



Insert Media Go Mainstream

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When the Hudson Valley Direct Marketing Association held its Spring meeting on April 7th, the turnout alone proved the premise that Insert Media are "Not Alternative Anymore!" A record 150+ direct marketing professionals came to hear a panel of experts discuss why Insert Media are a vital part of their acquisitions mix.

This meeting was somewhat historic - the first joint venture between HVDMA and the DMA Insert Media Council, which helped coordinate panelists and publicize the event. Featured experts included JoAnna DeGennaro, Director of Package Enclosures at Bookspan ... Jennifer Garcia, Director of Marketing/Customer Acquisition at Scholastic (formerly Grolier) ... and Heather Krueger, Member Acquisitions at BeMusic, Bertelsmann. The event was moderated by Bruce Gold, Exec. VP and co-founder of Madison Direct Marketing. It was sponsored by King Lithographers and Mailers.

After introductions by Rich Mercado, President of HVDMA, the discussion kicked off with all panelists noting that Insert Media are a significant part of their acquisition efforts. Jennifer Garcia called insert programs her "#1 media for volume of new members, particularly since Do Not Call was implemented."

Being that all the panelists dealt in club offers, their criteria for success hinged largely on the "lifetime value of the customer and how it fits with the return," observed JoAnna DeGennaro. She also noted that "with insert media, the margins are razor thin." A variable as small as \$.50 in CPM could mean the difference between success or cutoff. It was also noted that acceptable response rates are much lower than that of solo direct mail - typically measured in tenths of a percent vs. the 2-5% return of solo mailings.

So what can program owners and insert users do to raise their chances for success? They can work together to find value-enhancing opportunities. For example, a company with multiple clubs or offers might "stack offers," buying up several slots within one insert and getting a package deal that lowers the cost per offer.

How large a role does creative play in increasing acquisition rates? It's important, but it all comes down to the offer. As Heather Krueger put it, "Programs fall off

from fatigue, and need to be renewed. It's the offer that really moves the needle." She cited innovative ways to slice and dice BeMusic's standard "12 CDs for the price of one" as helping to boost response, while reducing the incidence of non-pays. Of special note was the effectiveness of the Internet as a means of securing payment; according to Krueger, including a URL in an insert nearly doubled the payment response rate.

In addition to their value in acquisitions, Insert Media were also praised as a means to test the viability of a product launch, before going to more expensive venues such as print media or solo mailings.

As with any advertising or marketing medium, targeting the message helps. For example, offers pitched to an older demographic do better with simple executions and lots of white space. And little touches that renew an offer, such as a colored border, or a touch of color by the order/payment instructions, can lift response.

Another highlight of the meeting took place when HVDMA Board Member Amy Altmann of Boardroom Inc. announced a special scholarship to Linda Emanuele, a list broker to high-tech clients at L.I.S.T. Incorporated in Lake Success, NY. Linda is a graduate-level student in the Mercy College Direct Marketing program. Her excellent work has been an inspiration to her fellow students, and HVDMA was pleased to honor her achievement with a Certificate of Merit and a check for \$1,500. This "extra" scholarship (in addition to the usual December awards) was made possible by the club's growing membership and member participation in fund-raising efforts.