

14.3: Traditional Direct Marketing

Learning Objectives

By the end of this section, you will be able to:

- List and describe the various forms of traditional direct marketing.
- Explain how the digital age has impacted direct marketing.

Forms of Traditional Direct Marketing

Direct marketing involves using communication tools to engage directly with individual consumers and call them to take some marketing action (see Figure 14.2). That action can be a consumer visiting a website or calling a phone number. Ultimately, the goal is to motivate the consumer to make a purchase. If you've received a catalog in the mail or caught yourself watching an entire infomercial about the newest kitchen gadget or gym equipment, you've experienced traditional direct marketing as a consumer.

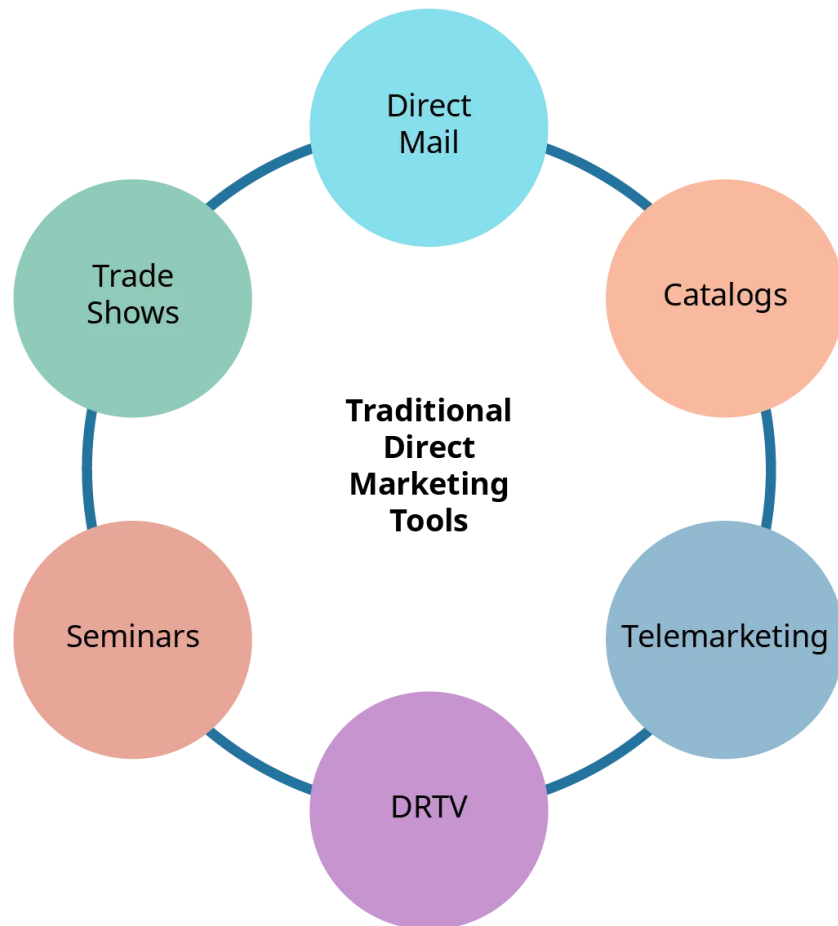


Figure 14.2 Types of Direct Marketing (CC BY 4.0; Rice University & OpenStax)

Direct-Mail Marketing

Direct mail arrives in people's homes every day and is typically delivered by the U.S. Postal Service. When marketers use direct-mail marketing, they communicate promotional messages and offers directly to people's homes or places of business. Examples of direct-mail marketing include postcards featuring an offer, discount, or coupon code. Additional examples include seasonal catalogs and glossy lookbooks presenting the latest fashions.

Like all forms of direct marketing, direct mail is designed to call the consumer to take an action, whether to visit a website, scan a QR code, or call a phone number. It is also highly targeted in that companies can send mail based on demographic characteristics such as age, income, zip code, and buying behavior.

Direct mail has some key advantages over other forms of promotion. First, as consumers are inundated with digital messages, direct mail offers the opportunity to stand out and capture attention. Even mostly digital-facing companies such as Warby Parker (see Figure 14.3) and Casper (mattresses) have added direct mail to their promotion portfolios in an attempt to stand out from other brands.



