



Maximizing Marketing Impact: Why Direct Mail Deserves a Place in Every Multichannel Strategy

White Paper - 11 Min. Read

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Introduction: A renewed focus on direct mail

In an era dominated by digital marketing, direct mail has recently emerged as a high-performing yet often overlooked channel. While digital channels provide scalability and immediate feedback, they often lack the personal touch that resonates deeply with consumers. Direct mail, with its tangible and sensory appeal, fills this gap, offering a unique way to engage audiences and drive meaningful brand performance outcomes. This research paper presents evidence-based insights into the enduring effectiveness of direct mail, its superior return on ad spend (ROAS), and strategies for its integration into modern marketing budgets.

In particular, we leverage a mix of quantitative and qualitative data and rigorous research methodologies—including field studies, campaign-level economic analyses, consumer surveys, and executive interviews—to demonstrate that modern direct mail is not a relic of the past but has evolved as a powerful and measurable driver of customer engagement, loyalty, and profitability in today's competitive marketing landscape.

Research methodology: A robust, multi-method approach

This paper is rooted in comprehensive research involving cutting-edge findings in consumer psychology and neuroscience, multiple data sources and analytical methods. The approach combined:

- **1. Field study:** A controlled field study with a beauty and personal care retailer validated direct mail's ROAS relative to digital channels and its influence on future customer purchasing behaviors.
- 2. Consumer survey: A survey of 260 respondents across diverse demographics assessed consumer preferences and perceptions of direct mail versus digital channels. Key metrics included effectiveness in purchase decision-making, brand discovery, and long-term engagement.

- **3. Agency campaigns analysis:** A detailed economic analysis across campaigns from the direct mail marketing agency CohereOne examined the impact of variables such as direct mail circulation, brand tier, and product category on campaign outcomes.
- **4. Executive interviews:** In-depth interviews with marketing leaders from various industries provided qualitative insights into the strategic challenges and opportunities associated with direct mail.



The measurable impact of direct mail: insights from a field study

To evaluate the effectiveness of direct mail in a highly competitive digital-first landscape, a comprehensive field study was conducted with a mid-tier beauty and personal care retailer. The study aimed to provide empirical evidence of direct mail's performance compared to prominent digital marketing channels, including Google Ads, Amazon Ads, and Facebook Ads. This retailer sought to understand how direct mail could fit into its marketing mix, particularly given the growing skepticism around the declining ROAS of digital platforms.

Key results – direct mail's high ROAs and long-term effectiveness

The study provided clear and compelling evidence of direct mail's efficacy across various metrics:

