

Guide to Direct Marketing

MARKETING FAQS

Here you'll find answers to some of the most commonly asked questions about marketing to consumers.

At Epsilon, we help our clients engage with consumers just like you. We do this through a variety of marketing channels, like direct mail and email. And we rely on information about consumers to help our clients send you more relevant offers. When companies are able to market directly to you, you benefit by potentially receiving offers that marketers think are of more interest to you.

We have put together the questions and answers below to help you better understand the way we work with our clients and the way your information may be used to provide a more relevant marketing offer or message. If you have more questions, don't hesitate to ask. We're here to listen and help you better understand the benefits of direct marketing and reassure you about the privacy of your information.

What is direct marketing?

Direct marketing is the practice by which businesses and nonprofit organizations market their products, services or causes directly to consumers, based on consumer interests.

Some examples are: direct mail (catalogs, local restaurant menus and free trial deals), telephone, email and internet banner advertising.

What is mass marketing?

Mass marketing is when many consumers receive the same message through mass media, such as broadcast television, radio and newspapers, regardless of consumer interests.

Additionally, items such as flyers and the local grocery store weekly ads that you find in your mailbox are mass marketing. Consumers are unable to opt out of mass marketing but can opt out of direct marketing.

How does direct marketing benefit consumers like me?

Direct marketing is meant to speak directly to you, the consumer. In order to do so, companies need to know about your interests and characteristics. When companies have this type of information, you benefit by receiving special offers and promotions, free services and offers that are more relevant to you.

What is direct marketing?

Direct marketing is the practice of marketing products or services directly to consumers. It is a more personalized approach than traditional mass marketing where all consumers receive the same message through mass media, such as broadcast television, radio and newspapers. It allows businesses and nonprofit organizations to contact you directly about products, services or causes that might interest to you.

HELPFUL INFORMATION

What are some types of direct marketing?

Direct marketing occurs in a number of ways, including postal mailings or "direct mail," telephone contact or "telemarketing," email, text messaging and online advertising.

Direct mail

You may already be familiar with many types of direct marketing delivered through the mail, including catalogs, credit card offers, flyers from local businesses, local restaurant menus, pizzeria coupons and free trial deals.

Telemarketing

Often referred to as telemarketing, companies and nonprofit organizations may contact you by telephone to sell their products or services, or to get support for their causes. For example, a travel company may call you to offer a vacation package.

Email

If you have provided a company with your email address (perhaps you signed up for email newsletters or purchased their products on the internet), the company may send you email advertisements for new products or services, or other offers of interest.

Online advertising

While browsing the internet, you will see banner or "display" advertising. For example, if you read the news online, you may see an advertisement at the top or side of the website. This type of advertising — known as internet banner advertising — can be compared to billboards along the side of a road. As you drive down the freeway, you will see billboards advertising products and services. Similarly, as you browse the internet, you will see ads marketing products and services. Technology enables companies to show you ads that you may find interesting, in the hope that you click on the ad, seek additional information or make a purchase. If you have been searching for hotel rooms in New York City, the next time you're reading the news online or browsing the internet, you may see an advertisement for a New York City hotel and not a hotel in Los Angeles.

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How does direct marketing benefit you?

Direct marketing is meant to speak directly to you, the consumer. In order to do so, companies need to know about your interests and characteristics.

Keeping costs down and developing new and better products

Companies save money and resources by sending direct marketing only to consumers likely to be interested in the offer. Creating, producing and distributing advertisements costs money. In fact, companies typically spend at least 5 percent (and in some cases up to 30 percent) of their annual revenue on advertising. Saving companies money on advertising keeps costs down for products and services and allows companies to focus on developing new and better products for consumers.

Accessing special offers and promotions

Everyone likes a great deal. Direct marketing is a good way for you to receive frequent shopper benefits and other special offers and promotions, such as coupons, free trials and early bird sale notices

Helping small businesses succeed

Without the affordable avenue of direct mail, small businesses wouldn't be able to advertise and build their business. Small businesses are the heart of the U.S. economy and provide jobs. Helping small businesses succeed increases product and service options and contributes to a growing job market.

Delivering advertisements you're interested in

Rather than wasting time, paper and money sending you ads you're not interested in and may even ignore, you will receive ads and information about products you may actually buy. Everyone receives some form of mass marketing (such as weekly grocery specials) that are not based on, or related to, what you actually buy. Wouldn't you rather receive mail advertising for the specific store you shop at? Similarly, while you are browsing the internet, the advertisements displayed will be more personalized, reflecting your specific interests.

Reducing the amount of unwanted mail

When you receive ads only for only things that interest you, you receive less unwanted mail. For example, you would receive fewer catalogs for home furnishings, children's apparel and gardening if you are only interested in motorcycles and fishing. If it weren't for targeted mailings, your mailbox might look like the insert section of the Sunday newspaper.

Providing online services

Search engine sites (such as Google and Yahoo) are free tools that anyone can use, and this is made possible because they display advertisements to you online. Many internet email accounts are free services because companies allow marketers to show ads to you while you check your email.

PURCHASE CATEGORIES

Apparel and accessories

Clothing, shoes, jewelry and accessories.