Figure 14.3 Warby Parker utilizes direct marketing as a way to reach consumers. (credit: “Warby Parker Sunglasses” by Christopher Fields/flickr, CC BY 2.0)

Direct mail also reaches an entire household of people. This is an important advantage for product categories where household members typically discuss and decide on a product together.

Finally, direct mail has the characteristic of lingering. Other forms of promotion, such as advertising and email marketing, don’t have as long a life span as direct mail. According to RetailWire, the average life span of a direct mail piece is 17 days, which means that a household may review that message repeatedly over the life of the mail piece (Ryan, 2019).

The major disadvantage of direct mail is that many consumers consider it junk mail and throw it out without every reading the offer. Also, mail can take time to land in homes. Although the U.S. Postal Service offers speedier delivery options, these come at an increased cost.

Catalog Marketing

Catalog marketing, also known as direct mail order, dates back to the 19th century and is one of the oldest forms of promotion. Catalogs typically include a variety of products that are often vividly displayed in a high-gloss magazine-like format.

Companies such as Lands’ End and IKEA have long used catalogs to entice consumers to call the phone number or visit the website displayed on the catalog. The call to action is precisely what makes catalog marketing direct marketing. Consumers are presented with vivid product images and offers such as free delivery or 20% off if the consumer responds to the call to action.

According to a 2020 article published in *Harvard Business Review*, catalogs are making a comeback. Consumers report being excited to receive a catalog. In fact, response rates for catalogs have jumped 170% over the last decade (Zhang, 2020).

Unlike emails and advertisements, catalogs remain in consumer homes long after they arrive. Companies such as Target and Amazon have used catalog marketing to connect with customers and present featured products across the seasons.

Telemarketing

Telemarketing is a form of direct marketing that involves a company representative placing or answering customer calls to guide the consumer toward making a purchase. During the calls, the representative or agent typically communicates offers to potential customers. Like other forms of direct marketing, the goal is to motivate the consumer to take some action, such as making a purchase or setting up a follow-up appointment.

Telemarketing can be outbound or inbound. With outbound telemarketing, a company representative contacts the prospective customer directly by phone. With inbound telemarketing, demand for the product or service is generated through other channels such as advertising, email, or direct mail. In response to messages delivered through these channels, the customer is motivated to contact the company directly regarding the product or service.

Companies that manage large volumes of calls typically use a call center, a centralized space where agents answer inbound calls and place outbound calls. The call center serves as the centralized location where customer information is collected or confirmed, and then the customer is directed to the right product or service representative. With the explosion in the use of smartphones to search the web, consumers can direct dial from any web page that presents a phone number for contacting the company. Many inbound calls are routed to agents who are located offshore in India and other countries.

Car dealerships often combine telemarketing with online direct marketing tools to connect with buyers interested in a vehicle listed in the dealership's online inventory. The dealership website may invite consumers to complete a form, after which a sales representative will call the consumer to set up a test drive appointment or answer questions about availability.

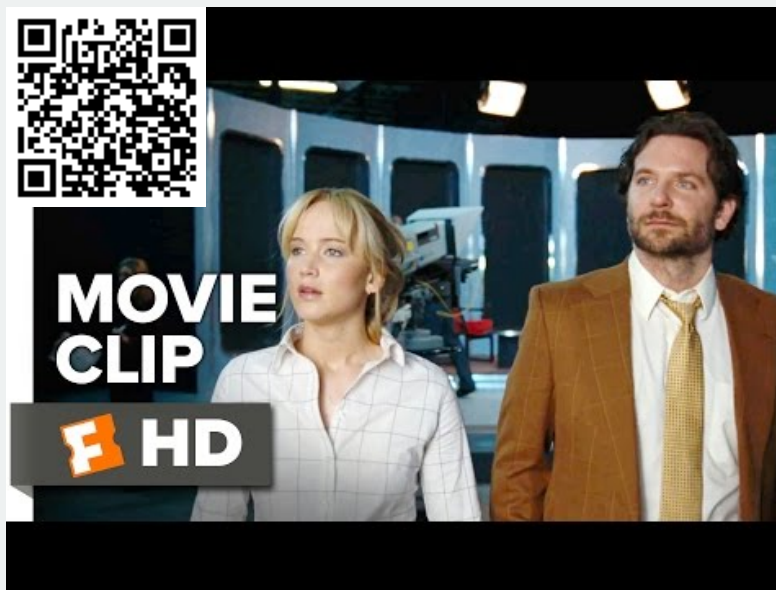
Telemarketing can be effective in cases where the consumer expects a phone call. However, the explosion of unsolicited phone calls from telemarketers has led to a rise in regulation around this direct marketing tool. In 2003, the U.S. government created the National Do Not Call Registry, which bans unsolicited telemarketing calls (Federal Trade Commission Consumer Advice, 2011). Consumers must opt in and give permission for companies to contact them. Businesses that do not comply with the law face a hefty fine for violations.