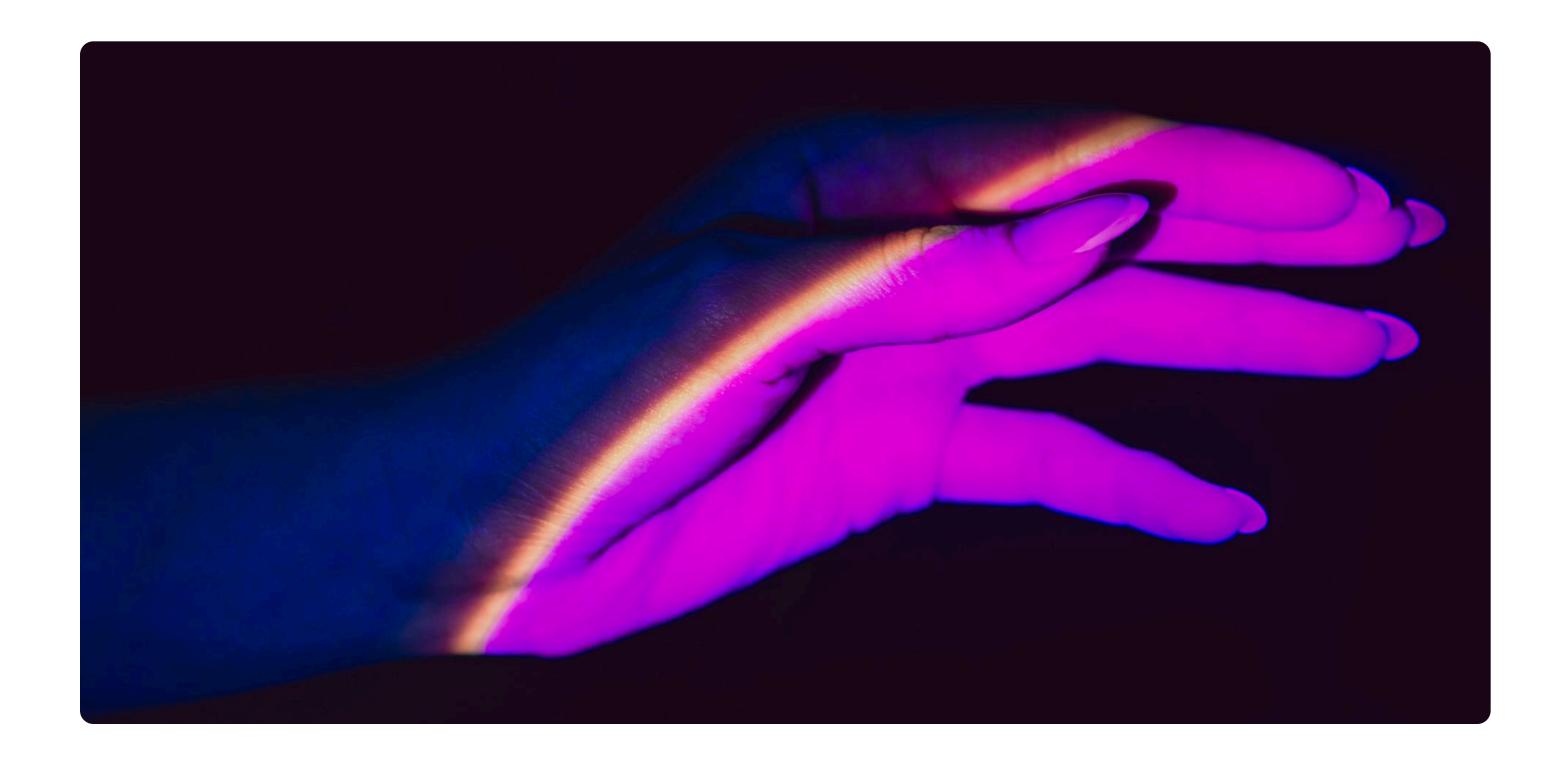
- 1. Return on ad spend (ROAS): ROAS, calculated as the revenue generated for every dollar spent, serves as a standardized metric for comparing channel performance. Direct mail achieved a ROAS of 55%, significantly outperforming Google Ads (21%), Amazon Ads (15%), and Facebook Ads (4.7%).
- 2. Purchase frequency: Customers acquired through direct mail made 2 purchases on average during the study period, surpassing Google Ads (1.95), Amazon Ads (1.75), and Facebook Ads (1.35). The higher frequency indicates deeper brand engagement and repeat interactions.
- **3. Cross-category engagement:** Direct mail recipients were more likely to explore multiple product categories, with 35% purchasing from two or more categories compared to 20% of Google Ads customers. This suggests that direct mail fosters broader brand exploration and cross-selling opportunities.

Enhanced customer engagement

Survey data collected from 260 consumers further validates the efficacy of direct mail. The survey aimed to compare consumer perceptions of direct mail versus digital channels across key metrics such as purchase intent, brand discovery, and long-term engagement. The results were compelling:

- 70% of respondents rated direct mail as "very useful" or "extremely useful" for making purchase decisions, compared to 50% for digital ads.
- 80% of recipients indicated they were more likely to seek additional information about a brand after receiving direct mail.
- Younger consumers (aged 18-34) were 25% more likely to make a purchase after receiving direct mail than older demographics.

These findings highlight direct mail's ability to cut through digital noise, engage younger audiences, and drive both immediate and long-term actions. Additionally, consumers reported that direct mail often feels more personal and trustworthy than digital ads, creating a deeper emotional connection with brands. These results underscore direct mail's ability to deliver superior financial returns for marketers, even in a highly digital marketing ecosystem.