Home and gifts

Home decor, furniture, bedding and bath, linens, lighting and kitchen accessories, jewelry, seasonal items, collectibles, art gallery and museum merchandise, wine and wine accessories, specialty foods and gift food baskets, religious merchandise, tobacco items and pet supplies.

Sports and hobbies

Recreational and sporting equipment, apparel, accessories, books and magazines, sports logo merchandise and collectibles, arts and crafts supplies and materials, auto parts and accessories.

Home office and electronics

Electronics and accessories, telephones, computer hardware, software, games and accessories, stationery supplies, packages and accessories.

Garden and outdoor patio

Garden and patio décor and furniture, BBQ grills, garden and lawn care products, tools and supplies.

Media

Books and audiobooks, movies, magazines, newsletters, music tapes and CDs.

Health and beauty

Health aids, products, equipment, dietary supplements, décor, apparel, jewelry and gifts, cosmetics, lotions, perfumes, wigs and bath soaps.

Business merchandise

Computers, accessories and equipment, cleaning supplies, storage and organization merchandise, safety equipment, office supplies and accessories, fax machines, copiers, printers, shredders, gourmet food and gifts, stationery, business logos and imprints, business-to-business magazines, newsletters and trade publications.

Household demographic, lifestyle interests and real property information

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SELF-REPORTED INFORMATION

How can I opt out of information sharing?

If you decide you are not interested in the benefits of direct marketing, you can opt out of receiving marketing offers and from having your information shared with companies. There are a number of ways to opt out. Unfortunately, there is no universal way to opt out of all of these methods.

Postal mail

Direct Marketing Association (DMA): The easiest way to opt out of data sharing in the U.S. is to register with the DMA's Mail Preference Service at dmachoice.org. All you have to do is enter your name and address on this site (which you must update every five years, or when you move or change your name), and companies that are members of the DMA and non-members who use this service will remove the matching names and addresses from their databases that are used to send marketing materials to prospect consumers.

Not all marketing companies utilize the DMA list, so registering with this site will not eliminate all unwanted mail, but it will likely reduce the amount. Epsilon is a member of the DMA and we utilize the Mail Preference Service. The DMA also allows you to register deceased family members who may still be receiving mail.

To receive less direct marketing mail in Canada, you can register through the Canadian Marketing Association's Do Not Mail Service at the-cma.org/consumers/do-not-mail.

Telemarketing

The U.S. maintains a National Do Not Call Registry. You can register your personal telephone number(s) so that you do not receive telemarketing calls from for-profit companies. By law, marketers must refrain from contacting you if you have submitted your number to the Do Not Call list.

Website: donotcall.gov

Canadian residents can register for the National Do Not Call list at lnnte-dncl.gc.ca/index-eng.

These national lists do not apply to certain organizations, such as nonprofit, political or polling organizations.

If you already have a business relationship with a company because you purchased from the company or asked for information, you will need to contact the company directly and ask that they no longer contact you by telephone for marketing purposes.

If you receive an unwanted telemarketing call, you should also tell the caller to place you on the company's internal Do Not Call list.

Email

The easiest way to stop unwanted emails is to unsubscribe directly from the unwanted email received. There is usually an unsubscribe link at the bottom of every commercial email, and clicking the unsubscribe link will remove you from that advertiser's email list. You can also visit the company website or send an email requesting removal from the email list. You can tell that company to not share your email address with other marketers as well if you prefer they don't.

Online advertising

You can visit the Digital Advertising Alliance at aboutads.info or the Network Advertising Initiative at networkadvertising.org. Both sites explain how you can prevent the gathering of information about you when browsing the web.

You also have the option of setting your browser to notify you when internet technologies gather information about you, and you can then decide whether or not to allow the gathering. Or, you can change your browser settings to prevent information gathering. Below are links to information on managing preferences with common browsers:

- o Google Chrome:
<http://support.google.com/chrome/bin/answer.py?hl=en&answer=95647>
- o Mozilla Firefox:
<http://support.mozilla.org/en-US/kb/Enabling%20and%20disabling%20cookies>
- o Microsoft Internet Explorer:
<http://windows.microsoft.com/en-us/internet-explorer/delete-manage-cookies#ie=ie-11-win-7>
- o Safari:
<https://support.apple.com/kb/PH21411>

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Individual companies

If you are a customer of a particular company and you would rather opt out of their specific marketing mailings, you can contact them directly and ask to be added to their Do Not Mail list. The DMA list described above does not apply to companies where you are already a customer, therefore you must contact the company directly. You may also ask a company not to share your contact information with third parties for marketing purposes. This means that if you like receiving a catalog from a gardening company but do not want that company to share your name and address with other companies (such as auto supply companies or children's apparel companies), you can contact the gardening company directly and ask to be placed on their Do Not Share list.

By opting out of information sharing, will all unwanted marketing offers stop?

No. By following the steps above, you will see a reduction in unwanted marketing offers, but it won't stop all of them. It may take several weeks or months for an opt-out to go into effect, depending on the planning cycle for the marketing offer.

Advertisers begin their process several months in advance of actually sending a mail piece, so your name and address may have been provided before you opted out.

There are many companies similar to Epsilon that gather information about consumers, and your information may be gathered and shared by a number of different companies for similar marketing purposes. List renting and exchanging is legal and has been a common marketing practice for many years.