Direct-Response TV (DRTV)

Direct-response television marketing is a type of direct marketing that is designed to compel viewers to take some immediate action, such as calling a phone number or visiting a website presented during a television commercial. The commercials typically involve a persuasive demonstration of a product, after which consumers are provided with a toll-free number or a website to order. The television stations QVC and HSN are excellent examples of DRTV, selling everything from apparel to appliances.

Link to Learning: DRTV in Action

This movie clip from the film *Joy* starring Jennifer Lawrence as real-life entrepreneur Joy Mangano shows DRTV in action.



DRTV commercials often run 60 or 120 seconds but can be shorter. DRTV commercials that run for 30 minutes or longer are called infomercials. Dollar Shave Club has garnered 27 million views of its famous direct-response television commercial featuring founder Michael Dubin hilariously identifying all the problems with traditional shave products (see Figure 14.4). The commercial features the website domain several times and a clear call to action to the consumer to visit the site to learn more.



Figure 14.4 DRTV marketing compels consumers to take action and is used by the Dollar Shave Club, QVC, and HSN. (credit: “Shave of the Day, 08/21/09” by Dharion/flickr, CC BY 2.0)

Infomercials often feature a spokesperson promoting the benefits of a product. In many cases, there is a persuasive demonstration of the product, and viewers are called to “act now.” Some of the most well-remembered infomercial products include the Snuggie, Magic Bullet, and Proactiv. A carefully executed commercial, coupled with the right product, can generate billions of dollars for companies. Proactiv, for example, rebranded as Alchemee in 2022, generated \$1 billion in sales in 2020 from its famous acne skin-care line (Stych, 2022).

Because it offers the advantage of capturing customers in real time and is easy to measure, DRTV continues to be an effective direct marketing tool.

Seminars

Seminars allow companies to share their expertise and knowledge related to a topic, issue, or industry. These can be done in person or virtually and are a great tactic for developing trust and building relationships with consumers. They have additional advantages, including building greater brand awareness and introducing new products or services, and may ultimately lead to increased sales.

Trade Shows

Trade shows are exhibition events that provide companies the opportunity to present themselves and their products and services to industry peers. Trade shows are suited for the business-to-business (B2B) market and are sponsored and hosted by industry trade organizations. They are an excellent way for industry professionals to network and grow their businesses. They are also wildly popular. For example, one of the most popular trade shows, the Consumer Electronics Show, or CES, attracts thousands of companies that showcase their latest technology. This trade show serves as an intersection for industry professionals in the health, gaming, and automotive spaces, and participants include tech companies such as Google, Microsoft, and E3, among others.

Companies that participate in trade shows can benefit in the following ways. First, trade shows allow company representatives to visit with existing customers to grow current sales and further solidify their partnership. They also give companies a chance to connect with and present to new buyers.

Every year, MailCon brings together marketing professionals, brands, and agencies to discuss the latest trends in email technology, strategy, and automation. Major brands such as Wayfair, Girl Scouts of the USA, Ford Motor Company, and A&E Networks gather to network and learn about advancements in the email marketing space (MailCon, 2022).

Link to Learning: Digital Marketing

Digital marketing reaches customers where they are at—online. HubSpot answers some of the most common questions it gets about [digital marketing in this article](#).