Why direct mail works: The science behind tactile marketing

Direct mail's success can be attributed to its ability to engage multiple senses, creating a memorable and impactful customer experience. Neuroscientific studies reveal:

- Physical materials, such as direct mail, require 21% less cognitive effort to process than digital media, yet they generate stronger emotional responses and higher memory retention.
- The "endowment effect," documented in consumer behavior research, shows that touching a tangible object, such as a catalog, increases perceived ownership and purchase intent.

The psychology of touch, or haptics, plays a critical role in direct mail's effectiveness. When consumers physically interact with marketing materials, their brains process the information more deeply, leading to stronger recall and decision-making. Studies using fMRI technology have demonstrated that direct mail activates regions of the brain associated with emotion and memory more intensely than digital ads. This tactile advantage makes direct mail an indispensable tool for creating lasting impressions.

Moreover, direct mail's physical presence in the consumer's environment provides repeated exposure to the brand. Unlike digital ads, which disappear after a single view, direct mail remains visible, offering multiple opportunities for engagement. This "object permanence" effect reinforces the marketing message over time, contributing to higher brand recall and customer loyalty.

Direct mail as a technology-enabled channel - integrating it into your marketing mix

Personalization and targeting

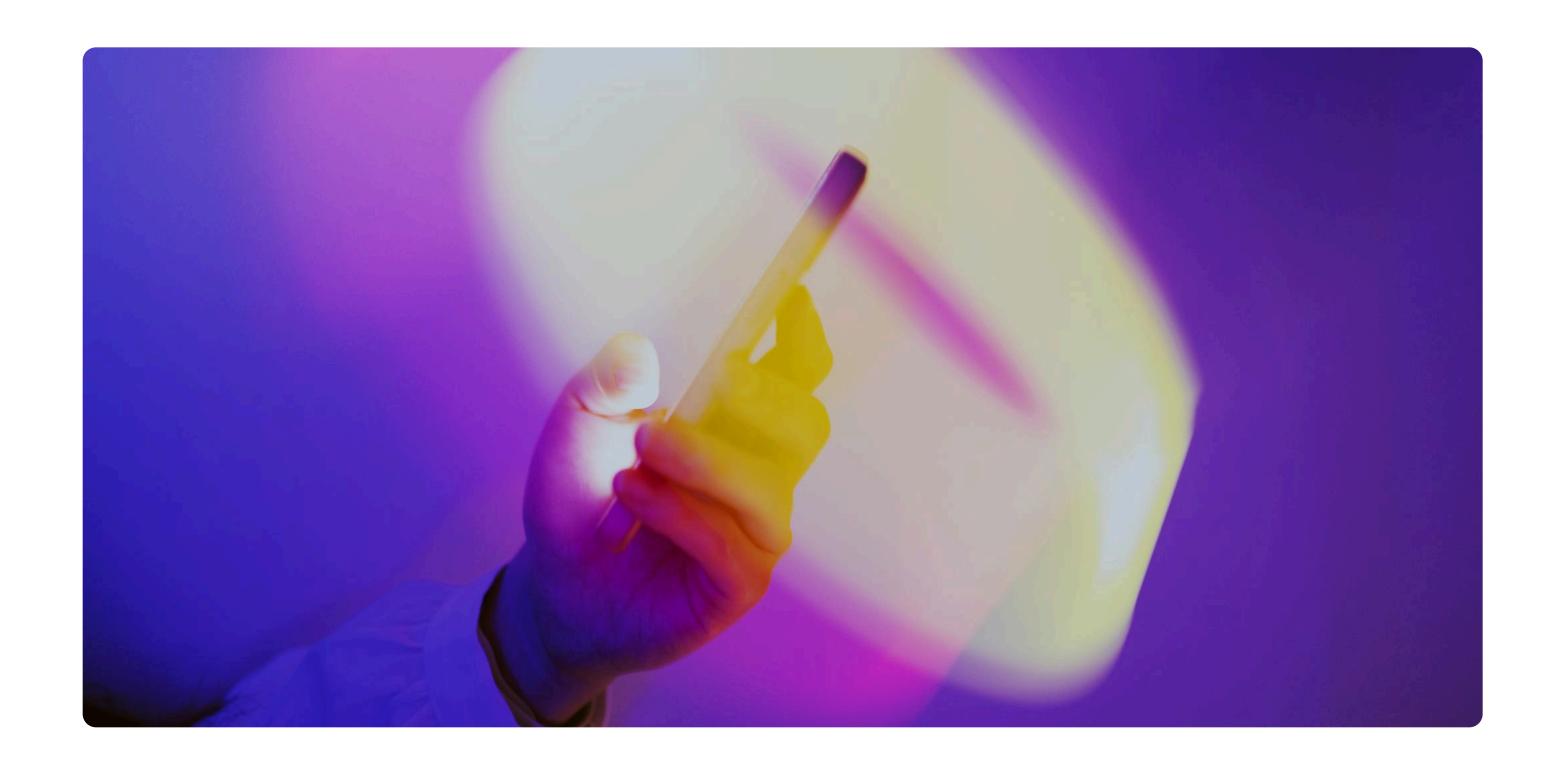
Advances in data analytics and printing technology have made direct mail highly customizable, allowing brands to tailor messaging to specific segments. Techniques such as matchback analyses and programmatic direct mail ensure precise targeting, enhancing campaign efficiency. For instance, house lists (existing customers) consistently outperform prospecting lists in terms of response rates and engagement. By focusing on these high-value segments, marketers can achieve superior returns while minimizing waste.

