of Guide.



Leverage Canada Post and partner solutions: We are here to help you on your sustainability journey! Using accurate, current data, we at Canada Post, along with one of our many Smartmail Marketing Partners, can work with you to make your marketing most effective.



### Our commitment to you

Delivering a sustainable future is a priority for Canada Post, so we're creating a plan for a greener future. We've made commitments on climate action, zero waste, sustainable delivery and employee engagement. We're also working with industry leaders as a member of the Sustainable Mail Group (SMG).

You can read more in our latest sustainability report and find our report on efforts to achieve net-zero greenhouse gas emmisions by 2050 at <u>canadapost-postescanada.ca/sustainability</u>.

<sup>8</sup> Two Sides North America. *The Two Sides Team – Myths and Facts*. 2020.

<sup>&</sup>lt;sup>9</sup> Two Sides North America. The Two Sides Team – Paper Facts #6. October 7, 2020.

<sup>&</sup>lt;sup>10</sup> The Paper & Paperboard Packaging Environmental Council (PPEC). Consulted online in 2020 at https://www.ppec-paper.com/.

<sup>&</sup>lt;sup>11</sup> National Resources Canada. Forest Certification in Canada. April 2021.

<sup>&</sup>lt;sup>12</sup> The Conference Board, conducted in collaboration with Nielsen. *Global Consumer Confidence Survey*, Q2. 2017.

<sup>&</sup>lt;sup>13</sup> Canada Post. Smartmail Marketing Sustainability Best Practices. 2019.

# **Direct mail in action**

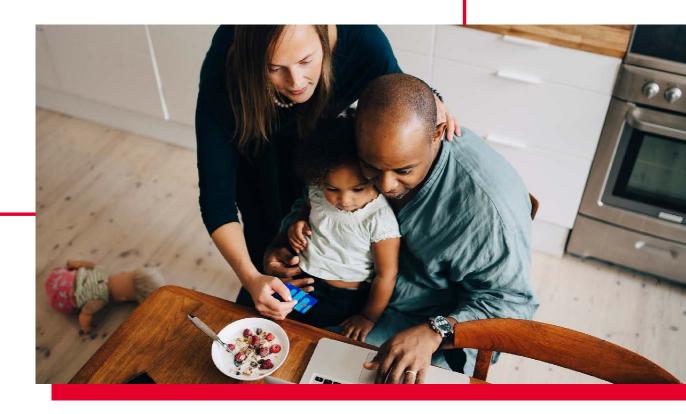
Cheekbone Beauty and HelloFresh both use seeded paper to grow sustainable connections with customers.

Cheekbone reinforced its commitment to sustainable values by including a plantable thank-you note with every *Order*, a tactile reminder to customers of the beauty product's connection to the earth. Customers, in turn, viewed the card as a reflection of their shared values with the brand.

### Explore the thinking behind Cheekbone's strategy.

HelloFresh celebrated Earth Day by bringing the meal-kit delivery company's passion for fresh ingredients into customers' kitchens with a surprise mailing printed on seeded basil paper. Positive feedback went beyond the home and echoed across social media as well.

Discover how customers reacted to HelloFresh's special delivery.



### Bring it all home with direct mail

Direct mail will continue to be a powerful tool in your marketing mix.

As consumer needs, behaviours and attitudes continue to shift, this guide will serve as a powerful resource for you and your business – a toolbox containing insights, best practices, proven processes and innovations that will help you connect with consumers in meaningful ways.

Let us help you. <u>Contact an expert</u> or connect with a <u>Smartmail Marketing Partner</u> for answers to all your questions about direct mail.

P.S. Take advantage of our insights and expertise always available to you:

- Keep up with the latest thinking on <u>our blogs</u>.
- Attend events where we bring industry experts directly to you.
- Immerse in innovative, thought-provoking ideas for marketers by reading our <u>INCITE magazine</u> and blogs.

To get started today, contact:



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