How Has the Digital Age Impacted Marketing?

The digital age has changed how marketers engage with customers and build relationships. Although the traditional channels of print, television, and radio certainly present advantages, the digital age has created opportunities for marketers to engage with consumers in a highly personalized and interactive way.

Online Direct Marketing Defined

Although traditional forms of direct marketing center on engaging directly with consumers through channels such as mail and television, online direct marketing uses a rich collection of digital tools to target individual consumers with an offer that requests a response or action. The online direct marketing tools covered in this section include website marketing, email marketing, content marketing, online video marketing, blogs, and online forums.

LendingTree is a great example of a fintech (financial tech) company disrupting the traditional banking industry. LendingTree has revolutionized the way consumers and banks participate in the lending process. It excels at matching consumers searching for financing with banks looking for qualified customers. It is LendingTree's digital marketing tools that make this matching process possible.

A consumer who searches the web and lands on LendingTree's website is invited to compare quotes and plans that are tailored to their age, income level, and location by filling out an online form. LendingTree then displays consumer-relevant plans and quotes based on their demographics and follows up with an email inviting consumers to view offers from financial institutions. If the customer is a Gmail user, consumers may then see digital ads later on sites such as YouTube and in their Gmail inbox.

Direct Meets Digital: The Evolution of Direct Marketing with Technology

The explosion in internet usage and online shopping coupled with the evolution of digital technologies has resulted in the emergence of online direct marketing. Although traditional forms of direct marketing remain important for engaging with consumers, the channel has evolved as technology has evolved. With 3.5 billion smartphone users worldwide, marketers recognize the value in engaging with consumers through mobile devices. In the United States alone, 65.6% of Americans report that they check smartphones 160 times a day (Georgiev, 2022).

In response to the explosion in smartphones and internet usage, online direct marketing is getting a larger share of advertising spend. In 2020, advertisers spent \$139.8 billion on digital marketing, and that number is expected to grow to \$200 billion by 2025 (Bangah, 2021).

Forms of Online Direct Marketing

There are several online direct marketing tools that can be used (see Figure 14.5). Let's take a look at each tool in the following section.

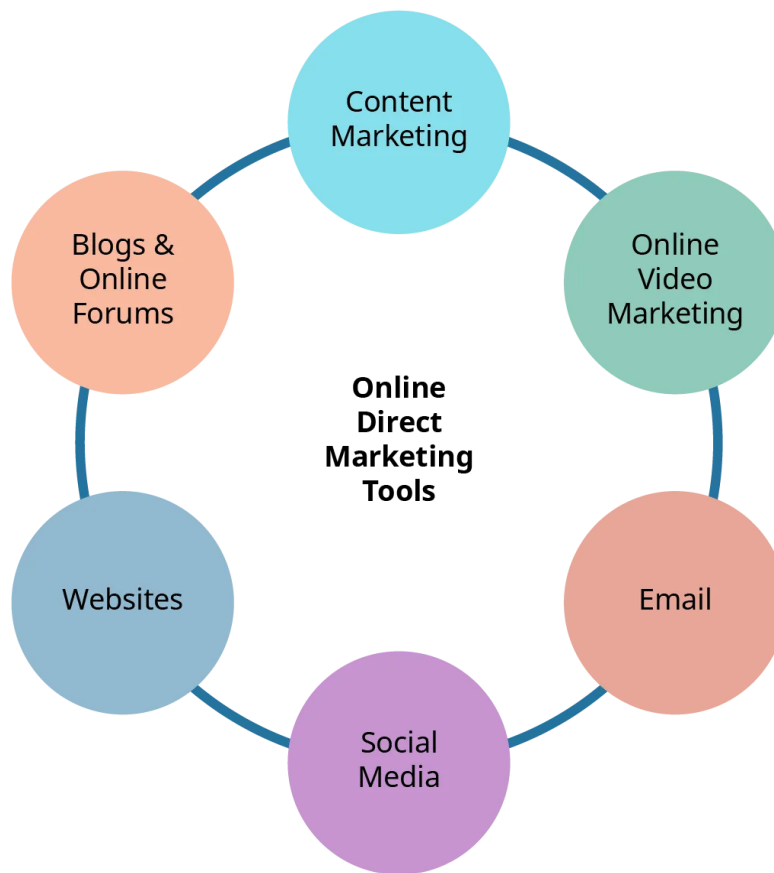


Figure 14.5 Online Direct Marketing Tools (CC BY 4.0; Rice University & OpenStax)

Website Marketing

Website marketing is the promotion of a website that results in driving traffic or visitors to the site to learn more about the product or company or to make a purchase. The purpose of website marketing is to attract online shoppers who may be interested in a company's product or service offering.