Personalization goes beyond simply addressing consumers by name. Modern direct mail campaigns leverage behavioral data, purchase history, and preferences to craft highly relevant messages. For example, a beauty retailer might send personalized catalogs featuring products that align with a customer's past purchases, increasing the likelihood of conversion.

Timing and omnichannel synergy

The effectiveness of direct mail is amplified when integrated with digital channels. By synchronizing direct mail drops with digital campaigns, marketers can create a cohesive and seamless customer journey. Examples include:

- Catalogs and brochures serve as long-term marketing anchors, complemented by digital retargeting campaigns.
- Postcards and flyers drive immediate actions, such as flash sales or event attendance.
- Innovations like **Informed Delivery** allow consumers to preview physical mail digitally, creating a bridge between offline and online interactions.



Investigating direct mail effectiveness across marketing campaigns

Direct mail circulation directly translates to increase in revenue

One of the key findings from the CohereOne data economic analysis was the relationship between circulation volume and campaign outcomes. Campaigns with higher circulation volumes exhibited strong elasticities, with a 1% increase in circulation driving a 1.27% increase in revenue on average. The finding underscores the importance of scaling direct mail efforts to maximize reach and engagement, especially during peak shopping seasons or promotional events. This finding suggests that strategic increases in circulation can deliver outsized returns.

Brand equity x direct mail synergy

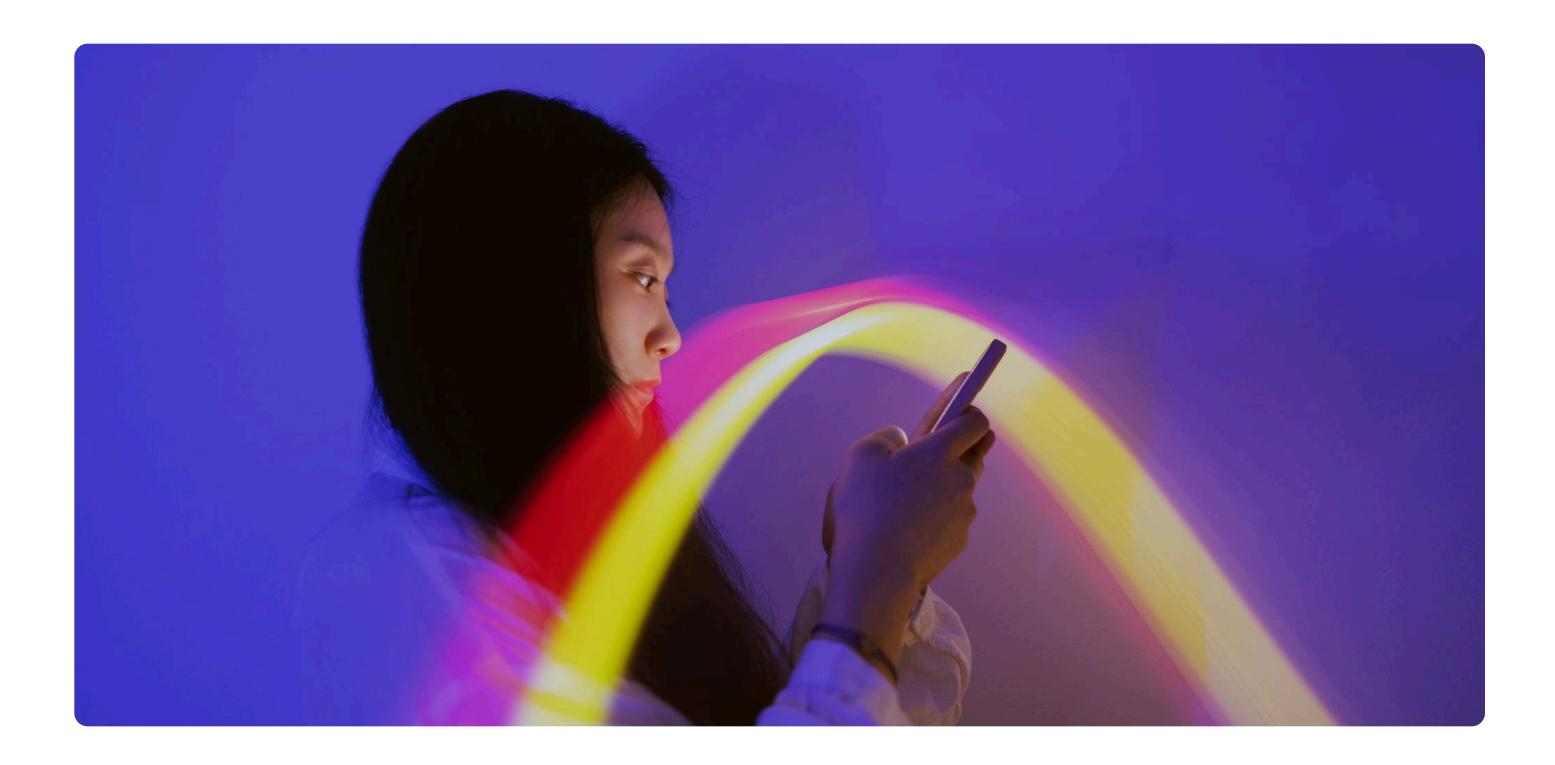
The analysis revealed significant differences in campaign effectiveness based on brand tier. Tier 1 brands—characterized by high brand recognition and established customer loyalty—outperformed Tier 3 brands across all key metrics. For instance, the coefficient in the orders model indicates that being a Tier 3 brand results in 82 fewer orders compared to the baseline (Tier 1), after controlling for other factors. Similarly, the revenue model showed a reduction of \$19,610 in revenue for Tier 3 brands relative to Tier 1.

These findings highlight the synergy of brand equity with direct mail success: brands with high existing brand benefit from their existing customer trust, enabling their campaigns to resonate more effectively with recipients and thus can comfortably conduct mass-market direct mail campaigns. In contrast, unknown brands should focus on niche segments and employing highly customized campaigns can help bridge the performance gap.

Beauty and apparel work the best

Another critical insight from the CohereOne data pertains to the impact of product categories on campaign performance. Apparel campaigns achieved the highest response rates, reflecting the frequent purchase cycles and strong consumer engagement typical of this category. The tactile nature of apparel catalogs—featuring high-quality imagery and curated collections—makes them particularly effective in capturing consumer interest and driving conversions.

In contrast, categories like furniture and outdoor goods exhibited lower direct purchase response rates, likely due to the longer decision-making processes and higher price points associated with these products. However, even in these categories, direct mail proved valuable in nurturing leads and guiding consumers through the purchase journey, particularly when integrated with digital retargeting efforts.