Developing a website is one of the most important steps a company can take to establish a digital presence online. Websites serve a variety of purposes. Some are designed to nurture consumers and guide them toward making a purchase, whereas others are designed to facilitate transactions. For example, car manufacturers such as Toyota and Honda use their websites to deliver details and options related to their product lines. Consumers can use interactive tools to change out features and colors based on their preferences; however, consumers would likely visit a dealership to make the actual purchase.

Amazon.com is designed to allow third-party sellers to share product details, reviews, and product comparisons. Its purpose is to facilitate a purchase transaction in which the consumer buys something directly from the site. Shopify has recently emerged as the “anti-Amazon” by offering sellers more than a dozen services ranging from e-commerce websites to inventory management and payment processing.

There are still other websites whose purpose is not transactional but that are designed to build community and engagement among customers. Bleacher Report’s website offers sports articles, game scores, and live sports streaming. Fans are invited to comment and engage with one another regarding the latest sports news. The website also offers the option of signing up for its newsletter delivered to consumers’ email inboxes. Whether it’s to communicate information, facilitate a transaction, or build a community, websites should be designed with a positive user experience (UX) in mind.

Email Marketing

Email marketing is a type of direct marketing that is highly personal and designed to build relationships with consumers. Marketers use email to communicate promotions about products and share relevant content. It offers the advantage of connecting companies with highly targeted consumers at a much lower cost than other channels. Email usage statistics are also impressive, making this channel attractive as an online direct marketing tool.

Email boasts over 4 billion daily users; 99% of people report checking their email on a daily basis (Kirsch, 2022). Given the low cost and high usage rate, email marketing can be a profitable way to connect with customers. Marketers generally send two types of emails: transactional emails and marketing emails. A transactional email is a type of email that is sent to customers following a commercial transaction, such as a purchase or a return. When online shoppers purchase athletic apparel from Dick’s Sporting Goods, they receive an email confirmation confirming the order.

Marketing emails are promotional in nature and typically involve a marketing offer. Old Navy sends marketing emails during major sales events. They feature relevant product categories based on past purchases, often including a coupon code or free-shipping promotion.

Buzzfeed provides another great example of a company that optimizes email marketing to reach subscribers. According to Campaign Monitor, it has created a collection of diverse and audience-catered newsletters that are tailored to the preferences of BuzzFeed’s subscribers (Wildt, 2019). Emails feature relevant articles and funny GIFs that prompt subscribers to visit the site to read more. On average, subscribers who visit the site via email spend more time on the site than visitors from other channels.

Regardless of their email marketing strategy, companies utilize email marketing platforms such as Mailchimp to reach target audiences. Mailchimp is built for growing businesses, and in 2022, it launched a Super Bowl advertising campaign to promote its services. As a martech (marketing technology) company, it offers small businesses tools for guiding consumers through a customer journey to a purchase. Mailchimp’s automation tool allows businesses to send email campaigns based on a consumer’s interaction with an email message. The result is a highly personalized email conversation between the small business and the customer.

Link to Learning: Mailchimp

Learn how Mailchimp’s CEO and cofounder, Ben Chestnut, built and grew the Mailchimp email platform in this podcast: [NPR’s How I Built This with Guy Raz](#).

Check out the 2022 Super Bowl commercial with DJ Khaled here:



Email marketing is also known as permission-based marketing. Permission-based marketing requires that marketers get consent to send email and text messages to consumers before contacting them with a promotional message. Once a consumer opts in to receive an email or text message, they can opt out by clicking on an unsubscribe link or by reply-texting a company to opt out of messages.