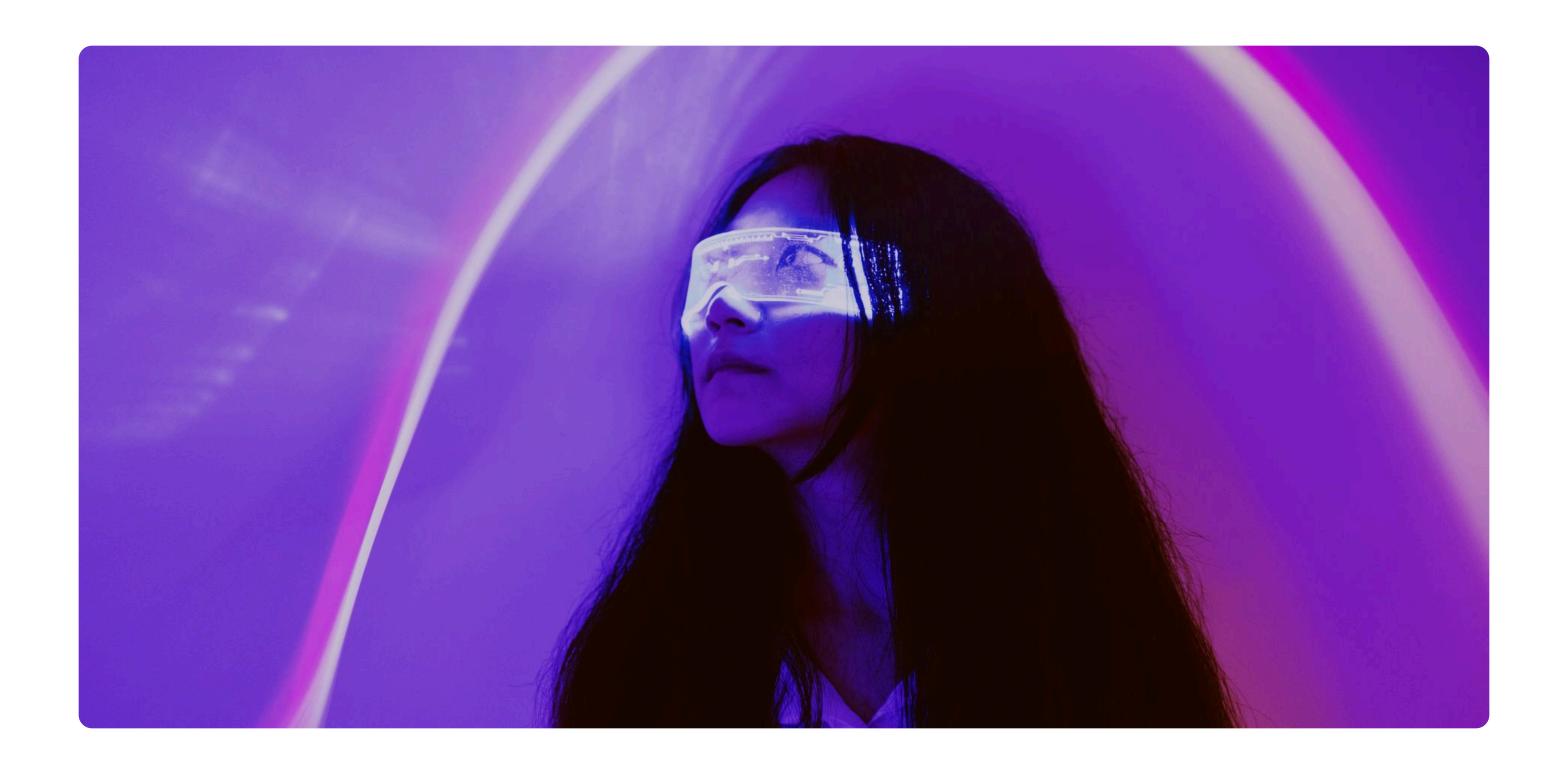


Overcoming measurement challenges

Based on our executive interviews, a key barrier to wider adoption of direct mail has been the difficulty of measuring its impact relative to digital channels. However, well-established methodologies like holdout groups, matchback analyses, and Marketing Mix Modeling (MMM) are closing this gap:

- Holdout groups compare outcomes between recipients and non-recipients, isolating direct mail's contribution.
- · Matchback analyses link purchases to mail recipients, offering precise attribution.
- MMM evaluates how different marketing inputs, including direct mail, interact to drive business outcomes.

These tools enable marketers to quantify direct mail's ROI with greater accuracy, building confidence in its value. For example, a matchback analysis from the field study revealed that direct mail campaigns were directly responsible for over 30% of incremental revenue during the test period. Such insights provide actionable data to justify increased investment in direct mail.



The future of marketing: intelligent marketers should adopt the "digital + direct mail" approach

Direct mail is not a standalone solution but a critical component of a balanced marketing mix. Its tangible, sensory appeal complements digital's precision, creating a holistic customer experience that drives both short-term actions and long-term loyalty. In an increasingly cluttered digital space, the strategic use of direct mail can serve as a differentiator, allowing brands to stand out and create memorable connections with their audiences.

Recommendations for marketers

1. Invest in personalization

The modern consumer expects marketing to feel relevant and personal. Direct mail offers unique opportunities for customization, from tailored messaging to variable content informed by consumer behavior. Brands should leverage advanced analytics and CRM data to create campaigns that resonate with individual recipients. For example, personalized product recommendations or region-specific offers can enhance relevance and engagement. Companies like Wayfair and Restoration Hardware have successfully used personalized catalogs to showcase curated collections, driving both online and offline traffic.

2. Integrate with digital channels

Direct mail works best when used as part of an omnichannel strategy. Marketers should align their direct mail campaigns with digital efforts to create a seamless journey for the customer. Tools like QR codes, personalized URLs (PURLs), and Augmented Reality (AR) features bridge the gap between physical mail and online experiences. For instance, QR codes on a catalog can lead customers directly to product pages or special offers, blending the tactile engagement of print with the convenience of digital shopping.

3. Optimize timing

The timing of direct mail campaigns can significantly impact their effectiveness. Brands should synchronize mail drops with key shopping seasons, promotional events, or product launches. Retailers have seen success aligning direct mail campaigns with major holidays, using catalogs to showcase seasonal collections and drive early purchases. By combining predictive analytics with historical performance data, marketers can refine mailing schedules to maximize impact.

4. Enhance measurement capabilities

One of the barriers to wider adoption of direct mail has been the perceived difficulty in measuring its ROI. However, advancements in attribution methodologies—such as matchback analyses, holdout groups, and Marketing Mix Modeling (MMM)—are enabling more precise evaluations of direct mail's contribution. These tools allow marketers to demonstrate direct mail's impact on both revenue and customer lifetime value, building confidence in its role within the marketing mix.

5. Experiment with innovative formats

Beyond traditional catalogs and postcards, brands should explore newer formats that leverage technological advancements. Programmatic direct mail, for instance, uses digital data to automate and optimize physical mail campaigns in real-time. Similarly, innovations like Informed Delivery provide recipients with a digital preview of their mail, increasing anticipation and engagement. By experimenting with these formats, marketers can stay ahead of the curve and capture the attention of increasingly sophisticated audiences.

A new era of marketing synergy

As the digital landscape becomes more saturated and ROAS from online channels declines, the value of integrating tactile marketing formats like direct mail is becoming increasingly clear. This research has demonstrated that direct mail is not just an effective tool for customer acquisition but a driver of long-term brand loyalty and engagement. With a ROAS significantly outperforming Google Ads and Amazon Ads - direct mail proves its worth as a high-ROI channel that combines measurable outcomes with emotional resonance.

Moreover, direct mail's ability to engage multiple senses and create lasting impressions makes it uniquely positioned to complement digital channels. By blending the personal touch of physical mail with the precision of online targeting, brands can craft a holistic marketing strategy that resonates across demographics and purchase stages.

Call to action for marketers

Marketers must rethink their budgets and strategies to integrate direct mail more effectively. This involves: 1) Allocating sufficient resources for well-designed, data-driven mail campaigns; 2) Training teams to leverage measurement tools and innovative technologies; and 3) Experimenting with new formats to keep campaigns fresh and engaging.

The future of marketing lies in synergy—bridging digital and physical touchpoints to create a cohesive, impactful customer experience. Direct mail is not just a complementary channel but a cornerstone of this vision, delivering both immediate and long-lasting value for brands willing to invest in its potential.