Consumers typically opt in to receiving emails when they place an online order so that they may receive order confirmation and shipping updates. In addition, consumers are also opting in to receive other value-added content, such as exclusive discounts, access to a webinar, a free trial, or some other type of value exchange.

Content Marketing

Websites, email, and other forms of online marketing are only as good as the content they carry. Content marketing involves creating and distributing content that is valuable and relevant to a company's target customers. New York-based Dotdash Meredith is a good example of this. The company's digital brands include Verywell, The Spruce, Byrdie, and others. Dotdash Meredith is a unit of Barry Diller's IAC. Company policy: no pop-up ads!

As with other forms of direct marketing, content is about driving customers to take some desired action. Consumers would much rather consume a funny video clip, a highlight reel of their favorite athlete, and an inspiring quote or comment than see banner and pop-up ads. For content marketing to work, it must be useful, relevant, high quality, and engaging to the targeted audience.

When content is delivered through social media, blogs, and email, consumers have the opportunity to engage directly with the company and other content consumers. They can like, share, retweet, and mark as a favorite—all examples of actions taken in response to the content. Marketers can use the data created by these actions to perform sentiment analysis and generate other metrics. The challenge with content marketing is that it is constantly changing. Companies are tasked with constantly updating their content and continuing to tell stories that their audience wants to hear and engage with.

Online Video Marketing

Online video marketing involves creating videos that tell a story about a product, company, or brand designed to drive consumer engagement through activities such as liking, sharing, and retweeting. Video marketing is becoming increasingly popular as a marketing tool because the cost of creating video campaigns has dropped significantly in the last decade due to technological advancements. Biteable, for example, offers marketers a cost-effective way to create brand videos that are quick, simple, and customizable.

Along with the drop in cost to produce online videos, consumer demand for videos has increased. Because of this demand, Instagram, Facebook, and Twitter have pivoted to video-first platforms. Wyzowl's annual State of Video Marketing Survey revealed in 2021 that online video watching has doubled since 2018 and that online marketers "feel positive about the return on investment offered by video more than ever as it continues to strongly influence traffic, leads, sales, and audience understanding" (Hayes, 2023).

Link to Learning: Wyzowl's Survey Found on HubSpot

Read more about the key data points learned by Wyzowl in its 2022 survey. You might be interested to learn that 86% of businesses use video as a marketing tool, 94% of companies believe videos help customers better understand their product, and 99% of video marketers said they will continue using video. [You can find the full report here](#). There's a ton of interesting information!

Blogs and Online Forums

A blog is an online journal of interests, beliefs, or other topics published by a person, a group of people, or an organization. In its early stages, a blog was a personal journal that someone posted to the web. It's since evolved into an online marketing tool that is typically a website or a webpage and serves a variety of purposes.

First, a blog's purpose can be to share valuable and relevant information with targeted audiences. Ultimately, the goal is to attract visitors to the page or site and convert them to customers. In addition, marketers create blog content on sometimes a weekly or even daily basis so that consumers continue to visit the site or the page to access the new content. When the blog content is good, visitors will continue to engage with the articles produced by the company. Ultimately, this helps a company's organic ranking on Google. In Google, your page or website will rank higher on the Google search results page as it grows in popularity and consumers click on it.

Blogs are also a great way to create and nurture online communities, or groups of people with similar interests connecting to one another online.

Customer relationship management company HubSpot is excellent at creating high-quality blog content for marketing and business professionals. It covers an array of professional topics, from marketing to human resources management to communicating effectively in the workplace. Its content ultimately drives visitors to its website, where they'll find a suite of programs designed for marketing, sales, customer service, and operations.

Blogging can be an integral part of a content strategy as long as marketers dedicate time and resources to continue updating the content. Visitors appreciate fresh and relevant information, and delaying the delivery of high-quality content may mean a loss of visitor interest.

Link to Learning: Content Marketing Tools

Learn more about the types of content marketing tools marketers have to work with [by reading this HubSpot article](#). Included are the types you're probably more familiar with, such as blogs and videos, but also discussed are the ones you may not have as much experience with, such as white papers and case studies.

Advantages of Online Direct Marketing

Several key advantages make online direct marketing an attractive tool for marketers. First, online direct marketing is not restricted by geographical boundaries. The Internet is readily available to most consumers globally, making it practical to market around the globe.

Second, online direct marketing is much less expensive than other forms of marketing when considering its global reach. Imagine how expensive it would be to send direct-mail catalogs to customers all over the world. Establishing an online presence by developing a website and creating video and blog content is relatively inexpensive compared with other forms of promotion.

Third, online direct marketing is easy to measure regarding campaign performance. With advertising tools targeted to mass audiences, it isn't easy to attribute a sale to a particular television or radio commercial. With online direct advertising, marketers can track the performance of their campaigns based on consumers' interaction with digital tools such as email, online videos, and a company's website. For example, when Nike creates and posts online video content on YouTube and its website, Nike marketers can track consumers' engagement with that content and the consumer's online journey. Online direct marketing reveals real-time insights into the effectiveness of campaigns compared with more traditional forms of promotion.

Fourth, online direct marketing is highly targeted. Marketers can carefully focus promotion efforts on very specific groups of consumers based on their geography, their social media channel preferences, and other variables. Online direct marketing also allows for retargeting, which occurs when consumers visit different websites but are shown similar ads based on their online consumer behavior.

Finally, online direct marketing allows for real-time interaction between brands and consumers. Consumers may start with a Google search and end with the completion of an online purchase. Throughout the online consumer buying process, marketers have the opportunity to engage with the consumer in real time.

Traditional direct marketing and online direct marketing offer a variety of benefits in connecting marketers to targeted consumers.

Careers In Marketing: Digital Marketer

Digital marketers build and implement a company's online-related activities and sales. Review this job description and list of qualifications from Glassdoor for more details. There are several additional resources that will help you better understand the digital marketing job role and what it will take to get a job in this field:

- Ahrefs—A Source for Digital Marketing Tutorials: “How to Start a Career in Digital Marketing (Step-by-Step)”



- Neil Patel: “How to Get a Digital Marketing Job with No Experience”



- Digital Marketing Institute: “7 of the Hottest Digital Marketing Jobs”
- Indeed: “How to Get a Job in Digital Marketing in 7 Steps”
- American Marketing Association: “5 Reasons to Choose a Digital Marketing Career”

Knowledge Check

It's time to check your knowledge on the concepts presented in this section. Refer to the Answer Key at the end of the book for feedback.

1.

Which of the following best describes the difference between traditional direct marketing and online direct marketing?

- a. Online direct marketing uses digital tools to individually engage with consumers and call them to take some desired action.
Traditional direct marketing does not allow a quick call to action.
- b. Traditional direct marketing is more effective than online direct marketing.
- c. Online direct marketing allows marketers to target consumers based on factors such as their location, age, and income.
Traditional direct marketing can also be based on demographic factors.
- d. Traditional direct marketing channels do not include a call to action, and online direct marketing channels do.

2.

Which of the following best summarizes the cause for the emergence of online direct marketing as a promotion tool?

- a. The explosion of internet usage, online shopping, and smartphone usage and the advancement of digital marketing technologies best explains the emergence of online direct marketing.
- b. Consumers are spending less time watching movies and shows.
- c. Traditional direct marketing tools have gotten too expensive and are no longer effective at engaging customers.
- d. Traditional direct marketing doesn't offer the same degree of message relevance that online direct marketing does.

3.

Which type of marketing involves creating and distributing content that is valuable and relevant to a company's target customers?

- a. Website marketing
- b. Blog marketing
- c. Email marketing
- d. Content marketing

4.

Which form of online marketing is permission-based, meaning that consumers must consent to receiving online messages?

- a. Website marketing
- b. Blog marketing
- c. Content marketing
- d. Email marketing

5.

Which of the following represents an advantage of using online direct marketing tools?

- a. Online direct marketing allows marketers to target consumers globally because of worldwide access to the internet.
- b. Online direct marketing is highly targeted in that marketers can reach customers through a variety of digital channels that are inexpensive compared with other promotion tools.
- c. Online direct marketing allows for easier measurement of ROI on campaigns.
- d. All of these are advantages of online direct marketing.

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